

KSL

KSL HOLDINGS BERHAD
200001008827 (511433-P)

Annual Report 2024



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Ku Hwa Seng (Executive Chairman)
Khoo Cheng Hai @ Ku Cheng Hai (Group Managing Director)
Ku Tien Sek (Executive Director)
Khoo Lee Feng (Executive Director)
Ku Ek Mei (Executive Director)
Tan Kai Seng (Executive Director)
Pang Ah Kow (Independent Non-Executive Director)
Tan Swee Geok (Independent Non-Executive Director)
Wong Lee Lee (Independent Non-Executive Director)

COMPANY SECRETARIES

Lim Pei Cheng
(SSM PC No. 201908003202)(MAICSA 7071988)

Ng Chui Yen
(SSM PC No. 202208000325)(MIA 23826)

AUDITORS

MORISON LC PLT (AF002469)
Level 11-01, Uptown, 3, Jalan SS 21/39,
Damansara Utama, 47400 Petaling Jaya, Selangor.
Tel: 03-7491419
E-mail: enquiries@morisonlc.com
Website: <https://morisonlc.com/>

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony, No. 5,
Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor, Malaysia
Tel: +603-7890 4700 / Fax: +603-7890 4670
Website: <http://www.boardroomlimited.com>

SOLICITORS

Lee Fook Leong & Co
No. 29, 31 & 33, 1st Floor, (Peti Surat 95),
Jalan Kekwa, 85007 Segamat, Johor Darul Takzim.
Tel: 07-931 3479 / Fax: 07-931 4180

YK Chin
L1-86A, KSL City, No. 33, Jalan Seladang, Taman Abad,
80250 Johor Bahru, Johor Darul Takzim.
Tel: 07-3319939 / Fax: 07-2890039

PRINCIPAL BANKERS

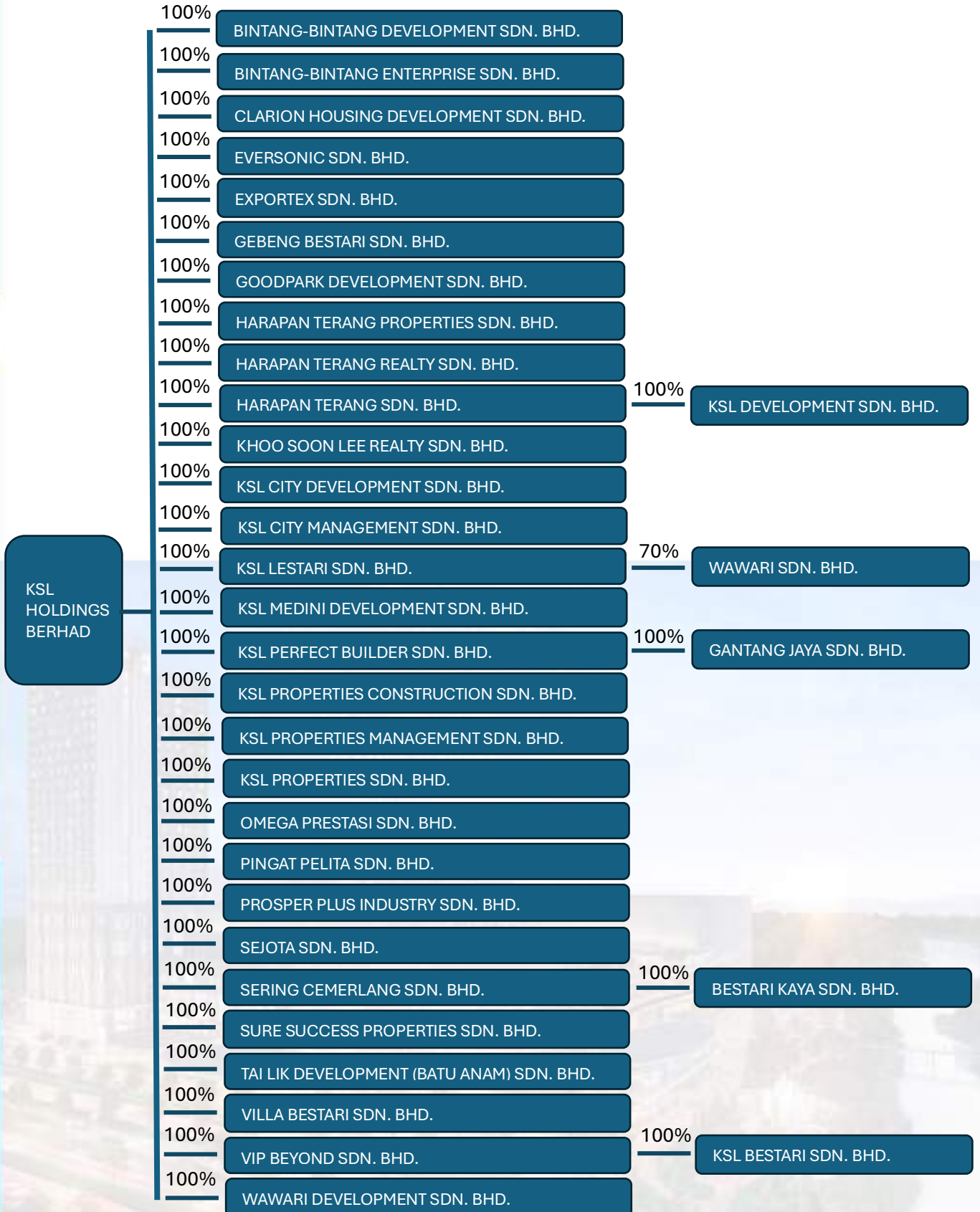
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
AmBank (M) Berhad

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities
Berhad Stock Name: KSL
Stock Code: 5038

CORPORATE STRUCTURE

KSL HOLDINGS BERHAD GROUP OF COMPANIES





Registration No : 200001008827 (511433-P)
(Incorporated in Malaysia)

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting of the Company will be held at KSL Resorts, Level G, Infusion Private Room, 33, Jalan Seladang, Taman Abad, 80250 Johor Bahru, Johor, Malaysia on Tuesday, 27 May 2025 at 11.00 a.m. for the following purposes:-

A G E N D A

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and Auditors' Reports thereon.
2. To approve the payment of the Non-Executive Directors' Fees of RM90,000 and Allowances of RM20,000 for the financial year ending 31 December 2025 until the next AGM of the Company. **Resolution 1**
3. To re-elect the following Directors who are retiring in accordance with Article 93 of the Company's Constitution:-
 - (a) Mr. KHOO CHENG HAI @ KU CHENG HAI **Resolution 2**
 - (b) Mr. KU TIEN SEK **Resolution 3**
 - (c) Ms. WONG LEE LEE **Resolution 4**
4. To re-appoint Messrs. MORISON LC PLT (AF002469), the retiring Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **Resolution 5**
5. To declare a single tier final dividend of 8 sen per ordinary share in respect of the financial year ended 31 December 2024. **Resolution 6**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions:-

6. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Resolution 7**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of shares of the Company (excluding treasury shares) for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until:-

 - (a) the conclusion of the Annual General Meeting held next after the approval was given; or
 - (b) the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given,

whichever occurs first.

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING *(cont'd)*

7. **PROPOSED RENEWAL OF AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES OF THE COMPANY (KSL SHARES) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT PROVIDES SHAREHOLDERS OF THE COMPANY WITH AN OPTION TO REINVEST THEIR CASH DIVIDEND IN NEW KSL SHARES (DIVIDEND REINVESTMENT PLAN)** **Resolution 8**

“**THAT** pursuant to the Dividend Reinvestment Plan (DRP) as approved by the Shareholders at the Extraordinary General Meeting held on 28 November 2014, approval be and is hereby given to the Directors to allot and issue such number of new KSL Shares, from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their sole and absolute discretion, deem fit and in the best interest of the Company **PROVIDED THAT** the issue price of the said new KSL Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5) day volume weighted average market price (VWAMP) of KSL Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors and the Secretaries of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to give full effect to the DRP, with full powers to assent to any conditions, modifications, variations and/or amendments (if any) including amendments, modifications, suspension and termination of the DRP as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities.”

8. To transact any other business appropriate to an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act 2016 and the Company's Constitution.

BY ORDER OF THE BOARD

LIM PEI CHENG (SSM PC No. 201908003202) (MAICSA 7071988)
NG CHUI YEN (SSM PC No. 202208000325) (MIA 23826)
 Company Secretaries

Johor Bahru
 30 April 2025

Notes: -

A. Meeting venue

- (i) *The 25th AGM will be held on a physical mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) to attend physically in person at the Meeting Venue.*

B. Appointment of Proxy

- (i) *Members whose names appear in the Record of Depositors as at 6 May 2025 shall be eligible to attend, speak and vote at the 25th AGM.*
- (ii) *A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints two (2) proxies, the member must specify the proportions of shareholdings to be represented by each proxy.*

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING (cont'd)

B. Appointment of Proxy (cont'd)

- (iii) *The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or if the member is a corporation, shall either be executed under its common seal or under the hand of an officer, or its attorney duly authorised in writing.*
- (iv) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*
- (v) *Where a member of the Company is an authorised nominee as defined under Securities Industry (Central Depositories) Act 1991, it shall not be entitled to appoint more than two (2) proxies to attend and vote at the 25th AGM.*
- (vi) *The instrument appointing a Proxy may be made in hardcopy form or by electronic means as follows and must be deposited not less than forty-eight (48) hours before the time for the Meeting; ie. latest by Friday, 23 May 2025 at 11.00 am:*

Hardcopy

The instrument appointing a Proxy must be deposited at the registered office of the Company at Wisma KSL, 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor, Malaysia not less than forty-eight (48) hours before the time for the Meeting.

Electronically

The duly completed and executed Form of Proxy may be submitted electronically, through proxy@aismartuallearning.com.

C. Explanatory Notes

Audited Financial Statements

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act ("CA") 2016 for discussion only under item 1 of the agenda. They do not require shareholders' approval and hence, will not be put for voting.

Directors' Fees and Benefits (Resolution 1)

The Directors' remuneration (excluding Directors' fees) comprises the allowances and other emoluments payable to Non-Executive Directors. Allowances of RM20,000 are to reimburse Non-Executive Directors' travelling expenses to attend meetings of Company. Payment of benefits to the NEDs will be made by the Company as and when incurred, after they have discharged their responsibilities and rendered their services to the Company of the Relevant Period, based on the proposed benefits, if the proposed Resolution 1 is passed at the forthcoming Annual General Meeting.

Section 230(1) of the CA 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 25th AGM on the Directors' remuneration in resolution as below:

- Resolution 1 on payment of Non-Executive Directors' fees and benefits in respect of the current year 2025 and until the next AGM of the Company ("Relevant Period").

The Board decided that the Non-Executive Directors' fees for financial year ("FY") ended 31 December 2024 be maintained as the previous FY subject to the performance of the Company and the current economy. The remuneration policy for Non-Executive Directors fees is clarified in pages 47 to 48 of the Corporate Governance Report.

Re-election of Directors who retire in accordance with Article 93 of the Company's Constitution (Resolutions 2, 3 and 4)

Article 93 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3). With the current Board's size of Nine (9), three (3) Directors are to retire in accordance with Article 93 of the Company's Constitution.

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING *(cont'd)*

Re-election of Directors who retire in accordance with Article 93 of the Company's Constitution (Resolutions 2, 3 and 4) *(cont'd)*

For the purpose of determining the eligibility of the Directors to stand for re-election at the 25th AGM, the Nominating Committee ("NC") has considered the following:

- (1) The assessment of the individual Director's level of contribution to the Board through each of their skills, experience and strength in qualities; and
- (2) The level of independence demonstrated by each of the Non-Executive Directors ("NEDs"), and their ability to act in the best interests of the Company in decision-making, to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

In line with the Malaysian Code on Corporate Governance ("MCCG"), the Board has conducted an assessment of independence of the NEDs, and also other criteria i.e. character, integrity, competence, experience and time commitment in effectively discharging their respective roles as Directors of the Company. The individual Directors were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance. Each of the NEDs has also provided his/her annual declaration/confirmation of independence bi-annually.

The Board accepted the NC's recommendation that the Directors who retire in accordance with Article 93 of the Company's Constitution are eligible to stand for re-election. All these retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

Re-appointment of Auditors (Resolution 5)

Pursuant to Section 273(b) of the Act, the term of office of the present Auditors, Messrs. MORISON LC PLT, shall lapse at the conclusion of this AGM unless they are re-appointed by the shareholders to continue in office. Messrs. MORISON LC PLT have indicated their willingness to continue their service. The re-appointment of Messrs. MORISON LC PLT as Auditors has been considered against the relevant criteria prescribed by Paragraph 15.21 of the MMLR. This proposed Resolution 5, if passed, will also give the Directors of the Company, the authority to determine the remuneration of the Auditors.

Proposed Single Tier Final Dividend (Resolution 6)

The Board proposed a single tier final dividend of 8 sen per ordinary share in respect of the financial year ended 31 December 2024.

Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 (Resolution 7)

The proposed Resolution 7 above, if passed, will empower the Directors of the Company, from the date of the 25th AGM, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the total number of issued shares of the Company (excluding treasury shares) for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the previous Annual General Meeting. The renewal of general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/ or future investment projects, working capital and/ or acquisitions which the Directors deem necessary and feasible.

Up to date of this Notice, the Company has not issue any shares pursuant to the mandate granted to the Directors as there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING *(cont'd)*

Proposed renewal of authority for Directors to allot and issue new ordinary shares of the Company (KSL Shares) in relation to the Dividend Reinvestment Plan that provides shareholder of the Company with an option to invest their cash dividend in new KSL SHARES (Dividend Reinvestment Plan) (Resolution 8)

The proposed Ordinary Resolution 8, if passed, will give the authority to the Directors to allot and issue new KSL Shares pursuant to the Dividend Reinvestment Plan in respect of the dividends declared from time to time until the next AGM.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd in accordance with Article 63(3) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 6 May 2025. Only a depositor whose name appears on the Record of Depositors as at 6 May 2025 shall be entitled to attend this meeting or appoint proxy/proxies to attend, speak, participate and/or vote in his stead.



KSL
KSL HOLDINGS BERHAD
Registration No : 200001008827 (511433-P)
(Incorporated in Malaysia)

ADMINISTRATIVE GUIDE ANNUAL GENERAL MEETING 2025 (“AGM”)

Meeting Venue	KSL Resorts, Level G, Infusion Private Room, 33, Jalan Seladang, Taman Abad, 80250 Johor Bahru, Johor, Malaysia
Voting Platform	www.vpoll.com.my [Domain Registration No. with MyNIC Berhad: (D1A457149)] provided by AI Smartual Learning Sdn. Bhd. (“AISL”) in Malaysia

1. REGISTRATION PROCESS

1.1 Members are required to pre-register at the following website :-

REGISTRATION : www.vpoll.com.my

1.2 During registration, please provide the following information to be verified to gain admission to the Hybrid 2025 AGM:

- (a) Member’s Name
- (b) Member’s NRIC/Passport No/Registration Number
- (c) Mobile Number
- (d) Email Address
- (e) CDS Account Number

- *Remember to upload a copy of your NRIC (front and back)/Passport/Certificate of Incorporation.*

1.3 An acknowledgement of receipt email will be sent to you after the approval of your registration.

1.4 Members can register on the AGM day, via www.vpoll.com.my.

1.5 Should you register and attend physically on the AGM day, your seat availability shall be subject to the maximum seating capacity at the physical Meeting Venue.

1.6 Your attendance at the AGM, will be subject to verification after the **Cut-off Date** as at 6 May 2025 and the authenticated parties (Members, Proxy Holders and/or Corporate Representatives) will be entitled to attend the AGM.

1.7 On the AGM day,

- i) members attending physically, after registration at the Registration Counter, will be directed to the Meeting Venue; and
- ii) members will need login at www.vpoll.com.my.

2. ENTITLEMENT TO PARTICIPATE AND VOTE

- 2.1 Only Members whose names appear in the Record of Depositors of the Company on the **Cut-off Date** as at the 6 May 2025, shall be entitled to participate and/or vote at the AGM or appoint a proxy/proxies to participate and/or vote on his stead.
- 2.2 Eligible members are required to pre-register at www.vpoll.com.my to ascertain their eligibility to participate and/or vote at the AGM.
- 2.3 All Eligible voters will be required to cast their votes at www.vpoll.com.my.

3. APPOINTMENT OF PROXY(IES) AND/OR CORPORATE / AUTHORISED REPRESENTATIVE(S)

- 3.1 Members may appoint proxy(ies) or corporate/authorised representative(s) to participate and/or vote at the AGM or appoint the Chairperson of the Meeting as his/her proxy by indicating the voting instructions in the Form of Proxy [otherwise the proxy(ies) will vote at his/her discretion] in accordance with the notes and instructions printed therein.
- 3.2 Please ensure that :-
 - i) the duly completed and executed Form of Proxy; or
 - ii) the appointed corporate/authorised representative(s) shall:
 - (a) provide a copy of his/her identity card, email address and mobile phone number, and
 - (b) deposit together with the original evidence of his authority (*eg. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority in English or Bahasa Malaysia*)

is deposited at the location as described below not less than forty-eight (48) hours before the time appointed for holding the AGM ie. latest by Friday, 23 May 2025 at 11.00 am for verification to

**The Poll Administrator,
AI Smartual Learning Sdn. Bhd.**
23-5, Menara Bangkok Bank,
Berjaya Central Park, Jalan Ampang,
50450 Kuala Lumpur, Malaysia.

Alternatively, the duly completed and executed Form of Proxy or Corporate Representative Certificate can also be submitted electronically, through proxy@aismartuallearning.com.

Appointed proxies / corporate/authorised representative(s) are required to pre-register for the RVP at www.vpoll.com.my to ascertain their eligibility to participate and/or vote at the AGM.

- 3.3 If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in the AGM by yourself, please write in to the Poll Administrator or alternatively to submit electronically via email to proxy@aismartuallearning.com to revoke the earlier appointed proxy forty-eight (48) hours before the time appointed for holding the AGM :-

**The Poll Administrator,
AI Smartual Learning Sdn. Bhd.**
23-5, Menara Bangkok Bank,
Berjaya Central Park, Jalan Ampang,
50450 Kuala Lumpur, Malaysia.

- 3.4 Appointed corporate/authorised representative(s) are required to pre-register for the RVP at www.vpoll.com.my to ascertain their eligibility to participate and/or vote at the AGM.

4. SUBMISSION OF QUESTIONS

- 4.1 Members can submit pre-meeting questions in advance prior to the convening of the AGM not later Friday, 23 May 2025 at 11.00 am electronically, through proxy@aismartuallearning.com.
- 4.2 Members can post their questions during the AGM.
- 4.3 The Board will endeavour to answer the questions received at the AGM.

5. VOTING PROCEDURES

- 5.1 The Chairperson of the AGM will announce the allocated time frame for the voting session.
- 5.2 Upon the commencement of the voting session, members, proxies holders or corporate/authorised representative(s) can proceed to vote on the resolutions via RVP through the login at www.vpoll.com.my from various devices such as smart phone, tablet, laptop or computer.
- 5.3 After the voting session concludes, the designated independent scrutineers will validate the poll results, and the Chairperson will announce whether the proposed resolutions were accepted or rejected.

6. ENQUIRY AND TECHNICAL SUPPORT

- 6.1 For enquiries related to the above, please contact the Poll Administrator during office hours from 9.00 am to 5.00 pm (Monday to Friday, excluding public holidays and days on which the office is closed due to regulations imposed by the Malaysian government, if any):

Mobile No : +6011 5682 8172

Email to : proxy@aismartuallearning.com.

7. OTHERS

7.1 Door Gift Distribution

There will be no distribution of gifts or meal vouchers for Members/proxies/corporate representatives who participate in the AGM.

7.2 Recording

NO recording or photography - Unauthorised recording and/or photography are strictly prohibited at the AGM.

7.3 Personal Data Privacy



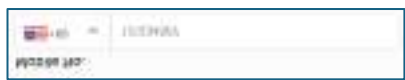






By submitting the duly executed Form of Proxy or Corporate Representative Certificates, the Members and his/her proxy or corporate/authorised representative has consented to our Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM of our Company and any adjournment thereof.

7.4 Other Information

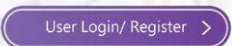
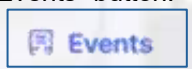




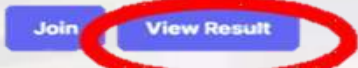

Please refer to Appendix I of this Administrative Guide for further information.

APPENDIX A

PROCEDURE 1 : PRE-EVENT DAY - REGISTRATION AS USER

<p>1. Go to www.vpoll.com.my to access the landing page.</p> <p>2. To register as a user, click on “User Login / Register” button.</p>  <p><i>For shareholders , proxy , invitees login</i></p> <p>3. To register as new user, click on the “Register” button.</p>  <p>4. At the signup page, i) Key in your mobile number.</p>  <p>ii) Then click “Get OTP”.</p>  <p>5. Wait for the OTP in your mobile phone.</p> <p>6. Key in your mobile number.</p> <p>7. Key in the OTP.</p> <p>8. Set up your password.</p> <p>9. Click “Sign-up”.</p> 	<p>10. Re-login as User.</p>  <p><i>For shareholders , proxy , invitees login</i></p> <p>11. Key in your mobile number.</p> <p>12. Key in your password.</p> <p>13. Click “Sign In”</p>  <p>14. Key in your registered email address.</p> <p>15. Key in your NRIC / passport number</p> <p>16. Upload your NRIC (front & back) / passport</p> <p>17. Click “Submit for Verification”.</p>  <p>18. Your registration will be either approve / reject within 12 hours.</p> <p>19. An email will be sent to the user on the approval / rejection.</p> <p>20. If you received a rejection email, please resolve the issue.</p> <p>21. If you received an approval email from mailer@vpoll.com.my, you may login at www.vpoll.com.my.</p> <p>22. After verification, you can see in your account that it has been verified.</p> 
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PROCEDURE 2 : EVENT DAY – VOTING SESSION

<p>1. Go to www.vpoll.com.my to access the landing page.</p> <p>2. Click on the “User Login”.</p>  <p><i>For shareholders , proxy , invitees login</i></p> <p>3. Click on the “Events” button.</p>  <p>4. Choose the Event you would like to attend and click “Join” under the Action column.</p>  <p>5. Your screen will be diverted to the Event page.</p> <p>6. You can only start to vote once the polling starts.</p> <p>7. To vote, click on “Vote”</p> 	<p>8. A box consists of the resolutions to be approved will pop-up on screen.</p> <p>9. Once the polling session starts, the “Vote” button will appear at the bottom box of the resolutions.</p>  <p>11. You can then click either “For”, “Against” or “Abstain”</p>  <p>12. After the polling session ends, you can virtually view the results on screen.</p>  <p>13. The results will be presented as below :</p> 
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Registration No : 200001008827 (511433-P)
(Incorporated in Malaysia)

FORM OF PROXY

I/We, _____ (Full Name), NRIC / Passport / Company
No. _____ of _____

being a member/members of **KSL HOLDINGS BERHAD**, hereby appoint * the Chairman of the meeting or:

Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Email:	Contact:		
Address:			

or failing him/her,

Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Email:	Contact:		
Address:			

* *Strike out if not applicable*

as my/our Proxy(ies) to vote for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held at KSL Resorts, Level G, Infusion Private Room, 33, Jalan Seladang, Taman Abad, 80250 Johor Bahru, Johor, Malaysia on Tuesday, 27 May 2025 at 11.00 a.m. and at any adjournment thereof.

My/Our Proxy(ies) is(are) to vote as indicated below: -

No.	Ordinary Resolutions	For	Against
1.	Approval for the payment of the Non-Executive Directors' Fees and Allowances		
2.	Re-election of Mr. KHOO CHENG HAI @ KU CHENG HAI (Article 93)		
3.	Re-election of Mr. KU TIEN SEK (Article 93)		
4.	Re-election of Ms. WONG LEE LEE (Article 93)		
5.	Re-appointment of Messrs. MORISON LC PLT (AF002469) as Auditors of the Company		
6.	Single tier final dividend of 8 sen per ordinary share		
7.	Authority to Issue and Allot Shares		
8.	Renewal of Authority to Issue and Allot Shares for Dividend Reinvestment Plan		

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given above on the Proxy will vote or abstain at his(her) discretion.]

Dated this day of, 2025

Email	
Contact No.	
CDS Account No.	
No. of Shares Held	

Signature/Common Seal of Member

Fold this flap for sealing

A. Meeting Venue

- (i) *The 25th AGM will be held on a hybrid mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) to attend physically in person at the Meeting Venue.*

Then fold here

B. Appointment of Proxy

- (i) *Members whose names appear in the Record of Depositors as at 6 May 2025 shall be eligible to attend, speak and vote at the 25th AGM.*
- (ii) *A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints two (2) proxies, the member must specify the proportions of shareholdings to be represented by each proxy.*
- (iii) *The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or if the member is a corporation, shall either be executed under its common seal or under the hand of an officer, or its attorney duly authorised in writing.*
- (iv) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*
- (v) *Where a member of the Company is an authorised nominee as defined under Securities Industry (Central Depositories) Act 1991, it shall not be entitled to appoint more than two (2) proxies to attend and vote at the 25th AGM.*
- (vi) *The instrument appointing a Proxy may be made in hardcopy form or by electronic means as follows and must be deposited not less than forty-eight (48) hours before the time for the Meeting; ie. latest by Friday, 23 May 2025 at 11.00 am:*

Hardcopy

The instrument appointing a Proxy must be deposited at the registered office of the Company at Wisma KSL, 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor, Malaysia not less than forty-eight (48) hours before the time for the Meeting; or

Electronically

The duly completed and executed Form of Proxy may be submitted electronically, through proxy@aismartuallearning.com.

fold here

The Company Secretary
KSL HOLDINGS BERHAD
Registration No. 200001008827 (511433-P)
Wisma KSL, 148, Batu 1½,
Jalan Buloh Kasap,
85000 Segamat,
Johor, Malaysia

STAMP

CHAIRMAN'S STATEMENT

Dear Esteemed Shareholders,

It is with immense pride and gratitude that I present to you the Chairman's Statement for the financial year ended 31 December 2024. This year, KSL Holdings Berhad has continued its trajectory of success, achieving new heights in performance and reinforcing its reputation as one of Malaysia's foremost property developers.

Record-High Performance

We are delighted to report that 2024 marked another record-breaking year for KSL Holdings Berhad. For the second consecutive year, we achieved an all-time high annual profit. Our net profit for the full year soared to RM472.1 million, a 13.3% increase from RM416.8 million in the previous year. Annual revenue also rose by an impressive 21% to RM1.38 billion, compared to RM1.14 billion in FY2023. These results were primarily driven by robust sales at our flagship developments in Johor Bahru, Kluang, and Klang—testament to the market's enduring confidence in our offerings.

Resilience Amid Challenges

While the year presented its challenges, including global geopolitical uncertainties and inflationary pressures on construction costs, our strategic planning and operational efficiency enabled us to navigate these complexities effectively. By maintaining focus on our core strengths and leveraging opportunities in a rapidly evolving economic landscape, we have continued to deliver sustainable growth.

Economic Outlook and Strategic Direction

Looking forward, the Malaysian economy is anticipated to experience an upswing, bolstered by robust domestic spending, enhanced tourism activities, and the momentum of multi-year infrastructure projects under national master plans. These factors present a favorable environment for the property sector, and we are optimistic about the opportunities they will bring.

At KSL Holdings Berhad, we remain steadfast in our commitment to innovation and excellence. We will continue to expand our footprint, launch iconic developments, and adopt sustainable practices that align with our vision of creating enduring value for all stakeholders.

Gratitude and Acknowledgment

Our achievements in 2024 would not have been possible without the dedication and hard work of our employees, the trust of our shareholders, and the loyalty of our customers. To our business partners and government bodies, we extend our deepest appreciation for your unwavering support and collaboration.

In light of the Group's solid financial performance for the financial year ended 31 December 2024, the Board is pleased to propose a final dividend of 8 sen per ordinary share, subject to shareholders' approval at the forthcoming Annual General Meeting. This proposed dividend reflects our commitment to delivering sustainable value and rewarding our shareholders for their continued trust and support.

As we embark on 2025, I am confident that KSL Holdings Berhad is well-positioned to embrace future opportunities and overcome challenges. Together, let us build on this solid foundation and achieve greater heights of success.

For and on behalf of KSL Holdings Berhad
Ku Hwa Seng
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overview of the Group's Business and Operations

We present the **Management Discussion and Analysis ("MD&A")** for the financial year ended **31 December 2024**, highlighting the Group's performance, strategic achievements, and resilience in navigating an evolving property market landscape.

Global and Domestic Economic Backdrop

The year **2024** was characterized by **moderating inflation, stabilizing interest rates, and cautious economic growth** across global markets. Malaysia's economy remained resilient, supported by **steady domestic consumption, improved foreign direct investment (FDI) inflows, and ongoing infrastructure developments**.

In the **property sector**, demand was bolstered by:

- **Government initiatives** under Budget 2024, including extended homeownership campaigns and targeted affordable housing schemes.
- **The revival of major infrastructure projects** (e.g., Johor-Singapore Special Economic Zone, MRT3, and East Coast Rail Link).
- **Sustained demand for mid-range and affordable homes**, particularly in growth corridors like Johor, the Klang Valley, and Penang.

Group Performance and Strategic Execution

In **2024**, the Group focused on:

- ✓ **Enhancing operational efficiency** through digitalization and lean construction practices.
- ✓ **Strengthening financial discipline** with optimized cost controls and working capital management.
- ✓ **Expanding our landbank** in strategic locations to support future pipeline developments.
- ✓ **Advancing ESG commitments**, including green building certifications and energy-efficient designs.

Market Outlook & Strategic Priorities

Moving into **2025**, we remain cautiously optimistic, supported by:

- ◆ **Continued government support** for affordable housing and first-time homebuyers.
- ◆ **Infrastructure-led growth**, particularly in Johor and the Klang Valley.
- ◆ **Sustainable urbanization trends**, driving demand for well-connected, community centric developments.



MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

2. Financial Performance (2024 vs. 2023)

Revenue & Profitability

Metric	FY2024 (RM)	FY2023 (RM)	Change (%)
Revenue	1,376.7	1,141.6	20.6% ▲
Pre-Tax Profit	619.4	535.0	15.8% ▲
Net Profit	472.1	416.8	13.3% ▲

Key Drivers:

- **Higher revenue recognition** from completed projects (KSL Residence 2 @ Kangkar Tebrau and Taman Mutiara Bestari).
- **Improved margins** due to cost optimization and favorable material pricing.
- **Stable contribution** from recurring income (property investment segment).

Segmental Breakdown

- **Property Development:** 81% of total revenue (FY2023: 82%)
- **Property Investment:** 18% of total revenue (FY2023: 17%)

Balance Sheet & Shareholders' Equity

- **Total assets:** RM5.0 billion (FY2023: RM4.0 billion)
- **Shareholders' equity:** RM4.18 billion (FY2023: RM3.71 billion)
- **Net gearing ratio:** 0.11 (FY2023: N/A)

◆ **No share buybacks** were conducted in 2024.

3. Operating Activities, Risks & Future Outlook

3.1 Property Development

2024 Market Dynamics:

- **Residential demand** remained steady, particularly for **affordable and mid-range homes**.
- **Budget 2024 measures**, such as stamp duty exemptions and PR1MA financing support, aided market recovery.

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

3. Operating Activities, Risks & Future Outlook (cont'd)

3.1 Property Development (cont'd)



Group Strategy:

- **Focus on mid-market landed and high-rise projects** in high-demand areas.
- **Leverage digital sales platforms** to enhance customer reach.
- **Monitor policy changes** (e.g., housing loan policies, OPR adjustments).

3.2 Property Investment

2024 Trends:

- **Retail sector recovery** with improved footfall post-pandemic.
- **Office market softness** due to hybrid work trends, but prime assets remained resilient.
- **Industrial & logistics growth**, driven by e-commerce expansion.

Group Strategy:

- **Optimize occupancy rates** through tenant retention strategies.
- **Explore asset enhancement initiatives (AEIs)** for older commercial properties.
- **Monitor tourism revival impact** on retail and hospitality assets.

Key Risks & Mitigation

Risk	Mitigation Strategy
Economic slowdown	Diversify project portfolio, focus on affordable housing.
Construction delays	Strengthen contractor partnerships, adopt modular construction.
Regulatory changes	Proactive engagement with policymakers, scenario planning.

2025 Outlook

- ✓ **Stable demand** in core residential markets.
- ✓ **Infrastructure-driven opportunities** in Johor, Klang Valley.
- ✓ **Continued focus on ESG and digital transformation.**

Conclusion

The Group remains well-positioned to capitalize on **Malaysia’s property market recovery**, supported by a **strong balance sheet, strategic landbank, and disciplined execution**. We thank our stakeholders for their continued trust and look forward to delivering sustainable growth in 2025.

In recognition of this achievement and to reward our shareholders for their continued support, the Board has proposed a final dividend of 8 sen per ordinary share, subject to approval at the upcoming Annual General Meeting.

REVIEW OF OPERATIONS

Despite challenging conditions in the property sector, KSLH demonstrated commendable performance during the year under review.

A. PROPERTY DEVELOPMENT

Property development remained the primary top-line revenue contributor for the Group during the year under review. Revenue from this segment was recorded at RM1,120 million for FY2024, reflecting a significant increase compared to RM 935 million in 2023.

For the year under review, KSLH has highlighted several ongoing projects at various stages of construction in Johor and Klang.

A.1 JOHOR BAHRU

A.1.1 Taman Bestari Indah

Taman Bestari Indah is a mixed development township featuring both residential and commercial buildings. The project is located just 20 kilometres from Johor Bahru City Centre and offers convenient access to major highways such as the Tebrau Highway, Pasir Gudang Highway, and Senai-Desaru Highway.

Residents of the township benefit from a wide range of nearby amenities, including shopping complexes like AEON and Tesco, recreational facilities such as Johor Jaya Sports Complex, Austin Hill Country Club, and Ponderosa Golf & Country Club, medical centres like Hospital Sultan Ismail, as well as educational institutions including Sunway College and Institute KTC.

Taman Bestari Indah's Zone D Phase 3 was fully completed this year and comprises 151 units of two-storey terrace houses. Zone D Phase 3A, consisting of 153 units of two-storey terrace houses, is currently under active construction and is expected to be completed in the third quarter of 2025. Zone F Phases 1 and 2, collectively known as Aurora, include 398 units of two-storey terrace houses. These phases are also under active construction, with completion targeted for the fourth quarter of 2026.

A.1.2 KSL Residence 2 @ Kangkar Tebrau

KSL Residences 2 @ Kangkar Tebrau is a high-rise residential development located at Jalan Kangkar Tebrau. It comprises five towers of serviced apartments with a total of 2,068 units, ranging in size from 463 sq. ft. to 883 sq. ft., along with 28 retail shop units. All five towers of the serviced apartments are currently open for sale.

KSL Residences 2 @ Kangkar Tebrau is situated in the Kangkar Tebrau locality of Johor Bahru, just off the Pasir Gudang Highway and approximately 12 kilometres north of Johor Bahru city centre. The development enjoys excellent connectivity through major roads, offering easy access from Johor Bahru, Pasir Gudang, and the PLUS Highway. Access to the property from Johor Bahru city centre is via Jalan Tebrau and Jalan Kangkar Tebrau, while it is also reachable from the Pasir Gudang Highway through the Taman Daya Interchange, Jalan Daya, and Jalan Kangkar Tebrau.

The location was strategically chosen to prioritize convenience and functionality. The amenities in the surrounding area complement the in-house facilities, ensuring that both the daily and recreational needs of residents are well catered for.

The project was fully completed in the third quarter of 2024 and has been awarded the Certificate of Completion and Compliance (CCC).

REVIEW OF OPERATIONS *(cont'd)*

A. PROPERTY DEVELOPMENT *(cont'd)*

A.1 JOHOR BAHRU *(cont'd)*

A.1.3 Pangsapuri @ Bukit Gemilang

KSL Bukit Gemilang was officially launched in January 2023. This high-rise residential and commercial development comes with a 991-year leasehold tenure. Situated in Taman Bukit Gemilang, Skudai, it consists of two apartment towers featuring 476 units, ranging from 850 sq.ft. to 915 sq.ft., alongside 24 ground-floor shop lots spanning 1,876 sq.ft. to 3,634 sq.ft.

The strategic location of Taman Bukit Gemilang offers residents easy access to major highways, including the North-South Expressway, Skudai-Pontian Highway, and the Second Link Expressway. Additionally, its proximity to amenities such as Lotus, Mydin, Sutera Mall, and Paradigm Mall Johor Bahru enhances convenience. Healthcare facilities like Columbia Asia Hospital and Gleneagles Medini Hospital are also within a 15-minute drive.

The residential units feature three-bedroom layouts with modern concepts and practical designs, ensuring a comfortable living experience. Residents can enjoy a range of lifestyle facilities, including a swimming pool, gym, playground, multipurpose hall, and 24-hour security.

Currently, Pangsapuri KSL Bukit Gemilang is under construction, with completion targeted for 2025.

A.1.4 KSL Pulai Bestari

KSL Pulai Bestari is a 190-acre mixed-development township featuring both residential and commercial properties, designed to provide a full range of amenities and facilities for residents. The township is strategically located in Pulai, Johor, a beautiful residential area that offers easy access to the Skudai-Pontian Highway.

Phase 1 of KSL Pulai Bestari, launched in June 2023, consists of 183 units of two-storey terrace houses. These homes boast spacious living areas and modern designs, catering to families seeking comfort and security. This phase is scheduled for completion in 2025.

Phase 2A, officially launched in March 2024, is a two-storey cluster house development comprising 325 units. Notable features of this phase include a spacious car porch and ceilings soaring 15 feet high, offering a unique and luxurious living experience.

Looking ahead, Phase 3 of KSL Pulai Bestari will feature 240 units of two-storey terrace houses. This phase is set to launch in the second quarter of 2025.

The KSL Pulai Bestari township is poised for continued growth, with additional developments planned in the coming years.

REVIEW OF OPERATIONS *(cont'd)*

A. PROPERTY DEVELOPMENT *(cont'd)*

A.1 JOHOR BAHRU *(cont'd)*

A.1.5 KSL Alma

Spread across two elegant blocks, it offers more than just residential spaces—it presents a lifestyle statement for those who value modern aesthetics and unparalleled convenience. Comprising 1,148 residential units and 16 retail shops, this development offers the perfect balance of comfortable living and easy access to amenities, making it an ideal choice for a vibrant, connected lifestyle.

KSL Alma is a brand-new township offering a perfect blend of comfort and convenience. Adjacent to the iconic Stadium Sultan Ibrahim and situated along the Malaysia-Singapore Second Link, KSL Alma spans 84 acres, promising to be a prominent mixed-use development in the region. This vibrant township will feature modern high-rises, tranquil landed homes, dynamic commercial lots, and a wide range of facilities designed to support an active lifestyle. With an interchange providing connectivity to major highways, KSL Alma is set to transform how you live, work, and play.

Phase 1 and Phase 2 of KSL Alma were launched in January and March 2024, respectively. These phases include two types of double-storey terrace houses, measuring 20' x 70' and 22' x 70', totaling 329 units.

The highly anticipated KSL Ceros Residences is scheduled for launch in the second quarter of 2025. Spanning across two elegant blocks, it offers more than just residential spaces—it embodies a lifestyle statement for those who value the harmony of modern design and exceptional convenience. Featuring 1,148 residential units and 16 retail shops, the development delivers an ideal balance of comfortable living and seamless access to amenities, making it perfect for individuals seeking a dynamic and well-connected lifestyle.

A.1.6 Taman Puncak Tropicana

KSL Azalea Heights is a double-storey terrace house project located in Taman Puncak Tropicana, developed by KSL Group. Its prime location ensures excellent connectivity, with easy access to the Malaysia-Singapore Second Link, making it ideal for frequent commuters.

Phase 2C of KSL Azalea Heights was officially launched in June 2024. The project is divided into multiple phases and comprises a total of 628 double-storey terrace houses, available in sizes of 20' x 70' and 22' x 70'.

A.1.7 Taman Kempas Indah



Taman Kempas Indah is a well-planned 237-acre township in Johor Bahru, offering a mix of bungalows, cluster houses, and serviced apartments. With seamless connectivity to key locations such as the North-South Expressway, EDL Highway, and the Customs, Immigration & Quarantine Complex (CIQ) to Singapore, residents benefit from convenient travel and accessibility. Following the success of D'Secret Garden, we are

excited to launch D'Secret Garden 2 in this vibrant location.

D'Secret Garden 2 is a modern and affordable serviced apartment development designed to cater to young professionals, families, and Malaysians working in Singapore. With thoughtfully designed layouts, contemporary finishes, and a range of comprehensive facilities, it offers a convenient and comfortable lifestyle. The development features a total of 3,352 serviced apartment units, with sizes ranging from 420 sq.ft. to 893 sq.ft., providing an accessible homeownership option for those seeking both quality and convenience.

REVIEW OF OPERATIONS (*cont'd*)

A. PROPERTY DEVELOPMENT (*cont'd*)

A.2 KLUANG

A.2.1 Taman Mengkibol

Taman Mengkibol is a sprawling 249-acre township featuring single-storey terrace houses, double-storey terrace houses, affordable homes under the “Rumah Mampu Milik Johor (RMMJ)” program, as well as double-storey and three-storey shop offices. Located just 3 kilometers from Kluang Town, the township enjoys excellent accessibility via the North-South Highway and several main roads. It can be conveniently accessed from Ayer Hitam through Jalan Batu Pahat, Jalan Besar, and Jalan Mengkibol, as well as from Simpang Renggam through Jalan Simpang Renggam and Jalan Kluang Renggam.

Nearby commercial complexes include Dees Mart, Target Grand Hypermarket, and Lotus Hypermarket, all situated within 3 kilometers of the development. Additionally, Kluang Mall, Kluang Parade, Target Hypermarket, AEON Big Hypermarket, and Econsave Hypermarket are located within a radius of 5 to 8 kilometers.

The group is developing Taman Mengkibol in various phases. As of 2024, 72 single-storey terrace houses have been completed. In the same year, a new phase of “Rumah Mampu Milik Johor” was launched, with completion targeted for the first quarter of 2026.

A.3 SEGAMAT

All these projects are in prime areas, offering convenient access via main roads and seamlessly integrated with established, mature housing estates.

A.3.1 Taman Tasik Sejati @ Yayasan

Taman Tasik Sejati is a vibrant township spanning approximately 100 acres, emerging in the rapidly growing area of Taman Yayasan, Segamat. Conveniently located just 10 minutes from Segamat's main town and with access to the Kuantan Highway, this development is highly sought after for its strategic location within an established neighborhood. It offers a highly livable environment, featuring a variety of excellent dining options, a pleasant living atmosphere, and essential amenities like Billion and Nirwana Supermarket to meet daily needs.

The township enjoys excellent connectivity to major highways leading to Kuantan, Kuala Lumpur, and Segamat town. It features an impressive array of quality homes, including 2-Storey Cluster Houses, Single-Storey Terrace Houses, and 2-Storey Terrace Houses designed to appeal to discerning buyers.

In the first quarter of 2024, 144 units of Single-Storey Cluster Homes were completed. Concurrently, two new phases were launched, comprising 95 units of Single-Storey Terrace Houses and 106 units of 'Rumah Mampu Milik Johor,' with an estimated Gross Development Value (GDV) of RM46 million. The completion of 'Rumah Mampu Milik Johor' is targeted for the second quarter of 2025.

A.3.2 Taman Pesona @ Kg Tengah

Spanning 4.8867 acres of freehold land, Taman Pesona is a residential project located in Kg Tengah, Segamat, Johor. Surrounded by established housing developments, the project offers a green environment that ensures fresh air and promotes a healthy lifestyle for residents. It comprises a total of 61 units of various house types.

Launched in 2024, the project is currently under active construction and is expected to be completed by 2025.

REVIEW OF OPERATIONS (cont'd)

A. PROPERTY DEVELOPMENT (cont'd)

A.4 BATU PAHAT

A.4.1 Taman Banang Jaya



The project is strategically located along the main road of Jalan Tanjung Labuh, Batu Pahat, spanning approximately 41.84 acres. It is currently under active development, comprising 57 units of Double-Storey Shop Offices and 322 units of 2-Storey Terrace Houses, with an

estimated Gross Development Value (GDV) of RM250 million. Positioned in a prime location, the development fronts Jalan Tanjung Labuh and is surrounded by established neighborhoods, including Taman Banang Jaya and Taman Evergreen Heights, with Taman Bukit Floral 1 & 2 located behind.

Residents of the township will benefit from a wide range of nearby features and amenities, including the renowned Chinese High School Batu Pahat, Banquet Restaurant Grand Seaview, Bukit Banang Golf and Country Club, and the Majidee Camp, one of Malaysia's largest army camps.

This project is currently under active construction and is anticipated to be completed by the fourth quarter of 2025.



A.5 TANGKAK

A.5.1 Taman Cemerlang

Taman Cemerlang is a freehold mixed residential development located in Pekan Rawang, Tangkak, Johor. Spanning 8.2828 acres of land, this project has a Gross Development Value (GDV) of RM37 million and comprises 91 units of various house types.

Taman Cemerlang is adjoined with a matured residential project known also as Taman Cemerlang (old). The project is situated near other existing neighborhoods such as Taman Pantai Layang and Taman Baiduri, and is surrounded by various primary and secondary schools, including SJKC Chung Hwa Sungai Sendok, SK Rawang, SK Pantai Layang, SM Agama, and SMJK Pei Hwa. Additionally, higher education institutions such as Kolej Komuniti YPJ Muar and Manipal University College Malaysia (Muar Campus) are within close reach. The development is also conveniently located near financial institutions and healthcare facilities, including Sultan Fatimah Specialist Hospital and various private clinics.

This project is currently under active construction and is targeted to be completed by the third quarter of 2025.

REVIEW OF OPERATIONS (cont'd)

A. PROPERTY DEVELOPMENT (cont'd)

A.6 KLANG, SELANGOR

Bandar Bestari

Bandar Bestari is a 448-acre self-integrated township located in Klang, offering an exclusive blend of premium landed residential homes and strata properties commercial business center.

Additionally, the 90-acre retail and commercial hub provides various facilities to foster community living, including a private community clubhouse, a commercial zone, and schools. The subject project is situated within the integrated development of Bandar Bestari, Klang, approximately 44 km southwest of Kuala Lumpur City Centre and about 8 km from Klang town center. It is accessible from Kuala Lumpur City Centre via the KESAS Highway, leading to Jalan Klang Banting for approximately 3 km, where the project is located on the right side of Jalan Klang-Banting.

Nearby residential developments include Bayuemas, Bandar Parklands, Taman Perindustrian Air Hitam Phases 1 & 2, Taman Sijangkang Jaya, Taman Perwira, and Taman Seri Medan. Notable landmarks in the vicinity include Indah Water Konsortium, Pangsapuri Arista, and Orchids Apartment.

The neighbourhood offers a variety of shopping, marketing, educational, recreational amenities, and public facilities.

A.6.1 Canary Garden @ Bandar Bestari

The Canary Garden Homes depicts residences for the luxurious lifestyle. Designed to showcase the delicate balance between serenity and convenience, some of the primary features include a 52-acre French-inspired Garden for nature-focused recreation.

During the year under review, Bandar Bestari Phase 3A, namely Green Pine, comprising 102 units of 2-storey cluster houses and 2-storey semi-detached houses, is targeted for completion in the first quarter of 2025.

The Group has strategically planned to launch several projects in 2025. These include Bandar Bestari Phase 3B, which will feature semi-detached and cluster houses, as well as Bandar Bestari Rumah Harapan, aimed at providing low-cost residential developments.

A.6.2 Raintree Residences @ Bandar Bestari

Raintree Residences is a high-rise residential and retail development located adjacent to Canary Garden @ Bandar Bestari. It comprises three 25-storey residential towers equipped with amenities such as a gymnasium, swimming pool, children's playground, and other facilities. These projects are actively under construction, with Phase 1 (Block A and retail lots) targeted for completion by the second quarter of 2026. The township is set to continue its growth and expansion, with further developments planned in the coming years.

A.6.3 KSL Blossom Square @ Setia Alam

KSL Blossom Square, situated within Setia Alam City Centre, is a freehold mixed development spanning approximately 18 acres. It comprises six residential towers and alongside a row of retail shop offices. The development is conveniently accessible from Kuala Lumpur City Centre via the NKVE Highway, reaching Persiaran Setia Alam in about 5 kilometers.

REVIEW OF OPERATIONS *(cont'd)*

A. PROPERTY DEVELOPMENT *(cont'd)*

A.6 KLANG, SELANGOR *(cont'd)*

A.6.3 KSL Blossom Square @ Setia Alam *(cont'd)*

The surrounding neighborhood offers a variety of amenities, including shopping centers, markets, educational institutions, recreational facilities, and public services.

In 2025, the Group launched the KSL Blossom Square Retail Shops. This mixed development is set for ongoing growth and expansion, with future projects planned for the coming years.

B. PROPERTY INVESTMENT

During the year under review, property investment continues to be an important driver for the Group, contributing RM 248 million in revenue, which makes up for 18% of the Group's total revenues.

B.1 KSL City Mall

KSL City Mall, with its impressive gross floor space of 1 million square feet, ranks among the largest malls in Johor. It features 500 upmarket lifestyle outlets, including 442 retail shops, 50 F&B outlets, and an 8-screen cineplex.

B.2 KSL Hotel & Resort

KSL Hotel & Resort Johor Bahru is the largest integrated resort in Johor, located in the heart of the city center and strategically situated within Iskandar Puteri, Malaysia, Johor's second city. The hotel offers 904 rooms, including Superior, Deluxe, Premier Deluxe King, Grand Super King, and Suite options, catering to both leisure and business travellers.

The resort features a Grand Ballroom with a capacity of up to 800 guests, two additional ballrooms, and nine meeting rooms to accommodate various needs and group sizes. Additional amenities include an international cuisine restaurant, a dinosaur-themed park, a rooftop pool, golf simulators, a gymnasium, and a sauna. Seamlessly integrated with KSL City Mall, the hotel provides direct access to a wide array of retail outlets and a cinema, ensuring an enhanced 'shop-and-stay' experience.

B.3 KSL Hot Spring Resort

KSL Hot Spring Resort offers 308 rooms across four types of rooms and suites, designed to feature a modern, urbanized environment that provides a relaxing and rejuvenating escape from a hectic lifestyle.

KSL Hot Spring takes pride in being the first hospitality establishment to promote healthy living through 'onsen water' enriched with natural essences.

B.4 KSL Esplanade Hotel & Mall, Klang

The KSL Esplanade Mall is an integrated commercial podium that consists of retail shops, a departmental store, cinemas, car parks, a 4-star hotel, and serviced apartments. The mall features over 300 local and international stores, offering shopping, dining, entertainment, and a public park. Additionally, the alfresco dining area connects the mall seamlessly to the park.

REVIEW OF OPERATIONS *(cont'd)*

B. PROPERTY INVESTMENT *(cont'd)*

B.4 KSL Esplanade Hotel & Mall, Klang *(cont'd)*

The KSL Esplanade Mall is expected to have a positive impact not only on the socio-economic environment but also on community development, as it will create job opportunities for locals. The KSL Esplanade Hotel includes 403 rooms in four types of rooms and suites, providing a modern and luxurious setting for both business trips and leisure vacations.

The KSL Convention Centre, located within the hotel, was completed at the end of 2024 and has already begun operations. The entire integrated complex was completed and became operational within the same year.



C. GROWTH STRATEGIES

The Group is committed to maintaining profitability in its property development and investment segments while actively exploring new opportunities to drive long-term growth.

C.1 Property Development

The property industry continues to face challenges, including rising building material costs, supply chain disruptions, worker shortages, and increasing interest rates. In response, the Group has exercised caution in its business plans while focusing on strengthening capacities, enhancing expertise, and improving management efficiency to remain resilient against current and future challenges.

REVIEW OF OPERATIONS (cont'd)

C. GROWTH STRATEGIES (cont'd)

C.2 Property Investment

The Group continues to enhance promotional and marketing efforts, including events and roadshows, to drive patronage to KSL City Mall & Hotel, KSL Hot Spring Resort, and KSL Esplanade Hotel & Mall Klang. We are also collaborating with various stakeholders to boost tourism in Johor Bahru and Klang, aligning with the growing recovery in Malaysia's tourism sector.

Additionally, the Group is exploring opportunities to expand its investment property portfolio to strengthen its recurring income stream and capitalize on Malaysia's improving economic outlook.

D. LAND BANKING

As of 31 December 2024, KSLH possesses approximately 2,900 acres of land bank strategically located across prime areas in Johor and Klang, including Segamat, Batu Pahat, Muar, Mersing, Johor Bahru, Shah Alam and Klang. Backed by a solid balance sheet, the Group plans to strategically acquire land in the future to strengthen its property development arm and ensure a sustained pipeline of projects.

E. CONCLUSION

We are dedicated to working diligently to enhance future shareholders' value through strategic growth, operational excellence, and sustainable initiatives. By adapting to evolving market conditions and leveraging opportunities, we strive to ensure continued success and long-term resilience for the Group.



FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

Year Ended 31 December

	2020	2021	2022	2023	2024
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INCOME STATEMENT

Revenue	RM Million	340.7	467.8	575.0	1,141.6	1,376.7
Profit/(Loss) Before Taxation	RM Million	(52.9)	140.7	217.2	535.0	619.4
Profit/(Loss) Attributable to Shareholders	RM Million	(64.4)	114.4	179.5	416.8	472.1

BALANCE SHEET

Issued and Paid Up Capital	RM Million	1,307.5	1,307.5	1,307.5	1,037.5	1,037.5
Shareholders' Equity	RM Million	3,000.8	3,116.1	3,295.7	3,712.8	4,184.6

SHARE INFORMATION

Basic Earnings Per Share	sen	(6.33)	11.25	17.65	40.98	46.41
Dividend Per Share - Gross	sen	-	-	-	-	-
Net Assets Per Share	sen	2.95	3.06	3.24	3.65	4.11
Return on Shareholders' Equity	sen	-2%	4%	5%	11%	11%

DIRECTORS' PROFILES and KEY SENIOR MANAGEMENT

DIRECTORS' PROFILES

KU HWA SENG, *Executive Chairman*

Ku Hwa Seng, aged 69, male, Malaysian, was appointed to the Board on 19 November 2001 as an Executive Director and was subsequently appointed as the Executive Chairman of KSL Holdings Berhad ("KSLH" or "the Company") on 24 February 2011.

He joined the KSLH Group in 1981 and has since gained invaluable experience while building a strong business network in the property development industry over the past three decades. Currently, he plays a key role in the KSLH Group's business development and operations in South Johor. He oversees the day-to-day management, decision-making, and operations of the Johor Bahru office. Additionally, he serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

He is deemed to have certain conflict of interest with the Company by virtue of his interest in certain privately owned companies, which are also involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

Ku Hwa Seng is brother to Khoo Cheng Hai @ Ku Cheng Hai, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. He does not hold any directorships in other public companies. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

KHOO CHENG HAI @ KU CHENG HAI, *Group Managing Director*

Member of Risk Management Committee

Khoo Cheng Hai @ Ku Cheng Hai, aged 74, male, Malaysian, is the founder of the KSLH Group. He was appointed to the Board on 19 November 2001 as the Group Managing Director.

He is the driving force behind the development, growth, and expansion of the KSLH Group. Renowned for his prudence, foresight, and business acumen, he has successfully guided the KSLH Group through two economic recessions and the challenges of the COVID-19 pandemic over the past three decades. With extensive experience, he oversees the Group's business development and manages its day-to-day operations. He also serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

He is deemed to have certain conflict of interest with the Company by virtue of his interest in certain privately owned companies, which are also involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

Khoo Cheng Hai @ Ku Cheng Hai is brother to Ku Hwa Seng, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. He does not hold any directorships in other public companies. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILES (cont'd)

KU TIEN SEK, Executive Director

Ku Tien Sek, aged 68, male, Malaysian, was appointed to the Board on 19 November 2001 as an Executive Director. He has been a vital part of the KSLH Group's management since 1981, playing a key role in public relations and the formulation of strategic plans and policies. With his visionary leadership and deep industry expertise, he has been instrumental in shaping the Group's growth and success. Currently, he is actively involved in business development and operations in the Klang Valley while also leading the planning of the Group's future expansion. His strategic foresight continues to drive the company forward. He serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

He is deemed to have certain conflict of interest with the Company by virtue of his interest in certain privately owned companies, which are also involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

Ku Tien Sek is brother to Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. He does not hold any directorships in other public companies. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

KHOO LEE FENG, Executive Director

Khoo Lee Feng, aged 38, female, Malaysian, was appointed to the Board on 1 January 2024 as an Executive Director. Since 2010, she has been actively involved in the administration and operations of the Group, stepping into a management role in 2011. With her fresh perspective and forward-thinking approach, she has played a key role in driving business development, streamlining operations, and shaping the Group's strategic direction. Her contributions have been instrumental in the Group's continued growth and success. She serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

She is deemed to have certain conflict of interest with the Company by virtue of her interest in certain privately owned companies and holding companies, which are also directly or indirectly involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

She is a daughter of Khoo Cheng Hai @ Ku Cheng Hai, niece of Ku Hwa Seng, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. She does not hold any directorships in other public companies. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILES (cont'd)

KU EK MEI, Executive Director

Ku Ek Mei, aged 43, female, Malaysian, was appointed to the Board on 1 January 2024 as an Executive Director. Since joining the KSLH Group in 2004, she has been a driving force behind the company's sales and administration. Stepping into a management role in 2011, she has played a pivotal role in accelerating the Group's growth through her innovative strategies and business acumen. Her expertise in sales and market expansion has significantly contributed to the Company's success. Currently, she is actively involved in business development and administration, shaping the Group's future with a strong focus on sales and sustained growth. She serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

She is deemed to have certain conflict of interest with the Company by virtue of her interest in certain privately owned companies and holding companies, which are also directly or indirectly involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

She is a daughter of Ku Hwa Seng, niece of Khoo Cheng Hai @ Ku Cheng Hai, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. She does not hold any directorships in other public companies. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

TAN KAI SENG, Executive Director

Tan Kai Seng, aged 52, male, Malaysian, was appointed to the Board on 1 January 2024 as an Executive Director. He has been involved in the accounting department of the KSLH Group since 2002. He is responsible for the accounting work and planning of the KSLH Group. He is not a director of any of the subsidiary companies within the KSLH Group.

Tan Kai Seng does not hold any directorships in other public companies. He does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which he has personal interest. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

PANG AH KOW, Independent Non-Executive Director

*Chairman of Audit Committee and Risk Management Committee
Members of Nomination Committee and Remuneration Committee*

Pang Ah Kow, aged 68, male, Malaysian, was appointed to the Board on 1 December 2022 as an Independent Non-Executive Director. He is a member of the Malaysia Institute of Accountants, the Malaysia Institute of Certified Public Accountants, the Chartered Accountants Australia and New Zealand and a fellow of Fellow of the Malaysian Institute of Taxation. He holds a Bachelor of Commerce from University of Canterbury, Christchurch, New Zealand.

In 1990, he founded the audit firm Messrs. A.K. Pang & Co., which has since grown to include branches in Segamat and Kluang, Johor. Today, he remains the sole proprietor of the firm, bringing his extensive experience and expertise to his clients.

Prior to founding Messrs. A.K. Pang & Co., Pang Ah Kow worked at Messrs. Ernst & Young in Singapore, Kuala Lumpur, and Sandakan offices. Through his work in these offices, he gained a deep understanding of auditing and financial advisory services, which he has since leveraged to build a successful practice of his own.

Pang Ah Kow does not hold any directorships in other public companies. He does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which he has personal interest. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILES (cont'd)

TAN SWEE GEOK, Independent Non-Executive Director

Chairman of Nomination Committee

Members of Audit Committee, Remuneration Committee and Risk Management Committee

Tan Swee Geok, aged 69, female, Malaysian, was appointed to the Board on 1 December 2022 as an Independent Non-Executive Director. She holds a Diploma in Education, University of Malaya and Degree in Business, BA (Econ)(Hons), University of Malaya.

Since 1988, Ms Tan Swee Geok has been a valued member of her husband's legal firm Messrs. Lee Fook Leong & Co., where she has played an integral role in the management and administration of offices in Segamat, Tangkak, Johor Bahru, Klang, and TTDI, Kuala Lumpur. In addition to her administrative responsibilities, she has also provided crucial support to the partners of the firm, particularly in the areas of corporate and conveyancing work.

Before joining Messrs. Lee Fook Leong & Co., Ms Tan Swee Geok taught English, Commerce, and Economics at Chung Hwa High School in Seremban and Sekolah Munshi Abdullah in Labis. This experience not only gave her a strong foundation in teaching and communication skills but also instilled in her a deep appreciation for the importance of education and the impact it can have on people's lives.

Ms Tan Swee Geok does not hold any directorships in other public companies. She does not have any family relationship with any Director and/or substantial shareholder of the Company. She is directly holding 287,392 ordinary shares of the Company, which represent 0.028% of the total issued shares of the Company. Her employer, which is also her husband's legal firm, Messrs. Lee Fook Leong & Co. provides legal services to the Company and Group in the ordinary course of business. There is no business arrangement with the Company in which she has personal interest. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

WONG LEE LEE, Independent Non-Executive Director

Chairman of Remuneration Committee

Members of Audit Committee, Nomination Committee and Risk Management Committee

Wong Lee Lee, aged 52, female, Malaysian, was appointed to the Board on 1 December 2022 as an Independent Non-Executive Director. She is a member of Malaysian Institute of Accountants and fellow member of the Association of Chartered Certified Accountants (FCCA).

Since joining Messrs. Gow & Tan in 1996, Ms Wong Lee Lee has made significant contributions to the firm and its clients. Over the years, she has held various positions within the firm, demonstrating her versatility and adaptability, and was appointed as Audit Partner in 2008.

With over twenty years of public practice experience, Ms Wong Lee Lee has developed a wealth of knowledge and expertise in accountancy, auditing, taxation, and management consultancy. She has leveraged this expertise to provide invaluable guidance and support to her clients, helping them to navigate complex financial and business challenges and achieve their goals.

Ms Wong Lee Lee does not hold any directorships in other public companies. She does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which she has personal interest. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

KEY SENIOR MANAGEMENT

TANG CHING TONG

Tang Ching Tong, aged 58, Malaysian, joined the KSL Group in year 2001 and was appointed as General Manager in year 2009. He holds an Honours Degree in Bachelor of Science with Education from University Kebangsaan Malaysia.

He has more than thirty (30) years of experiences in the property development industry. Currently he is involved in the daily business operations include planning and managerial roles in business development of the Group especially in Southern Regions.

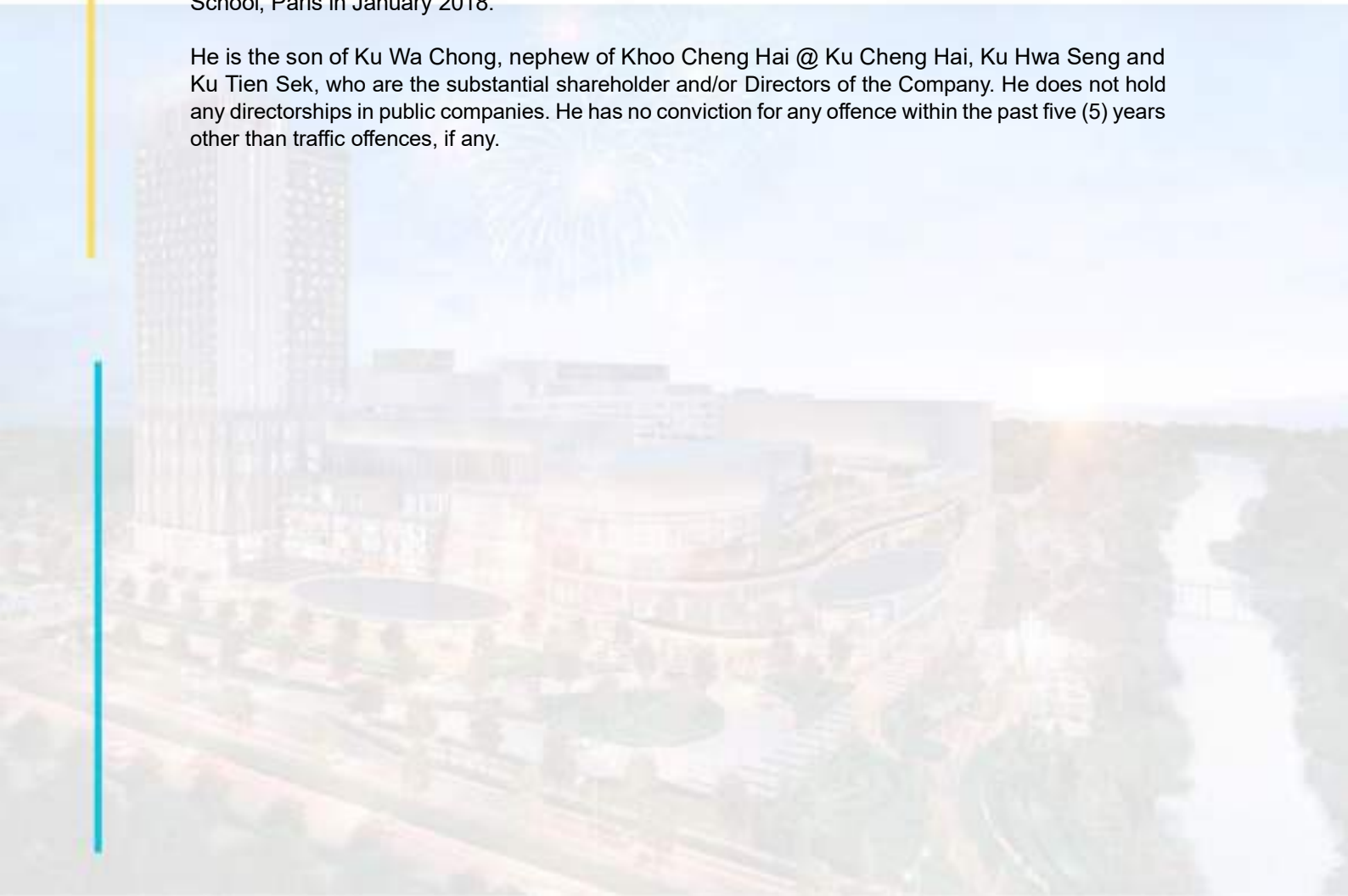
He does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which he had personal interest. He has no conviction for any offence within the past five (5) years other than traffic offences, if any. He does not hold any directorships in public companies.

KU KENG LEONG

Ku Keng Leong, aged 48, male, Malaysian, joined the KSL Group in year 2000. He was appointed as the Executive Director in most KSL subsidiaries on 1 January 2011. Currently, he is involved in planning, daily business operations, as well as designs, implementations, co-ordinations and overseeing all projects progress in South Johor.

Ku Keng Leong graduated from Curtin University of Technology, Perth Australia with a Bachelor of Business degree majoring in International Business in 1999. He obtained his MBA in IPE Business School, Paris in January 2018.

He is the son of Ku Wa Chong, nephew of Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng and Ku Tien Sek, who are the substantial shareholder and/or Directors of the Company. He does not hold any directorships in public companies. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.



AUDIT COMMITTEE REPORT

A. ESTABLISHMENT AND COMPOSITION

The Audit Committee comprises the following members:-

<i>Chairman:</i>	Pang Ah Kow (Independent Non-Executive Director)
<i>Members:</i>	Tan Swee Geok (Independent Non-Executive Director)
	Wong Lee Lee (Independent Non-Executive Director)

The composition of Audit Committee is in compliance with the paragraph 15.09 of Main Market Listing Requirement (“MMLR”), where the Audit Committee consist of three (3) Independent Non-Executive Director and two of the members of the Audit Committee, Mr. Pang Ah Kow and Ms Wong Lee Lee are members of Malaysian Institute of Accountants which fulfills the requirement under paragraph 15.09(1)(c)(i) and paragraph 7.1 of Practice Note 13 of MMLR.

In compliance with Malaysian Code on Corporate Governance, the chairman of the Audit Committee is not the chairman of the Board of Directors during the financial year ended 31 December 2024 and up to the date of this Report.

The profile of the members can be found presented on page 31 to 32 of this Annual Report.

B. TERMS OF REFERENCE

The terms of reference of the Committee is published on the Company’s corporate website (www.ksl.my) under “News-Others”.

C. MEETINGS

During the financial year ended 31 December 2024, the Audit Committee held five (5) meetings. Details of each member’s meeting attendances are as follows:-

NAME OF DIRECTORS	NO. OF MEETINGS ATTENDED
PANG AH KOW	5/5
TAN SWEE GEOK	5/5
WONG LEE LEE	5/5

The meetings were conducted with the quorum of two (2) of whom the majority of members present at the meeting were Independent Directors’ as required by the Committee’s Terms of Reference.

The meetings were appropriately structured through the use of agendas, which were distributed together with the minutes of the meeting and relevant papers and reports to the members at least five (5) business days before the meeting with sufficient time allowed for review by the members for the proper discharge of its duties and responsibilities diligently and effectively in compliance with the MMLR and its terms of reference. The secretary of the Company, the appointed secretary of the Committee, attended all the meetings during the financial year.

The External Auditors, Internal Auditors, Executive Directors, and Financial Director, at the invitation of the Committee, attended the Committee meetings to present their reports/findings or required information and explanations for the proper deliberation of the matters at hand.

The Audit Committee reported to and updated the Board on significant issues and matters discussed during the Committee’s meetings and where appropriate, made the necessary recommendations to the Board. Minutes of the Committee’s meetings were made available to all Board Members for review and to seek clarification and confirmation from the Audit Committee Chairman where necessary.

The Group’s External Auditors attended the Committee meetings held during the financial year under review when required.

AUDIT COMMITTEE REPORT (cont'd)

D. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The Committee carried out its duties in accordance with its terms of reference during the financial year under review. The summary of works undertaken by the Audit Committee during the financial year included the following:-

1. Reviewed the Quarterly Financial Reports

During the scheduled quarterly meetings, the Finance Director of the Group presented the draft unaudited quarterly financial results for Audit Committee's review, briefed the Committee on the contents of the draft financial statements (including the notes to the account) and answered all queries raised and clarifications sought by the Audit Committee. The review focused on key financial results and comparison to the corresponding quarter of preceding year as well as immediate preceding quarter, with the reasons for the variances provided by the Finance Director. In addition, the business prospect of the Group for the rest of the financial year was provided by the Management to the Audit Committee for discussion.

Further, the Audit Committee assessed the reasonableness of the assumptions and estimates made in the draft financial quarterly financial statements based on the updates by the Management on the operations and proposed business strategy.

The reviews of the draft financial quarterly financial statements by the Audit Committee during the financial year under review were conducted in the presence of the External Auditors with clarifications sought from them during the meeting.

The unaudited financial reports reviewed by the Audit Committee were then recommended to the Board for approval prior to announcement to Bursa Malaysia Securities Berhad ("Bursa Securities").

2. Reviewed the Company's Compliance with Regulatory, Statutory and Accounting Standards

During the quarterly Audit Committee meeting, with respect of the quarterly and annual financial statements, the Audit Committee reviewed the Company's compliance with the MMLR, accounting standards promulgated by Malaysian Accounting Standards Board and other legal and regulatory requirements.

3. Reviewed the latest changes of pronouncements issued by the accountancy, statutory and regulatory bodies.

At such quarterly meetings, the Audit Committee sought clarification of the application and impact of new and revised accounting standards with the External Auditors as necessary. The Audit Committee members also underwent briefings by professionals on the updates and changes in MMLR and proposed changes in Malaysian Code on Corporate Governance during the financial year.

4. Reviewed the External Auditors' Audit Plan, Scope of Work and Audit Fee

During the financial year, the External Auditors presented their audit plan to the Audit Committee for review and comment prior to the commencement of the audit to ensure the audit scope is adequate and reasonable time was allowed to ensure the audit carried out effectively and not under undue time pressure. The audit plan presented includes the audit methodology, audit workflow and audit timetable, and significant risk area. The audit plan for the financial year was discussed and clarifications sought from the External Auditors prior to approval of the said plan by the Audit Committee. During the same meeting, the audit fees and non-audit fees was presented by the External Auditors for review by Audit Committee, which was then recommended to the Board for approval.

AUDIT COMMITTEE REPORT (*cont'd*)

D. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (*cont'd*)

5. Reviewed of Audited Financial Statements and Audit Results with External Auditors

Prior to announcement of final quarterly financial statements, the External Auditors presented their Audit Status Report and briefed the Audit Committee on the audit findings arising.

During the meeting, the audit findings on the significant risk areas, deficiencies in internal control and status of the audit were presented to the Audit Committee for review. The results and findings were subsequently presented to the Board by the Chairman of the Audit Committee after the review.

During the financial year, the Audit Committee recommended for the Board's approval and adoption of the audited statutory financial statements of the Company and the Group after it was satisfied that the audit had been adequately planned and were carried out in accordance with the approved auditing standards after the review with the External Auditors and the Management and it was satisfied that the presentation of the financial statements was in compliance with the statutory requirements and applicable accounting standards.

6. Private Sessions with External Auditors

For the financial year ended 31 December 2024, the Audit Committee has met with the External Auditors a total of two (2) times without the presence of the Executive Directors and Management in order for the Audit Committee and the External Auditors to freely exchange observations and opinion between both parties as well as discuss any significant audit issues.

7. Reviewed the Independence and Objectivity of the External Auditors

During the financial year, confirmation on the independence of the External Auditors was obtained by the Audit Committee in order for the Audit Committee to review the independence and objectivity of the External Auditors.

8. Review of Internal Audit Functions

During the financial year, the Audit Committee received internal audit report presented by the outsourced Internal Auditors that contains the findings, recommendations and agreed management action plans for the internal audits conducted based on approved internal audit plan. Aside from reporting on the audit findings, the status of agreed management action plans for previous internal audit findings and the status of the approved internal audit plan was also presented to the Audit Committee. Additionally, the Audit Committee had assessed the adequacy and effectiveness of the internal audit functions through the review of the resources, experience and continuous professional development of the Internal Auditors for its adequacy.

During the financial year, the internal audit plan was presented by the outsourced Internal Auditors for the review and approval by the Audit Committee.

The oversights role of Audit Committee on Internal Audit functions is further elaborated in the Statement of Risk Management and Internal Control located on page 58 to 66 of this Annual Report.

9. Reviewed Related Party Transactions

During the scheduled quarterly meetings, the Finance Director reported to the Audit Committee the value of the transactions (from date of shareholders' mandate to end of the financial period) of individual recurrent related party transactions ("RRPT") as compared to the approved value of transactions per the shareholders' mandate obtained in the previous general meeting to identify RRPT exceeded or about to exceed the approved amount per the shareholders' mandate so that prompt action can be taken to resolve.

AUDIT COMMITTEE REPORT (*cont'd*)

D. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR (*cont'd*)

9. Reviewed Related Party Transactions (*cont'd*)

During the meeting, the Audit Committee sought confirmation from the Management that there was no new RRPT or conflict of interest situation that might arise within the Group including any transaction, procedures and course of conduct that might raise questions of management integrity.

10. Reviewed the Annual Report

During the financial year, the Audit Committee reviewed the Annual Report (which includes the Corporate Governance Statement, Audit Committee Report, Statement of Risk Management and Internal Control and Management Discussion and Analysis), and the Audited Financial Statement of the Group and recommended to the Board for approval.

E. INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function to an independent professional firm, namely NeedsBridge Advisory Sdn. Bhd. The outsourced internal audit function assists the Board and the Audit Committee in providing independent assessment of the adequacy and effectiveness of the Group's system of internal control. The outsourced internal audit function reports directly to the Audit Committee. The appointment and resignation of the internal audit function as well as the proposed audit fees are subject to review and approval by the Audit Committee for its reporting to the Board for ultimate approval.

The audit engagement of the outsourced internal audit function is governed by an engagement letter and the Internal Audit Charter approved by the Board during the financial year under review. The engagement letter outlines key terms including the purpose and scope of work, accountability, independence, the outsourced internal audit function's responsibilities, the Management's responsibilities, authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team.

Meanwhile, the Internal Audit Charter governs the internal audit function by specifying the purpose and mission of internal audit function, its roles, required professionalism (including adherence to the mandatory guidance issued by The Institute of Internal Auditors ("IIA"), such as the Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (hereinafter referred to as the "Standards")), its authorities, the reporting structure, required independence and objectivity, its responsibilities, the purpose of internal audit plan, reporting and monitoring, as well as the quality assurance and improvement programme. The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework ("IPPF") established by the IIA Global.

The outsourced internal audit function prepared a risk-based internal audit plan that incorporated a holistic schedule of assignments designed to provide independent assurance on the effectiveness of the Group's risk-management and internal control systems, as well as the safeguarding of its assets. The scope of review by the outsourced internal audit function, through the internal audit plan, is determined with feedback from the Senior Management and subsequently approved by the Audit Committee. In addition, the Audit Committee enhanced their oversight of the internal audit function by reviewing the adequacy of the outsourced internal audit function's resources, including the qualifications, experience and continuous professional development of its personnel, as presented by the outsourced internal audit function during the financial year under review. The performance, independence and objectivity of the internal audit function were formally evaluated by the Audit Committee using an Internal Audit Function Evaluation Checklist.

AUDIT COMMITTEE REPORT (*cont'd*)

E. INTERNAL AUDIT FUNCTION (*cont'd*)

To maintain independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plans, perform on-going internal control monitoring activities (except for follow-ups on the progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to that of Management or employees of the Group. The outsourced internal audit function is granted unrestricted access to all functions, records, properties, personnel, Audit Committee and other specialised services within or outside the Group, along with the necessary assistance from relevant personnel during audit engagements.

During the financial year under review, the outsourced internal audit function conducted scheduled internal audits in accordance with the internal audit plan approved by the Audit Committee. Areas for improvement in internal controls identified together with the associated risks or potential implications, recommendations, management action plans, person in-charge as well as the target dates of implementation were presented to and discussed with the Audit Committee during the corresponding Audit Committee meetings. In addition, the outsourced internal audit function performed follow-up reviews to assess the status of implementation of the agreed management action plans. The results of the follow-up reviews were reported to the Audit Committee for their review and deliberation.

The internal audits conducted during the year did not reveal any weaknesses in the internal control system that would result in any material losses, contingencies or uncertainties requiring disclosure in this Annual Report.

Please refer to the Statement on Risk Management and Internal Control from page 58 to 66 of this Annual Report for the details of the activities of the outsourced internal audit function during the financial year under review.



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2024

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year and of the income statement and cash flows of the Company and the Group for the financial year.

The Directors are of the view that, in preparing the financial statements of the Company and the Group for the year ended 31 December 2024, the Company and the Group has adopted recommended accounting policies that are consistently applied and supported by reasonable, prudent judgements and estimates. The Directors have also considered that all applicable accounting standards have been followed during the preparation of audited financial statements.

The Directors are aware of its responsible in ensuring that the Group keeps adequate accounting records that disclose with reasonable accuracy the financial position of the Company and the Group as to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2016, the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

The Directors have ensured timely release of quarterly and annual financial results of the Group for the year 2024 to Bursa Securities that enable the public and investors to be well informed of the Group's constant development.

The Directors are also fully aware of their general responsibilities in taking steps which are reasonably open to them to safeguard the assets and to detect and prevent fraud and other irregularities within the Group.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of KSL Holdings Berhad (“KSL” or “the Company”) is committed to ensuring that good corporate governance practices are applied throughout the Company and its subsidiaries (“the Group”) and form the fundamental of corporate sustainability pursued by the Group for long-term shareholders’ value creation. Hence, the Board fully supports the principles and practices of good corporate governance practices (including the Intended Outcomes) as promulgated by the Malaysian Code of Corporate Governance 2021 (“MCCG”) to direct and manage the business and affairs of the Group towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders.

This overview statement sets out the overview of the manner in which the Company had applied the principles set out in the MCCG and the extent of compliance with the Principles of MCCG advocated therein in accordance with paragraph 15.25 and Practice Note 9 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

On the other hand, the application of each Practice set out in the MCCG during the financial year is disclosed in the Corporate Governance Report prescribed by Bursa Securities (“CG Report”) and announced together with the announcement of this Annual Report in accordance with paragraph 15.25 and Practice Note 9 of MMLR. The CG Report for the financial year under review and previous financial years are available for download from “Others” section of the “News” tab on the Company’s website at www.ksl.my as well as an announcement on the website of Bursa Securities.

The Corporate Governance Overview Statement (“CG Overview Statement”) should be read in tandem with the CG Report to provide comprehensive disclosure of the application of each principle and practice set out in the MCCG during the financial year.

Unless specified, the following disclosure statements provide an overview of the Company’s application of the Principles set out in MCCG that have been in place throughout the financial year ended 31 December 2024.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1.1 Board leadership

The Board strives to collectively lead and is responsible for the success of the Group by providing entrepreneur leadership and direction, strategic management, performance measurement and monitoring, enterprise risk management and internal control system, standards of conduct, sustainability management, critical business issues and decisions as well as management oversight. The Board acknowledges that it is the ultimate decision-making body of the Group. The Board comprises Directors who are entrepreneurs and experienced professionals in the fields of property development, hospitality, business management, education, auditing, accountancy, taxation and management consultancy. All these different skills are put together to enable the Board to effectively lead and control the Group. The Board is guided by the **Board Charter** approved by the Board and led by an Executive Chairman to ensure its effectiveness. Together with other Directors, he leads the Board in the discussion on the strategies and policies recommended by the Senior Management. A summary of the responsibilities of the Chairman is disclosed in Practice 1.2 of the CG Report.

The Board is responsible for the oversight and overall management of the Company. The Board fully understands their responsibilities in the Group in relation to sound and sustainable operations and optimal corporate governance framework in order to safeguard the shareholders’ value. The Board reviews and approves the Group’s charter and policies (including subsequent updates) while the Group Managing Director and Executive Directors are delegated with the authorities and responsibilities to ensure proper execution of strategies as well as effective and efficient operation throughout the Group. The authorisation procedures for key processes are stated in the Group’s policies and procedures.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

As required under the **Board Charter**, the Board is assuming the following, amongst other roles and responsibilities, broad categories of roles and responsibilities: -

- Setting the corporate values, objectives, goals and strategic plan as well as clear lines of responsibility and accountability for the Group;
- Deliberating, approving and monitoring the progress of the Company's strategy, budgets, plans and policies;
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- Retaining an effective Board that consists of competent individuals with appropriate specialized skills and knowledge to lead and control the Company;
- Identifying and managing principal and potential risks and ensuring proper risk management policy with appropriate governance structure and process as well as appropriate risk appetite, established based on internationally recognised risk management framework, are put in place to manage principal risks;
- Succession planning including appointing, training, fixing the compensation of and where appropriate, replacing any member of the Board, Board Committees and Senior Management;
- Maintaining an effective system of internal control to safeguard shareholder's investment and Company's assets;
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance in accordance with the laws, regulations rules, directives and guidelines;
- Establishing and maintaining ethical standards through the **Code of Conduct**, **Group Anti-Bribery and Corruption Policy** and **Whistle-Blowing Policy** which will be applicable throughout the Group;
- Promoting good corporate governance culture throughout the Group and reviewing the corporate governance standing of the Company;
- Promoting good sustainability practices throughout the Group; and
- Establishing sustainability policy and reviewing the management of material sustainability matters at frequent intervals.

The roles and responsibilities of the Board and the application of the MCCG's practice are disclosed in Practice 1.1 of the CG Report.

Aside from the core responsibilities listed above, significant matters that require deliberation and approval from the Board are clearly defined by the Board in the **Board Charter** as matters reserved for the Board for consideration and approval during the Board's meeting. The matters reserved for the Board are disclosed in Practice 2.1 of the CG Report.

The Board has delegated specific duties to its Board Committees, namely the Audit Committee ("AC"), Remuneration Committee ("RC"), Nomination Committee ("NC") and Risk Management Committee ("RMC"). These committees operate within clearly defined **Terms of Reference** approved by the Board. The relevant **Terms of Reference** are available for download from "Others" section of the "News" tab on the of Company's website at www.ksl.my.

To ensure that there is a balance of power and authority within the Board, the position of the Chairman and the Group Managing Director is separated and there is a clear division of responsibilities between the Executive Chairman and the Group Managing Director. The Executive Chairman is responsible for the governance, orderly conduct and effectiveness of the Board while the Group Managing Director is responsible for managing the Group's business operations and implementation of policies and strategies approved by the Board. A summary of the roles and responsibilities of the Chairman of the Board and the separation of the roles of Chairman and Group Managing Director is disclosed in Practices 1.2 and 1.3 of the CG Report, respectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (*cont'd*)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (*cont'd*)

1.1 Board leadership (*cont'd*)

In compliance with MCCG, the Executive Chairman was not a member of the AC, NC, RC and RMC nor did he attend the meetings of such board committees by way of invitation during the financial year under review to enhance the independence and oversight roles of the Chairman of the Board in leading the Board of the Company. Kindly refer to Practice 1.4 of the CG Report for further details.

The Independent and Non-Executive Directors (“INED”) play a crucial role in ensuring that the strategies proposed by Management undergo thorough deliberation and examination. This ensures that the interests of all stakeholders are carefully considered during the decision-making process.

All Board members shall notify the Chairman of the Board before accepting any new directorship or significant commitments outside the Company, including an indication of the time that will be spent on the new appointment. The Chairman shall also notify the Board if he or she has any new significant commitments outside the Company.

In discharging its duties efficiently and effectively, the Board is assisted by a licensed Company Secretary and the details of the Company Secretary are disclosed in Practice 1.5 of the CG Report.

i. Board Charter

The Board is guided by a formal **Board Charter** approved by the Board. The **Board Charter** sets out the composition, roles, functions, responsibilities and authorities of the Board and the Board Committees of the Company as well as the roles and responsibilities of the Chairman of the Board, the Group Managing Director, the Senior Independent Director and the Company Secretary. The Charter further defines the Board composition, specific responsibilities and matters reserved for the Board, governance structure, Board Committees, delegation of authorities, commitment by the Directors, Independent Directorship, tenure of Independent Directors, appointment and re-election of Directors, Board Committee, Board proceedings, financial reporting responsibilities, unrestricted rights to access to information and independent advice, Board evaluation and performance, Board remuneration, Directors’ training and continuing education, investor relation and shareholders’ communication policy, general meetings and attendance and code of conduct.

Further disclosure on the details of the **Board Charter** is disclosed in Practice 2.1 of the CG Report.

The **Board Charter** is available for download from “Others” section of the “News” tab on the Company’s website at www.ksl.my.

ii. Code of Conduct and Whistle-Blowing Policy

The Board is fully committed to the highest standards of integrity, transparency and accountability in the conduct of the Group’s business and operations to ensure business sustainability through their conduct, individually or collectively, focusing on the key principles of serving with respecting others, avoiding conflict of interest, preserving confidentiality and privacy and business sustainability. AC is entrusted with the task of looking into ethical practices and compliance of the Group.

The Board incorporated the above key values and principles of expected conduct into the Company’s **Code of Conduct** (“The Code”) to govern the standards of ethics and good conduct expected that is applicable to all employees, customers and vendors of the Group. The Code forms the integrity and ethical value expected from the employees which are incorporated in the Employees Handbook.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

ii. Code of Conduct and Whistle-Blowing Policy (cont'd)

To further enhance the ethical value across the Group, a formal **Group Anti-Bribery and Anti-Corruption Policy** and a **Conflict of Interest Framework** have been put in place by the Board to effectively manage and mitigate risks of bribery and conflict of interest situations while the **Related Party Transactions and Conflict of Interest Policy and Procedures** is established to manage related party transactions entered or to be entered in accordance with MMLRs and the reporting of related party transactions. Please refer to Practice 3.1 of the CG Report for the details.

To foster an environment where integrity and ethical behaviour are maintained, the Board has put in place a formal **Whistle-Blowing Policy** to encourage employees and other interested parties to disclose concerns about illegal, unethical or improper business conduct within the Group. Please refer to Practice 3.2 of the CG Report for details.

The **Code of Conduct, Group Anti-Bribery and Anti-Corruption Policy, Conflict of Interest Framework, Related Party Transactions and Conflict of Interest Policy and Procedures** and **Whistle-Blowing Policy** are available for download from "Others" section of the "News" tab on the Company's website at www.ksl.my.

iii. Board's Meetings

The Chairman of the Board, on the advice of the Company Secretary, determined the agenda of the meetings of the Board during the financial year under review and ensured that sufficient time was allocated during the meeting proceedings so that each agenda item or issue brought up were discussed or deliberated in necessary depth before decisions were made.

Board Committee meetings of the Company, including AC meetings, were not combined with the Board Meetings during the financial year under review and other directors and employees attended any particular Board Committee meeting only at such Board Committee's invitation.

The Board meets regularly to perform its main function on the development and implementation of strategic plans, formulation of policies, overseeing the conduct and operations of the businesses of the Group, sustainability oversight, succession planning and ensuring the appropriateness of internal control and effectiveness of risk management and is mindful of the importance of business sustainability in conducting the Group's business.

To carry out its functions and responsibilities, the Board met five (5) times during the financial year ended 31 December 2024 and the attendance of each Director at the Board Meetings is as follows:

Director	No. of Attendance	No. of Meetings Eligible to Attend
Ku Hwa Seng	5	5
Khoo Cheng Hai @ Ku Cheng Hai	5	5
Ku Tien Sek	5	5
Pang Ah Kow	5	5
Tan Swee Geok	5	5
Wong Lee Lee	5	5
Khoo Lee Feng *	5	5
Ku Ek Mei *	5	5
Tan Kai Seng *	5	5

* Appointed with effect from 1 January 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

iii. Board's Meetings (cont'd)

The Board plans to meet at least four (4) times a year at quarterly intervals, with additional meetings convened when urgent and important decisions are required to be made between the scheduled meetings. All meetings of the Board are duly recorded in the Board minutes by the Company Secretary. The Company Secretary also attended all Board Meetings of the Company. The Company Secretary ensures that all Board meetings are properly convened, and that accurate and proper records of the deliberations, proceedings and resolutions passed are recorded and maintained in the statutory register at the registered office of the Company.

iv. Supply of Information

The Board members in their individual capacity have unrestricted access to complete information on a timely basis in the form and quality necessary for the discharge of their duties and responsibilities. Prior to each Board meeting, all Board members are furnished with the relevant documents and sufficient information, i.e. minutes of previous Board and individual committee meeting as well as board papers, no less than five (5) business days before the meeting to enable them to have sufficient time in obtaining a comprehensive understanding of the issues to be deliberated upon in order to arrive at a decision.

Besides direct access to management staff, external independent professional advisers are also made available to render their independent views and advice to the Board, whenever deemed necessary and in appropriate circumstances, at the Company's expense.

The Directors also have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board's procedures are adhered to.

Please refer to Practice 1.6 of the CG Report for details of the Board's proceedings on meeting materials and supply of information.

v. Board Composition

The appointment and re-election of Directors of the Company and its subsidiaries are governed by **Fit and Proper Policy**, **Policy and Procedure on Nomination and Selection of Director** and **Policy on Independence Assessment of Independent Directors** (for appointment of INED). The NC shall ensure the composition of the Board is refreshed periodically. The tenure of the Directors of the Company will be reviewed by the NC annually, typically in March, and recommendations will be made by NC to the Board for deliberation. Recommendations for the re-appointment of Directors in the forthcoming Annual General Meeting ("AGM") will be made by the Board to the shareholders for approval during the AGM after they were satisfied that the current Board composition and the tenure of each Director were able to fulfill the current and future needs of the Group. Please refer to Practice 5.1 of the CG Report for the detailed disclosure on the review of Board composition and tenure of individual Directors and that re-appointment is based on satisfactory evaluation of the Director's performance and contribution to the Board.

As of the date of this report, the Board comprises nine (9) members, consisting of one (1) Executive Chairman, five (5) Executive Directors (including the Group Managing Director), and three (3) INEDs. The profile of each Director is presented in this Annual Report. While the Board has yet to meet the requirement of having at least half of its members comprised of INEDs, the current composition is in compliance with the requirements of MMLR 15.02(1), which mandates that at least 2 directors or 1/3 of the Board, whichever is higher, must be INEDs. Please refer to Practice 5.2 of the CG Report for further details.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

vi. Board Diversity

It is the Board's responsibility to ensure that the diversity within the Board is preserved so that the required mix of knowledge, skills, expertise and experience are brought into the Group for business excellence while age, ethnic and gender diversity provides different viewpoints for issues under consideration. The Board is satisfied that, through the formal procedure for nomination and selection, as well as annual performance appraisal performed on the Board, the Board Committees and individual directors, the current board composition represents a mix of knowledge, skills and experience required to discharge the Board's duties and responsibilities effectively as well as no individual or small groups of individuals dominate the Board's decision-making process.

The Board supports age, ethnic and gender diversity within the Group, including the workplace. While presently the Board does not establish a formal policy on gender diversity, the Board believes that the appointment of members of the Board and Senior Management shall be based on the merit of the candidates as well as the required mix of knowledge, skills, expertise and experience to be brought into the Group, instead of purely based on gender consideration. Nonetheless, the Board is committed to appointing women directors to the Company's Board and members of Senior Management who demonstrate suitability, competence, and capability. The current composition of the Board reflects its efforts to promote gender diversity. Presently, there are four (4) female directors appointed as members of the Board of the Company, out of a total of nine (9) directors (i.e. 4/9 or 44.4%) and representation of 2 female management as Directors of the subsidiaries. At present, there was no active politician appointed as a member of the Board of the Company and its subsidiaries.

Please refer to Practice 5.5 of the CG Report for the detailed disclosure of the board diversity as well as Practices 5.9 and 5.10 of the CG Report for the detailed disclosure on the gender diversity.

vii. INED

Independence of the candidates to act as Independent Director is assessed by NC prior to their appointment based on independence assessment as well as the nomination and selection process governed by **Fit and Proper Policy, Policy and Procedure on Nomination and Selection of Director** and **Policy on Independence Assessment of Independent Directors** with the results of the review reported to the Board for consideration and decision.

Annually, all INEDs are subject to independence assessment by NC based on prescribed criteria concerning their independence, objectivity and disclosure of interests within the Group, as well as any external affiliations or transactions. The results of the independence assessment are then presented by NC to the Board for their evaluation of the independence and objectivity of INEDs. Based on the above assessment performed in 2024, the Board is satisfied with the level of independence and objectivity demonstrated by all INEDs, recognising their ability to bring independent and objective judgement to Board deliberations.

As at the date of this Annual Report, all INEDS (i.e. Mr. Pang Ah Kow, Ms. Wong Lee Lee and Ms. Tan Swee Geok), who were appointed as INED on 1 December 2022, have each served the Board for a tenure of less than nine (9) years. Please refer to Practice 5.3 of the CG Report for further details.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (*cont'd*)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (*cont'd*)

1.1 Board leadership (*cont'd*)

viii. Appointment of Directors and Senior Management, Re-election and Re-appointment of Directors

Appointment of new Directors to the Board or Board Committee is recommended to the NC for consideration and approved by the Board in accordance with the nomination and selection processes practised by the NC and the Board. It is the practice of the Board that highly qualified candidates with sufficient and relevant knowledge, skills and competency are sought to serve as members of the Board and the Senior Management. Additionally, the Board prioritises maintaining gender and ethnic diversity within both the Board and Senior Management, should suitable candidates with diverse backgrounds be identified.

The process and criteria for the nomination and selection practised by NC and the Board involves identification of potential candidates, evaluation of suitability of candidates based on agreed upon criteria, meeting up with candidates and background check, final deliberation by NC and recommendation to the Board. NC may seek independent professional advice, at the Company's expense, to perform its responsibilities under nomination and selection of Directors. The Board endeavours to not solely rely on recommendations from existing board members, management or major shareholders for the nomination of new director and to expand the source to include recommendation by other professionals and open search.

All Board members who are newly appointed are subject to retirement at the subsequent AGM of the Company. All Directors (including the Group Managing Director) will retire at regular intervals by rotation at least once every three years and shall be eligible for re-election.

The recommendations for re-appointment of retiring directors to shareholders during the AGM are made by the NC to the Board upon satisfactory results of performance evaluation of such Directors and independence assessment (for INED).

While it is the intention of the NC and the Board to have independent sources for the identification of candidates for the appointment of Directors, the identification and nomination of candidates for the appointment of three (3) new Executive Directors on 1 January 2024 were based on recommendations from existing directors and major shareholders without sourcing of candidates from independent sources.

Please refer to Practices 5.6 and 5.7 of the CG Report for the details on the nomination, appointment and re-appointment process of the Directors and explanation for departure of Practice 5.6.

ix. Performance Assessment and Evaluation of Board

On an annual basis, the Company Secretary circulates to each Director the relevant evaluations and assessment forms/checklists in relation to the evaluation of the Board, the Chairman of the Board, the Board Committees including the AC, the contribution of each individual Director and independence assessment of INED. Sufficient time is given to all Directors to complete the forms and checklists in advance of the meeting in order for the Company Secretary to collate the assessment/evaluation results for the NC to review and report to the Board.

The following assessments and evaluations were performed during the financial year:

1. The Board and Board Committees' performance evaluation (including the Board Chairman's role and responsibilities);
2. Individual Directors performance appraisal pursuant to Paragraph 2.20A of MMLRs;
3. Self-assessment of independence and self-declaration of interests in the Group, any corporation, partnership, business transactions and/or services with the Group, employment history and identity of person connected to him by INED;
4. Audit Committee Evaluation and Audit Committee members pursuant to Paragraph 15.20 of the MMLRs.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

ix. Performance Assessment and Evaluation of Board (cont'd)

With the above evaluation/review processes, the Board, through NC, reviewed and assessed its required mix of skills, experience and other qualities, including core competencies which Directors should bring to the Board, and the size and composition of the Board to ensure that it has the appropriate mix of skills and competencies to lead the Group effectively.

Based on the above evaluations conducted for the financial year ended 31 December 2024, the Board, through reports by the NC, were satisfied with the composition, performance and effectiveness of the Board, the Board Committees and Directors (including Chairman of the Board), and that the AC and its members had carried out their duties in accordance with their terms of reference in accordance with the MMLRs.

Please refer to Practice 6.1 of the CG Report for the details on the performance evaluation of the Board, the Board Committees, the contribution of each individual Director (including Chairman of the Board) and independence assessment of INED.

x. Directors' and Senior Management's Remuneration

The Board assumes the overall responsibility to establish and implement an effective remuneration policy for the members of the Board and Senior Management. The policy aims to attract, retain and motivate Directors and Senior Management to positively pursue the Group's medium to long-term objectives. The Board has put in place a **Remuneration Policy for Directors** which serves as a guiding framework for the RC when reviewing and recommending the remuneration packages of the members of the Board. Major components of the remuneration package for Executive Directors and Non-Executive Directors ("NED") are specified in the Policy.

In brief, the Board determines remuneration for Executive Directors and Senior Management based on their performance, service, seniority, experience, and scope of responsibilities. Meanwhile, the remuneration of NEDs, including INEDs, is determined based on a fixed fee structure that reflects their experience, skills, responsibilities, and time commitment to the Board and its Committees, with approval from shareholders. NEDs are remunerated through directors' fees and meeting allowances, and are not entitled to performance-based bonuses, share options, or any form of commission or profit-linked incentives.

RC is responsible for recommending to the Board the remuneration packages of the members of the Board and Senior Management, whilst the Board, as a whole is responsible for determining the final remuneration of the Directors and Senior Management. Individual Director shall abstain from deliberation and approval of his/her own remuneration. Directors who are shareholders or controlling shareholders with a nominee or connected Director on the Board shall abstain from voting at general meetings to approve the remunerations of such interested Director.

Directors' fees for NEDs and any other allowances payable to Executive Directors and NEDs are subject to the approval of shareholders at the AGM.

Please refer to Practices 7.1 and 7.2 of the CG Report for the details of **Remuneration Policy for Directors** and summary of details of **Terms of Reference of RC**.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (*cont'd*)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (*cont'd*)

1.1 Board leadership (*cont'd*)

x. Directors' and Senior Management's Remuneration (*cont'd*)

Please refer to Practice 8.1 of the CG Report for the breakdowns of remuneration of individual Directors (including fees, salary, bonus, benefits-in-kind and other emoluments) on named basis for the financial year ended 31 December 2024.

The disclosure of Senior Management's remuneration component on a named basis in bands of RM50,000 is not adopted as the Board is of the opinion that the disclosure may jeopardise the personal security of the individual Senior Management concerned and could potentially increase the risk of losing key personnel, particularly if their remuneration packages are published publicly.

Please refer to Practice 8.2 of the CG Report for the explanation regarding the departure from disclosing Senior Management's remuneration component on a named basis in bands of RM50,000.

xi. Directors' Training

As per the **Board Charter**, the Board is assigned with the responsibility to ensure Directors and Senior Management enhance their knowledge and skills through attending training programmes. The Board is also tasked with assessing the training needs of Directors through the formal evaluation of skills possessed by individual Directors (including members of the AC) and facilitating their access to continuing education programmes with a review performed by the NC in identifying knowledge and skills required by the Directors to discharge their responsibilities.

All Executive Directors have been with the Company for several years and are familiar with their duties and responsibilities as Directors. In addition, any newly appointed Directors will be given briefings and orientation by the Executive Directors and Senior Management on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as Directors.

All the Directors have completed the Mandatory Accreditation Program prescribed by Bursa Securities and they are mindful that they should receive appropriate continuous training and attend seminars and briefings in order to broaden their perspective and to keep abreast with new developments for the furtherance of their duties. Specifically, AC members should undertake continuous professional development to keep themselves abreast of relevant developments in accounting, auditing, taxation, company secretarial and sustainability standards, practices and rules.

During the financial year ended 31 December 2024, all Directors received regular briefings and updates on the Group's business and operations and received updates on new regulations and statutory requirements. All members of the Board have attended training(s) that were organised by regulatory bodies or professional organisations. The trainings attended by individual Board members are shown in the following table: -

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

xi. Directors' Training (cont'd)

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Ku Hwa Seng	Malaysia E-Invoicing Framework – Mechanism, Process and Planning	3ntity Sdn Bhd
	2025 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
Khoo Cheng Hai @ Ku Cheng Hai	Malaysia E-Invoicing Framework – Mechanism, Process and Planning	3ntity Sdn Bhd
	2025 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
Ku Tien Sek	Malaysia E-Invoicing Framework – Mechanism, Process and Planning	3ntity Sdn Bhd
	2025 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
Pang Ah Kow	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
	MIA Webinar Series : Audit Quality Enhancement Programme for SMPs	Malaysian Institute of Accountants
	Case Study-Based MFRS Webinar: Key MFRS Standards – Underlying Principles and Applications	Malaysian Institute of Accountants
	MIA International Accountants Conference 2024 – Navigating New Frontiers, Embracing Sustainability	Malaysian Institute of Accountants
Tan Swee Geok	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
Wong Lee Lee	Case Study-Based MFRS Webinar: A Review of Latest Developments in MFRS/MPERS	Malaysian Institute of Accountants
	2025 Budget Seminar	Malaysian Institute of Accountants
	MIA Webinar Series : Practical Implementation of Monitoring & Remediation Process for ISQM 1	Malaysian Institute of Accountants
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
Khoo Lee Feng	Mandatory Accreditation Programme (MAP)	Institute of Corporate Directors Malaysia
	Malaysia E-Invoicing Framework – Mechanism, Process and Planning	3ntity Sdn Bhd
	2025 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd
Ku Ek Mei	Mandatory Accreditation Programme (MAP)	Institute of Corporate Directors Malaysia
	Malaysia E-Invoicing Framework – Mechanism, Process and Planning	3ntity Sdn Bhd
	2025 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1.1 Board leadership (cont'd)

xi. Directors' Training (cont'd)

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Tan Kai Seng	Mandatory Accreditation Programme (MAP)	Institute of Corporate Directors Malaysia
	BOSS i-NET (HCMS) - 3 Time Attendance Management System	BOSS Solutions Global Sdn Bhd
	E-Invoicing Masterclass for Account Personnel	3ntity Sdn Bhd
	E-Invoicing – Practical Training on E-Invoice Application	3ntity Sdn Bhd
	2025 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd
	Anti-Bribery and Anti-Corruption Training	AI Smartual Learning Sdn Bhd

xii. Board Committees

In discharging its fiduciary duties, the Board has delegated specific duties to four (4) subcommittees (i.e. AC, NC, RC and RMC). The Committees have the authority to examine particular issues and report to the Board with their recommendation. The ultimate responsibility for the final decision on all matters lies with the entire Board.

All Committees have written **Terms of References** and the Board receives reports on their proceedings and deliberations. The Chairman of the respective Committees is to brief the Board on the matters discussed at the Committee meetings and minutes of these meetings are circulated at the Board meetings.

- AC**

AC comprises exclusively of INEDs. The **Terms of Reference**, the number of meetings held, key activities carried out during the financial year and the attendance records of each member are disclosed in the Audit Committee Report of this Annual Report.

Please refer to Practices 9.1, 9.2, 9.3, 9.4 and 9.5 of the CG Report on disclosure in relation to the AC.

- NC**

NC comprises exclusively of INEDs, in compliance with MMLRs. NC is guided by written **Terms of Reference** duly approved by the Board, defining its rights, authorities and responsibilities. The NC is chaired by an INED.

NC's Terms of Reference is published in "Others" section of the "News" tab on the corporate website at www.ksl.my.

NC members and their attendance for the meetings held during the financial year ended 31 December 2024 are as follows: -

	No. of Meetings Held	Attendance
Tan Swee Geok (Chairperson)	1	1
Pang Ah Kow	1	1
Wong Lee Lee	1	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1.1 Board leadership *(cont'd)*

xii. Board Committees *(cont'd)*

- **NC *(cont'd)***

During the financial year ended 31 December 2024, the NC conducted evaluations and assessments on the performance of the Board, the Board Committees (including AC and members of AC), the contribution by each Director and the independence assessment of INEDs based on the pre-determined processes and evaluation/review criteria. NC reported the results of all evaluations and assessments to the Board for review and deliberation to enable effective actions (including trainings to be attended) to be formulated and implemented for the proper and effective functioning of the Board and its Committees.

Please refer to Practices 5.1, 5.2, 5.3, 5.5, 5.6, 5.7, 5.8 and 6.1 of the CG Report for details on NC and its activities.

- **RC**

RC was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration package for Directors and Senior Management so as to attract, retain and motivate the Directors and members of Senior Management. RC is guided by formal **Terms of Reference**. Further disclosure on the RC (and its activities) and remuneration policy and procedure can be found in Practices 7.1 and 7.2 of the CG Report.

RC comprises exclusively of INEDs. Their attendance records are as follows: -

	No. of Meetings Held	Attendance
Wong Lee Lee (Chairperson)	1	1
Tan Swee Geok	1	1
Pang Ah Kow	1	1

RC's Terms of Reference is published under the "Others" section of the "News" tab on the corporate website at www.ksl.my.

RC held a meeting during the financial year ended 31 December 2024 to review the service contracts of Executive Directors, proposed Directors' fees for Non-Executive Directors, proposed remuneration package of Executive Directors (with performance assessment results reported by the NC) with such recommended Directors' fees and remuneration packages reported to the Board for approval and/or recommendation to the shareholders for approval, if applicable.

- **RMC**

RMC was formed on 26 February 2014 to provide oversight, direction and counsel to the Group risk management process and to assist the Board in identifying, mitigating and monitoring critical risks highlighted by business units. RMC comprises the Group Managing Director and three (3) INEDs, in compliance with the Step-Up practice recommended by MCGG:

Risk Management Committee	No. of Meetings Held	Attendance
Pang Ah Kow (Chairperson)	1	1
Wong Lee Lee	1	1
Tan Swee Geok	1	1
Khoo Cheng Hai @ Ku Cheng Hai	1	1

RMC's Terms of Reference is published under the "Others" section of the "News" tab on the corporate website at www.ksl.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (*cont'd*)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (*cont'd*)

1.1 Board leadership (*cont'd*)

xii. Board Committees (*cont'd*)

- RMC (*cont'd*)

During the financial year under review, RMC met once to review and assess the adequacy and effectiveness of the risk management structure, risk policies, processes and relevant support system. Besides, RMC also reviewed, assessed and deliberated risk profile presented with responses and strategies formulated to the key strategic and operational risks deliberated and reported to the Board on the results of its review.

Further disclosure on the risk management activities during the financial year can be found in Practices 10.1, 10.2 and 10.3 of the CG Report and in the Statement on Risk Management and Internal Control of this Annual Report.

xiii. Sustainability Oversight and Management

In order to promote sustainability of the Group's businesses, one of the business strategies adopted by the Board is to ensure the sustainability aspects of the businesses undertaken are well taken care of. The Group upheld the principle to maintain effective sustainability management continuously in order to contribute positively to the socio-economic development of the communities, to promote environmentally friendly business practices and to uphold good social practices.

One of the key responsibilities of the Board of the Company is to establish sustainability policy and to review the management of material sustainability matters on predetermined intervals as well as to promote good sustainability practices throughout the Group. The sustainability management of the Group is governed by the **Sustainability Policy** established by the Board. Formal governance structure, stakeholders' engagement and process to identify, assess, formulate and monitor responses to material sustainability issues are prescribed in such policy with the assessment results and responses fed into the risk management process of the Group for continuous monitoring. As an important communication with stakeholders of the Group, the Sustainability Statement was published along with the Annual Report for the financial year under review.

Please refer to Practices 4.1, 4.2, 4.3, 4.4 and 4.5 of the CG Report and the Sustainability Statement for the governance structure and processes employed, as well as the identification, assessment, management and reporting of sustainability matters during the financial year under review.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

AC is tasked with the oversight role on the effectiveness of audit and internal controls of the Group. The composition and activities carried out during the financial year under review, including the number of meetings held and attendance are disclosed in the Audit Committee Report of this Annual Report and Practices 9.1, 9.2, 9.3, 9.4 and 9.5 of the CG Report.

i. Relationship with Auditors

The Group maintains a close and transparent relationship with its external auditors and internal audit function in seeking professional advice and ensuring compliance with the Group's policies and procedures, approved accounting standards as well as the relevant regulations in Malaysia.

The roles and responsibilities of the AC in relation to the external auditors and internal audit function are prescribed in the **Terms of Reference of AC**.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

i. Relationship with Auditors (cont'd)

The engagement of the external auditors is governed by the engagement letter with terms of engagement (which includes, amongst others, the scope of coverage, the responsibilities of the external auditors, confidentiality, independence and the proposed fees) reviewed by the AC and its recommendation to the Board. Furthermore, the external auditors of the Group confirmed to the AC their independence throughout the audit engagement and that they are not aware of any relationship between the Group and them that may reasonably impair their independence.

AC met with the external auditors twice during the financial year under review to discuss their audit plans, audit findings, financial statements and other special matters that require AC's attention. In addition, AC met privately with the external auditors once without the presence of the Executive Directors and the Management to encourage free flow of information and views, as well as for the external auditors to freely express their opinions without undue pressure.

AC had also considered the nature of other non-audit services provided during the year by the external auditors and the quantum of the fees as tabulated in the table below and was satisfied that the provision of these services did not in any way compromise their independence.

The audit and non-audit fees incurred for services rendered by the external auditors and their affiliated firms and companies to the Company and its subsidiaries for the financial year ended 31 December 2024 are as follows:

	Company	Group	Description
Audit Fees (RM)	25,000	327,000	
Non-Audit Fees (RM)	5,000	11,700	Review of Statement on Risk Management and Internal Control, and statutory audit of Housing Development Accounts

The oversight roles of the AC in relation to the internal audit function are detailed in Practices 11.1 and 11.2 of the CG Report, as well as in the Audit Committee Report and the Statement on Risk Management and Internal Control of this Annual Report, respectively.

ii. Risk Management

The Board recognises the importance of risk management in pursuing its Company's objective and has in place a formal **Group Risk Management Policy**. The details of the **Group Risk Management Policy** and the risk management processes are disclosed in Practices 10.1 and 10.2 of the CG Report, as well as in the Statement on Risk Management and Internal Control of this Annual Report.

iii. Internal Control and Internal Audit Function

The Board recognises the importance of having a sound internal control system for good corporate governance. As such, the internal audit function is established to review the adequacy and integrity of the internal control system in managing the principal risks of the Group. The internal audit function is outsourced to a professional firm to assist the AC in reviewing the state of internal control of the Group and to highlight areas for management and operational improvements.

The state of the internal control system and internal audit function of the Group are explained in greater detail in the Statement on Risk Management and Internal Control within this Annual Report, as well as in Practices 11.1 and 11.2 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (*cont'd*)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (*cont'd*)

iv. Uphold Integrity in Financial Reporting

The Directors are committed to ensuring that all disclosures to shareholders, investors and regulatory authorities present a balanced, clear and meaningful assessment of the Group's financial positions and prospects.

All financial statements, including the annual audited financial statements to shareholders and the quarterly financial results were reviewed by the AC and recommended to the Board for approval. This process ensures the accuracy, adequacy and completeness of the information disclosed, as well as compliance with relevant accounting standards and regulatory requirements before public release or submission to the relevant authorities.

The Board, through the review by the AC and in consultation with the Management and the external auditors, has ensured the presentation of a fair and meaningful assessment of the Group's financial performance and position.

A summary of the AC's key activities in discharging its functions and duties in relation to financial reporting during the financial year is set out in the Audit Committee Report of this Annual Report.

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

i. Corporate Disclosure and Stakeholders Communication

The core communication channel with the stakeholders employed by the Company is via the announcements made in Bursa Securities. All announcements to be made in Bursa Securities are to be approved by the Board, prior to its release. The Board is observing all disclosure requirements as laid down by MMLRs and Capital Markets and Services Act 2007. The Board has adopted a practice for the disclosure of material information of the Group with assurance that communications to the relevant stakeholders are timely, factual, accurate, and complete. All material events and information are to be disseminated publicly and transparently on a timely basis to ensure fair and equitable access by all stakeholders without selective disclosure.

Additionally, the Annual Report is another main communication tool between the Company and its stakeholders. The Annual Report communicates comprehensive information on the financial results and activities undertaken by the Group. As a listed issuer, the contents and disclosure requirements of the Annual Report are governed by the MMLRs. To further improve the accessibility of Directors to shareholders and facilitate a deeper understanding of the Group's business and investment decisions, the **Board Charter** mandates that all Directors attend general meetings.

To facilitate communication with stakeholders and promote transparency and thoroughness in public dissemination of material information, the Company's corporate website incorporates an investor relations function by way of having a dedicated "News" section which provides all relevant information of the Company, and is accessible by the public via www.ksl.my. The "News" section enhances the investor relations function by including all announcements made by the Company, annual reports of the Company, press releases, the **Board Charter** and policies as well as **Terms of Reference of relevant Board Committees, Constitution, Group Anti-Bribery and Anti-Corruption Policy** and **Whistle-Blowing Policy** established and implemented by the Board, all made available for public access.

Please refer to Practice 12.1 of the CG Report on further disclosure of stakeholders' communication.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (*cont'd*)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (*cont'd*)

ii. Encourage Shareholders Participation at General Meetings

General meetings serve as the principal forum for dialogue with shareholders. Shareholders are given the opportunity and encouraged to participate in the general meetings of the Company. The **Board Charter** includes the requirement that notice for AGM shall be given to shareholders at least 28 days prior to the meeting. Please refer to Practice 13.1 of the CG Report for further disclosure on the distribution and content of the Notice of general meeting.

Shareholders are allowed to appoint a proxy, who need not be a member of the Company, with no qualification imposed on the proxy.

To promote greater participation from shareholders at the general meeting, the Group hosted its 24th AGM through live streaming and online remote voting. Adequate time is given during general meetings to encourage and allow the shareholders to seek clarification or ask questions on pertinent and relevant matters. All Directors and the Company Secretary were physically present at the broadcast venue of the 24th AGM held during the financial year under review. Additionally, external auditors participated virtually at the 24th AGM to provide professional and independent clarification on issues and concerns raised by the shareholders during the meeting.

In addition, the Company welcomes requests for meetings and interviews with professionals from the investment community and is always willing to meet up with institutional investors when required.

iii. Poll Voting

Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, the Company is required to ensure that any resolution set out in the notice of general meetings is to be voted by poll. All resolutions put forth for shareholders' approval at the 24th AGM are voted by way of poll voting.

iv. Leverage on Information Technology for General Meetings

The Group conducted its 24th AGM via a fully virtual platform on 27 May 2024. The virtual general meeting allows shareholders to exercise their rights to participate, pose questions and vote at the general meeting safely and remotely via Remote Participation and Voting Facilities ("RPV"). The virtual approach enhances shareholder participation.

The poll administration and RPV facility service were provided by a reputable professional firm in Malaysia with extensive experience in poll administering services and comprehensive RPV facility in terms of functionality and performance. The administrative guide for attending the 24th AGM was issued and published in the Annual Report and the RPV facility so that the shareholders were guided on steps required before the date of meeting and during the meeting. The shareholders were able to participate and interact with the Board actively in the general meeting via live streaming of general meeting proceeding on their devices and submission of their questions via the query box of the RPV facility to the Board during the meeting. Sufficient time was allocated for the shareholders to pose questions to the Board and all pertinent questions relevant to the agendas of the general meeting were answered by the Board via the live streaming broadcast before the poll voting started.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *(cont'd)*

iv. Leverage on Information Technology for General Meetings *(cont'd)*

All pertinent questions raised by the shareholders prior to the date of general meeting and during the general meeting as well as the corresponding answers provided by the Board during the 24th AGM were compiled and recorded in the “Annual General Meeting Q&A Session”. The minutes of 24th AGM together with the “Annual General Meeting Q&A Session” was uploaded to the Company’s corporate website within 30 business days following the meeting, which took place on 27 May 2024.

The details of the features and activities of the virtual general meeting and RPV facility are disclosed in Practices 13.3, 13.4 and 13.5 of the CG Report while the details of publication of minutes of general meeting are disclosed in Practice 13.6 of the CG Report.

Key Focus Areas and Future Priorities

The key focus areas of the Board were to enhance the independent elements within the Board. Firstly, through revision of the “Independent Director” definition, following paragraph 1.01 of the enhanced MMLR whereby tenure of the INED is limited to a cumulative period of twelve (12) years. Secondly, upon completion of the nine (9) years, the INED may continue to serve the Board as a Non-Independent Director or subject to the approval of shareholders through a two-tier voting process should the Director to continue be retained as an INED beyond 9 years pursuant to Practice 5.3 of the MCCG. Additionally, the Board is committed to complying with Practice 5.2 of the MCCG whereby at least half of the members of the Board comprise INEDs if suitable candidates are available.

In the short term, the Board's priority is to update the tenure limit for INEDs to 12 years in both the Constitution and Board Charter. Additionally, the Board aims to include the requirement of shareholder approval through a two-tier voting process if it intends to retain an INED beyond 9 years in the Board Charter. Furthermore, the Board intends to update the Board Charter to reflect a cooling-off period of at least three years for a former partner of the external audit firm (currently, two years for a former audit partner per the Board Charter).

In the medium term, it is the Board's priority to formalise and/or update the Group's corporate governance practices into relevant Board's policies and procedures in line with the MCCG and MMLRs (including its amendments). This includes establishing the Board and Senior Management Diversity Policy, Policy and Procedure to Assess the Suitability and Independence of External Auditors and Corporate Disclosure Policy. Additionally, sustainability oversight and performance will be incorporated as part of the board evaluation process and criteria.

In the long term, the Board aims to comply with the requirement that the identification and nomination of candidates for the appointment of new members of the Board, especially appointment of INED, come from independent sources, apart from recommendations from existing directors, management or major shareholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

Additional Compliance Statement

- **Material Contracts or Loan Involving the Interests of the Directors, Chief Executive or Major Shareholders**

Except recurrent related party transactions as disclosed below, there was no other material contract or loan subsisting at the financial year ended 31 December 2024 or entered into since the end of financial year by the Company and its subsidiaries which involve the interests of Director, Chief Executive who is not a Director or major shareholders.

- **Recurrent Related Party Transactions**

The recurrent related party transactions entered into by the Group during the financial year under review which are disclosed in Note 30 to the Financial Statements on pages 180 to 181 of this Annual Report.

- **Employee Share Scheme**

The Company did not establish any employee share scheme and there was no subsisting employee share scheme during the financial year under review.

- **Utilisation of Proceeds**

The Company did not implement any fund-raising exercise during the financial year ended 31 December 2024.

The Board reviewed and approved this Statement on 21 April 2025.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26(b) and Practice Note 9 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”) in relation to the requirement to prepare statement on the state of risk management and internal control of the listed issuer as a group, and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) and the Malaysian Code on Corporate Governance 2021 (“MCCG”), the Board of Directors (“the Board”) of KSL Holdings Berhad (“KSL” or “the Company”) (collectively with its subsidiaries, “the Group”) is pleased to present the statement on the state of the risk management and internal control of the Group for the financial year ended 31 December 2024. The scope of this Statement includes the Company and its wholly owned subsidiaries.

BOARD RESPONSIBILITIES

The Board affirms its overall responsibility for maintaining a sound governance, risk management and internal control system, as well as for reviewing their adequacy and effectiveness so as to achieve the Group’s business objectives and strategies, as well as to safeguard all its stakeholders’ interests and protect the Group’s assets. The Board establishes the Group’s risk appetite based on the corporate objectives, strategies, external environment, business nature and corporate lifecycle. The Board is committed to the establishment and maintenance of an appropriate control environment that is embedded into the corporate culture, processes and strategies of the Group. The Board delegates the duty of identification, assessment and management of key business risks to the Risk and Sustainability Management Committee (“RSMC”) while the oversight roles are delegated to the Risk Management Committee (for risk management) and Audit Committee (for internal control system). The Risk Management Committee and Audit Committee are assigned with the duty, through its Terms of Reference approved by the Board, to provide assurance to the Board on the adequacy and effectiveness of risk management and internal control system of the Group respectively. Through the Risk Management Committee and Audit Committee, the Board is kept informed of all significant control issues brought to the attention of the Risk Management Committee and Audit Committee by the Management, the internal audit function and the external auditors.

The system of internal control covers, inter-alia, control environment, risk assessment, control activities, information and communication as well as monitoring activities. However, given the inherent limitations of any internal control system, the system of internal control is designed to manage, rather than to eliminate, the risk of failure in achieving the Group’s business objectives. Accordingly, the system of internal control provides reasonable, rather than absolute, assurance against material misstatements, losses, or fraud.

RISK MANAGEMENT

The Board recognises risk management as an essential part of the internal control system and acknowledges that a sound risk management system is critical in the pursuit of its strategic objectives. The Board maintains an on-going commitment to identifying, evaluating and managing significant risks faced by the Group during the financial year under review. As the Second Line of Defence, the Board has put in place a structured Group Risk Management Framework that is integrated, as the governance structure and processes for the risk management on enterprise wide, in order to embed the risk management practice into all levels of the Group and to manage key business risks faced by the Group adequately and effectively. The duties for the identification, evaluation and management of the key business risks are delegated to RSMC, led by the Executive Chairman. The Group Risk Management Framework is established with reference to ISO 31000:2018 - Risk Management Guidelines.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

RISK MANAGEMENT (cont'd)

The Group Risk Management Framework lays down the risk management objectives and processes defined by the Board with formalised governance structure of the risk management activities of the Group established as follows:



Clear roles and responsibilities of the Board, the Risk Management Committee, the RSMC, Risk Owners, the Key Risk and Sustainability Officer and the internal audit function are defined in the Group Risk Management Framework. In particular, the roles and responsibilities of the RSMC in relation to the risk management are listed as follows:-

- a. implement the risk management policy as approved by the Board;
- b. implement the risk management process which includes the identification of key risks and devising appropriate action plan(s) in cases where existing controls are ineffective, inadequate or non-existence and communicate methodology to the risk owners;
- c. ensure that risk strategies adopted are aligned with the Group's organisational strategies (e.g. vision/mission, corporate strategies/ goals, etc.), risk management policy and process, as well as risk appetite/ tolerance;
- d. continuous review and update of the Key Risk Profiles of the Group due to changes in internal business processes, business strategies or external environment and determination of management action plan, if required;
- e. update the Board, through the Risk Management Committee, on changes to the Key Risk Profiles on periodical basis (at least on annual basis) or when appropriate (due to significant change to the internal business processes, business strategies or external environment) and the course of action to be taken by Management in managing the changes; and
- f. to perform risk identification and assessment in relation to major asset/ business acquisition or divestment or business diversification or business consolidation and to report the results of the assessment to the Board for strategic decision making.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (*cont'd*)

RISK MANAGEMENT (*cont'd*)

Apart from the duty to monitor the implementation of, and compliance with, the Group's approved risk policies and processes, and to ensure that significant identified risks are being responded to appropriately, the Risk Management Committee is entrusted with the duty to review and assess the adequacy and effectiveness of the risk management strategies, governance structure and processes, risk monitoring and responses, and to report to the Board on the results of its oversight roles and recommendations.

In addition, the Risk Owners (i.e. the Heads of Departments/Divisions) are designated as Risk Owners within their areas of expertise and delegated with the following responsibilities:

- a. manage the risks of the business processes under his/her control;
- b. continuously identify risks and evaluate existing controls. If controls deemed ineffective, inadequate or non-existent, to establish and implement controls to reduce the likelihood and/or impact;
- c. to report to the RSMC the emergence of new business risks or change in the existing business risks on a timely manner and assist RSMC with the development of the management action plans and implement these action plans;
- d. assist the RSMC with the half-yearly update of the changes in the Key Risks Register, management action plans and the status of these plans; and
- e. ensure that staffs working under him/her understand the risk exposure of the relevant process under his/her duty and the importance of the related controls.

Systematic risk management process is stipulated in the Framework, whereby each step of the risk identification, risk assessment, control identification, risk treatment and control activities are laid down for application by the RSMC and the Risk Owners. Risk identified includes sustainability matters identified during sustainability assessment process. Risk assessment, at gross and residual level, are guided by the likelihood rating and impact rating established by the Board based on the risk appetite acceptable by the Board.

Based on the risk management process, key risk registers are compiled by RSMC with the participation of the Risk Owners, with relevant key risks identified rated based on the agreed upon risk rating. The key risk registers are used for the identification of high residual risks which is above the risk appetite of the Group that require the Management and the Board's immediate attention and risk response(s) as well as for future risk monitoring. As an important risk monitoring mechanism, RSMC is scheduled to review the key risk registers of key operating subsidiaries and assessment of emerging risks identified at strategic and operational level on annual basis or on more frequent basis if circumstances required and to report to the Risk Management Committee on the results of the review and assessment.

During the financial year under review, the Risk Management Committee met once to review and assess the adequacy and effectiveness of the risk management structure, risk policies, processes and relevant support system. Besides, the Risk Management Committee also reviewed, assessed and deliberated risk profile presented with responses and strategies formulated to the key strategic and operational risks deliberated and reported to the Board on the results of its review.

At strategic level, business plans, business strategies and investment proposals with risks consideration are formulated by the Executive Chairman, Group Managing Director and/or Senior Management and presented to the Board for review and deliberation to ensure proposed plans and strategies are in line with the Group's risk appetite approved by the Board. In addition, specific strategic and key operational risks are highlighted and deliberated by Audit Committee, Risk Management Committee and/or the Board during the review of the financial performance of the Group in the scheduled meetings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

RISK MANAGEMENT *(cont'd)*

As the First Line of Defence, respective Risk Owners (i.e. the Heads of Departments/Divisions) are responsible for managing the risks within their responsibilities. Risk Owners are responsible for effective and efficient operational monitoring and management by way of maintaining effective internal controls and executing risk and control procedures on a day-to-day basis. Changes in key risks, or the emergence of new key risks, are identified through daily operational management and controls, as well as the review of financial and operational reports by respective levels of Management. These reports are generated by the internal management information system and are supplemented by relevant external data and information collected. Respective Risk Owners are responsible for assessing changes in both existing and emerging risks, and for formulating and implementing effective controls to manage these risks. Critical or material risks are highlighted to the Senior Management or the RSMC for final decision on the formulation and implementation of effective internal controls, and for subsequent reporting to the Audit Committee, the Risk Management Committee and/or the Board.

The monitoring of the risk management by the Group is enhanced by the internal audits carried out by the outsourced internal audit function with specific audit objectives and business risks identified for each internal audit cycles based on the internal audit plan approved by the Audit Committee.

The above process has been practiced by the Group for the financial year under review and up to the date of approval of this statement.

INTERNAL CONTROL SYSTEM

The key features of the Group's internal control systems are made up of five core components, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities with principles representing the fundamental concepts associated with each component explained as follows:-

- **Board of Directors/Board Committees**

The role, functions, composition, operation and processes of the Board are guided by a formal Board Charter whereby roles and responsibilities of the Board, the Chairman and the Group Managing Director are specified to preserve the independence of the Board from the Management.

Board Committees (i.e. Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee) are established to carry out duties and responsibilities delegated by the Board, governed by written terms of reference.

Meetings of the Board and respective Board Committees are carried out on scheduled basis to review the financial and operational performance of the Group. Potential business plans and business strategies are proposed by the Senior Management for the Board's review and approval, after taking into consideration the risks and responses thereto.

- **Integrity and Ethical Value**

The tone from the top on integrity and ethical value are enshrined in the formal Code of Conduct established and approved by the Board. This formal code forms the foundation of integrity and ethical value for the Group. Integrity and ethical value expected from the employees are incorporated in the Employees Handbook, whereby the ethical behaviours and proper conduct expected from employees in performing their duties and responsibilities assigned are established and stated therein.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

INTERNAL CONTROL SYSTEM *(cont'd)*

- **Integrity and Ethical Value *(cont'd)***

To further enhance the ethical values throughout the Group, a formal Conflict of Interest Framework as well as Related Party Transaction and Conflict of Interest Policy and Procedures were established and approved by the Board for implementation by the Management to reduce and manage the risk of conflict of interest within the Group.

As the Group is committed in conducting all business dealings in a responsible, transparent and ethical manner with integrity, a formal Group Anti-Bribery and Anti-Corruption Policy had been put in place by the Management to prevent the risk of bribery and conflict of interest within the Group.

A formal Whistle-Blowing Policy is established and approved by the Board to provide a channel for employees and other stakeholders to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, without fear of reprisals.

Compliance of Code of Conduct and Anti-Bribery and Anti-Corruption Policy are monitored via control activity monitoring mechanism implemented with non-compliances detected in a timely manner and investigated with appropriate corrective action, including but not limited to disciplinary actions, taken to rectify non-compliance.

- **Organisation Structure, Accountability and Authorisation**

The Group has a well-defined organisation structure in place with clear lines of reporting and accountability. The Group is committed to employing suitably qualified employees so that the appropriate level of authorities and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staffs to ensure operational efficiency. The authorisation requirements of the key internal control points of key business processes are incorporated in the design of the relevant forms as well as stated in the Group's policies and procedures.

- **Risk Assessment and Control Activities**

Risk assessment is performed by Risk Owners at scheduled intervals or when there is change in internal and/or business context in accordance with the Group Risk Management Policy. Internal controls, as risk responses, are formulated and put in place to mitigate risks that are identified to a level acceptable by the Board.

The Group has documented policies and procedures that are regularly reviewed and updated to ensure its relevance to support the Group's business activities in achieving the Group's business objectives.

- **Human Resource Policy**

Comprehensive guidelines on the human resource management and Employee Handbook are in place to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequate competent employees who possess the necessary knowledge, skill and experience (which are enhanced by continuous trainings thereafter) to carry out their duties and responsibilities effectively and efficiently.

Performance evaluation which forms the basis of increments and promotions are carried out for all levels of employees to identify performance gaps, training needs and to assist in talent development. On-the-job trainings are provided to employees too to upgrade their knowledge and skill sets.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

INTERNAL CONTROL SYSTEM *(cont'd)*

- **Information and Communication**

At the operational level, clear reporting lines are established across the Group and operational reports are prepared for dissemination to relevant personnel for effective communication of critical information throughout the Group and for timely decision making and execution in pursuit of business objectives. Matters that require attention from the Board and the Senior Management are highlighted for review, deliberation and decision on a timely basis.

The Group puts in place effective and efficient information and communication infrastructures and communication channels (i.e. computerised systems, secured intranet, electronic mail system and modern telecommunication) so that operational data and management information can be communicated timely and securely to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders. Apart from that, relevant financial and management reports are generated for different levels of management and employee for their review and decision making. The management and board meetings are held for effective two-way communication of information at different level of Management and the Board.

Communication of policies and procedures of the Group are conducted or disseminated via written form, information boards, electronic mail system and in-house trainings.

- **Monitoring and Review**

As Executive Directors are closely and directly involved in daily operations of the Group, regular reviews of operational data including development progress, operational performance of hotels and malls, marketing and financial data are performed by the Executive Directors. In addition, the quarterly financial performance review which contains key financial results and comparison against previous corresponding financial results are presented to the Board for their review.

Periodical management meetings are held to discuss and review financial and operational performance of key divisions/departments of the Group. The monitoring of compliance with relevant laws and regulations are further enhanced by the review of specific areas of safety, health and environment carried out by independent consultants engaged by the Group and the enforcement bodies.

Apart from the above, operational and financial performance report are also presented by the Senior Management during the Board meetings for the Board to assess the operational performance and future prospect of the Group as well as the external environment faced by the Group ahead.

Furthermore, internal audits are carried out by the outsourced internal audit function (which reports directly to the Audit Committee) based on the key risk areas identified. The outsourced internal audit function assesses the adequacy and effectiveness of internal controls in relation to specific governance, risk and control processes, and highlights potential risks and implications of its observations that may impact the Group as well as recommend improvements on the observations made to minimise the risks. The results of the internal audits carried out are reported to the Audit Committee.

INTERNAL AUDIT FUNCTION AND ACTIVITIES

The review of the adequacy and effectiveness of the Group's risk management and internal control system is outsourced to an independent professional firm, namely, NeedsBridge Advisory Sdn Bhd, who, through the Audit Committee, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's system on the risk management and internal control.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

INTERNAL AUDIT FUNCTION AND ACTIVITIES *(cont'd)*

To uphold the professional firm's independence and objectivity, the outsourced internal audit function is reporting directly to the Audit Committee. The outsourced internal audit function is not permitted to act on behalf of the Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee.

The internal audits are carried out by the outsourced internal audit function, in material aspects, in accordance with the International Professional Practices Framework ("IPPF"), i.e. the Mission, the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing (hereinafter referred to as "Standards") established by the Institute of Internal Auditors Global ("IIA Global"). The engagement director, Mr. Pang Nam Ming, is a Certified Internal Auditor ("CIA"), has a Certification in Risk Management Assurance ("CRMA") accredited by the IIA Global, and is a professional member of the Institute of Internal Auditors Malaysia ("IIAM"). As a CIA accredited by Institute of Internal Auditors ("IIA"), the engagement director is required to declare his conformance to the Standards to Institute of Internal Auditors during his renewal as CIA.

The audit engagement of the outsourced internal audit function is governed by an engagement letter, which outlines key terms including the purpose and scope of work, accountability, independence, the outsourced internal audit function's responsibilities, management's responsibilities, the authority granted to the outsourced internal audit function, limitations of scope of work, confidentiality, proposed fees, and the engagement team. The audit engagement is also governed by the Group's Internal Audit Charter, which has been established and approved by the Board. The appointment or resignation of the outsourced internal audit function as well as the proposed audit fees are subject to review by the Audit Committee and subsequently reported to the Board for ultimate approval. During the financial year under review, the resources allocated by the outsourced internal audit function for the internal audit fieldworks comprised one (1) assistant manager and assisted by at least one (1) senior consultant and one (1) consultant per engagement, with oversight performed by the director.

The risk-based internal audit plan in respect of the financial year ended 31 December 2024 was drafted by the outsourced internal audit function, after taking into consideration the existing and emerging key business risks identified in the key risk registers of the Group, the Senior Management's opinion and previous internal audits performed. It was reviewed and approved by the Audit Committee prior to execution. Each internal audit cycle within the internal audit plan is specific with regard to audit objective, key risks to be assessed and scopes of the internal control review.

As the Third Line of Defence, the internal control review procedures performed by the outsourced internal audit function are designed to understand, document and evaluate risks and related controls in order to determine the adequacy and effectiveness of governance, risk and control structures as well as control processes. The outsourced internal audit function provides recommendations formulated based on the root cause(s) of the internal audit observations. The internal audit procedures applied principally consist of process evaluations through interviews with relevant personnel involved in the process under review, review of the standard operating procedures and/or process flows provided as well as observations of the functioning of processes against the results of interviews and/or documented standard operating procedures and/or process flows. Thereafter, testing of controls are performed for the respective audit areas through the review of the samples selected based on sample sizes calculated in accordance with predetermined formulation, subject to the availability of financial data, nature of testing and verification of the samples.

During financial year ended 31 December 2024, based on the internal audit plan (and any amendments thereof) approved by the Audit Committee and the Board, the outsourced internal audit function has conducted internal control reviews on Procurement Management of KSL Esplanade Hotel and Mall and Facility Management of KSL Esplanade Mall of its key operating subsidiaries based in Malaysia.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

INTERNAL AUDIT FUNCTION AND ACTIVITIES *(cont'd)*

Upon completion of the internal audit fieldwork during the financial year, the internal audit reports were presented to the Audit Committee during its scheduled meetings. During the presentation, the internal audit observations, priority levels, risks/potential implications, internal audit recommendations, management responses/ action plans, person-in-charge and the dates of implementation were presented to and deliberated with the members of the Audit Committee. This enables the Audit Committee to form an opinion on the adequacy and/or effectiveness of the governance, risk and controls of the business processes under review.

Apart from the above, the outsourced internal audit function performed progress follow-up reviews on management action plans that had not been implemented during previous audit cycles. Verification was conducted either through physical observation or by reviewing supporting samples provided by the respective persons-in-charge to substantiate the implementation status of the management action plans. The updates on the implementation progress of the management action plans were compiled in an Action Plan Progress Follow Up Report, which was tabled at subsequent Audit Committee meetings for review and deliberation.

In addition, during the scheduled Audit Committee meetings, the outsourced internal audit function reported on its staffing resources, including staff strength, qualifications, experience as well as continuous professional education for the Audit Committee's review.

The cost incurred for maintaining the outsourced internal audit function for the financial year ended 31 December 2024 was amounted to RM 50,629.

ASSURANCE PROVIDED BY EXECUTIVE CHAIRMAN AND GROUP MANAGING DIRECTOR

In line with the Guidelines, the Executive Chairman, being highest ranking executive in the Company and the Group Managing Director, being the person primarily responsible for the management of the financial affairs of the Company, have provided assurance to the Board stating that the Group's risk management and internal control system have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the financial year under review.

OPINION AND CONCLUSION

Based on the review of the risk management results and process, results of the internal audit activities as well as the monitoring and review mechanism stipulated above, coupled with the assurance provided by the Executive Chairman and the Group Managing Director, the Board is of the opinion that the risk management and internal control system are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report. The Board continues to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's strategic objectives.

The Board is committed towards maintaining an adequate and effective governance, risk management and internal control system throughout the Group and, where necessary, to put in place appropriate plans to further enhance the Group's governance, risk management and internal control system. Notwithstanding this, the Board will continue to evaluate and manage the significant business risks faced by the Group in order to achieve its business objectives in the current and challenging business environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Audit and Assurance Practice Guide (“AAPG”) 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants (“MIA”). Based on their review, nothing has come to their attention that causes them to believe this Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Public Listed Companies and Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance 2021 to be set out, nor is it factually incorrect.



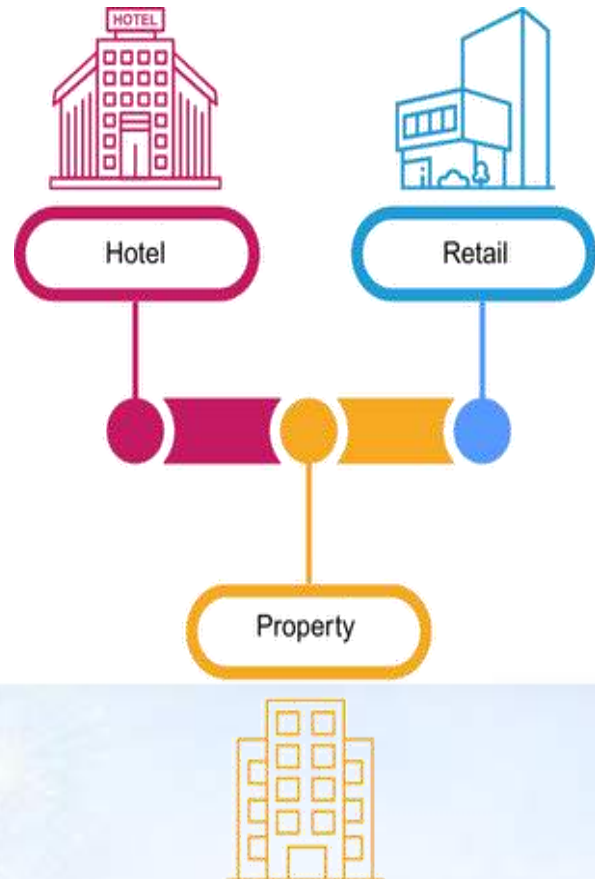
SUSTAINABILITY STATEMENT

INSIDE THIS REPORT

SUSTAINABILITY AT KSL HOLDINGS BERHAD: DRIVING POSITIVE CHANGE ACROSS OUR KEY DIVISIONS

At KSL Holdings Berhad (“KSL” or “the Group”), sustainability is fundamental to our long-term success and our commitment to responsible business practices. As a leading provider of infrastructure and industrial solutions, we recognise our role in fostering economic growth, environmental stewardship, and social well-being. By integrating sustainable principles into our operations, we aim to minimize environmental impact, create value for our stakeholders, and contribute to a more resilient and inclusive future. Our approach is guided by transparency, accountability, and innovation, ensuring that sustainability remains at the heart of our corporate strategy.

This Sustainability Report outlines our key initiatives, achievements, and challenges as we align with global sustainability standards and Malaysia’s Sustainable Development Goals (SDGs). This year, our sustainability efforts are focused on three core divisions: hotel, retail, and property. Across these sectors, we are implementing measures to enhance climate resilience, waste management, energy efficiency, and corporate governance, while also ensuring the well-being of our employees and communities. Through these efforts, we strive to integrate sustainability into every aspect of our business, driving long-term value creation and positive social impact.



In our hotel division, we are advancing sustainable hospitality by reducing energy and water consumption, minimising waste, and enhancing guest experiences through eco-friendly initiatives. Our retail division is committed to responsible sourcing, sustainable supply chain management, and reducing environmental footprint across our operations. Meanwhile, our property division prioritizes green building practices, energy-efficient designs, and sustainable urban development, ensuring that our projects support both environmental and social sustainability goals.

Together, we have the power to drive meaningful change and shape a better future for generations to come. As we continue on this transformative journey, we invite our stakeholders to join us in creating a sustainable, responsible, and forward-thinking business. By embracing innovation and accountability, we remain steadfast in our vision to build a more resilient, inclusive, and environmentally conscious future.

VALUE CREATION IN OUR SUSTAINABLE JOURNEY

At KSL, value creation is at the core of our sustainability journey, reflecting our unwavering commitment to delivering positive economic, environmental, and social impacts across our business. Guided by principles of innovation, resilience, and collaboration, we focus on generating long-term value that drives sustainable growth. This year, our sustainability efforts extend across our three key divisions which are hotel, retail, and property ensuring that sustainability remains an integral part of our operations and business strategy.

SUSTAINABILITY STATEMENT (cont'd)

VALUE CREATION IN OUR SUSTAINABLE JOURNEY (cont'd)



Our approach begins with the efficient and responsible management of resources, minimising environmental impact through investments in renewable energy, waste reduction, and sustainable supply chain practices. In our hotel division, we focus on eco-friendly hospitality solutions, reducing energy and water consumption while enhancing guest experiences with sustainable initiatives. Within retail, we emphasise responsible sourcing, waste reduction, and ethical supply chain management to promote a greener and more sustainable marketplace. Meanwhile, our property division prioritises green building designs, energy-efficient developments, and sustainable urban planning, ensuring that our projects align with long-term environmental and social goals.

Empowering employees is another key pillar of our value creation strategy. Across all three divisions, we cultivate an inclusive and supportive work environment, fostering skill development, diversity, and career growth. By investing in our people, we enhance productivity and innovation while equipping our workforce with the knowledge and capabilities to navigate future challenges with confidence and creativity. Additionally, we actively engage with communities by supporting initiatives that promote education, well-being, and social equity, further strengthening our positive societal impact.

As we continue this transformative journey, ethical governance, active stakeholder engagement, and forward-thinking sustainability strategies remain central to our approach. By embedding sustainability into every aspect of our business, KSL is committed to building a resilient, responsible, and future-ready organisation as one that not only addresses today's challenges but also creates lasting value for generations to come.

REPORTING BOUNDARIES AND SCOPE OF WORK

The sustainability reporting boundaries define the scope of our disclosures, ensuring transparency and accountability across our three core divisions: Hotel, Property, and Retail. This report covers the environmental, social, and governance (ESG) aspects of our operations, focusing on key sustainability impacts, initiatives, and performance indicators within each division.

Division	Scope of Reporting	Coverage	Company Name
Hotel	Energy and water consumption, waste management, sustainable procurement, guest engagement in sustainability initiatives, employee welfare and training, health and safety, and community contributions.	All owned and managed hotels under KSL, including operational sustainability practices, guest experience enhancements, and green certification efforts.	KSL Properties Sdn Bhd Khoo Soon Lee Realty Sdn Bhd Sure Success Properties Sdn Bhd

SUSTAINABILITY STATEMENT (cont'd)

REPORTING BOUNDARIES AND SCOPE OF WORK (cont'd)

Division	Scope of Reporting	Coverage	
Property	Sustainable development and construction, energy efficiency in buildings, green building certifications, climate resilience, tenant engagement, and social impact projects	All real estate development projects, commercial and residential properties under KSL, covering both ongoing and completed developments.	Bintang-Bintang Development Sdn Bhd Goodpack Development Sdn Bhd KSL Development Sdn Bhd Khoo Soon Lee Realty Sdn Bhd Prosper Plus Industry Sdn Bhd Sejota Sdn Bhd KSL Medini Development Sdn Bhd VIP Beyond Sdn Bhd Gantang Jaya Sdn Bhd
Retail	Sustainable sourcing and supply chain management, waste and packaging reduction, carbon footprint of operations, employee well-being, ethical business practices, and customer engagement in sustainability.	Retail properties owned by KSL, including shopping malls, outlets, and retail stores, with businesses operating independently as tenants.	KSL Properties Sdn Bhd KSL City Management Sdn Bhd

REPORTING FRAMEWORKS

KSL remains committed to upholding the highest standards of accuracy, transparency, and accountability in our sustainability reporting. To ensure credibility and mitigate reporting bias, we adhere to various local and international sustainability reporting frameworks.

We comply with the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements and the Malaysian Code on Corporate Governance (“MCCG”) established by the Securities Commission Malaysia. In addition, we align with Sustainable and Responsible Investment (“SRI”) principles, as outlined by the Securities Commission Malaysia, reinforcing our commitment to ethical and responsible business practices.

Globally, KSL follows internationally recognised reporting standards, including the Global Reporting Initiative (“GRI”) Standards, the Sustainability Accounting Standards Board (SASB) framework, and the principles of the Value Reporting Foundation. We also integrate climate-related financial disclosures in line with the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”). To comprehensively assess our Environmental, Social, and Governance (ESG) performance, we utilise rating tools such as FTSE Russell ESG Ratings.

By adopting these frameworks, KSL ensures that our sustainability reporting is transparent, comprehensive, and aligned with global best practices, enabling us to drive long-term value creation while meeting stakeholder expectations.

SUSTAINABILITY STATEMENT *(cont'd)*

REPORTING FRAMEWORKS *(cont'd)*



PROGRESSIVE STATEMENTS

KSL remains steadfast in its commitment to sustainability, embedding Environmental, Social, and Governance (ESG) principles into all aspects of our business operations. Over the past year, we have made significant progress in reducing our environmental footprint through energy-efficient initiatives, waste management programs, and resource conservation efforts. Socially, we prioritise workforce empowerment, diversity, and inclusive growth, while strengthening our community engagement to create shared value. Governance remains a cornerstone of our corporate strategy, driven by transparency, ethical business practices, and strong leadership to ensure long-term sustainability.

As we look ahead, KSL is committed to accelerating our sustainability journey by embracing innovative solutions, setting ambitious ESG targets, and forging meaningful partnerships. We remain focused on addressing global sustainability challenges while creating long-term value for our stakeholders, ensuring that our actions today contribute to a more sustainable and resilient future for generations to come.

ASSURANCE

The information and performance data presented in this Sustainability Report have been verified through internal sources to ensure accuracy and reliability. We are continuously working to enhance data collection processes, standardise sustainability metrics across all business divisions, and implement robust mechanisms to improve data consistency across our hotel, retail, and property operations. Given the diverse laws, regulations, and industry standards that apply to our various business segments, we remain committed to strengthening our reporting methodologies.

While external assurance has not been sought for this reporting period, KSL is considering engaging a third-party assurance provider for future reports to further enhance credibility and transparency. This report has been prepared by the KSL Sustainability Team and approved by the Board of Directors.

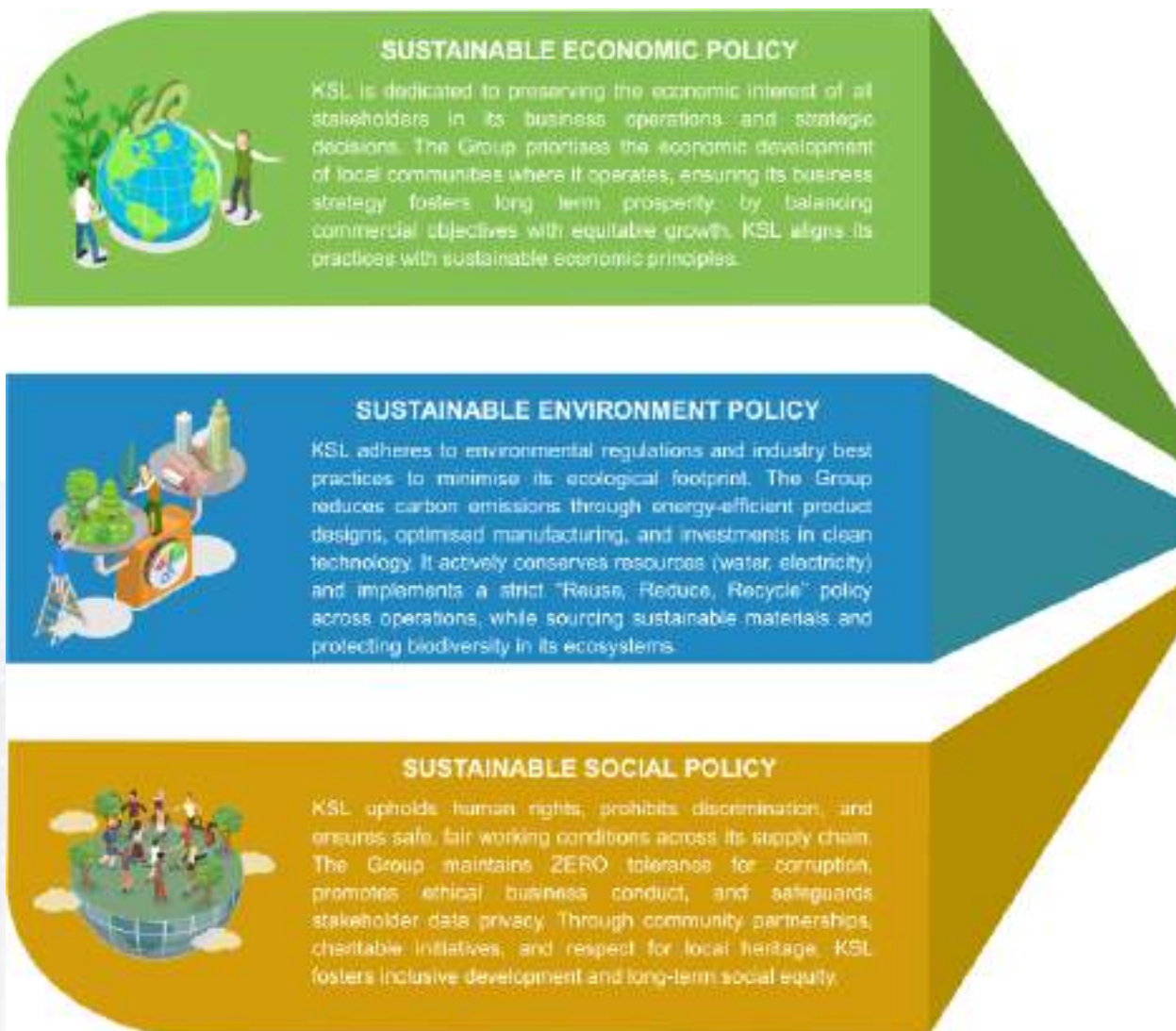
FEEDBACK

We highly value stakeholder feedback, as it helps us better understand the needs and expectations of our investors, customers, employees, and communities. As part of our transparency commitment, we encourage all inquiries and concerns related to our sustainability efforts. We will make every effort to review and respond to feedback in a timely and meaningful manner.

For any questions or feedback, please contact:
 Mr. Khoo Cheng Hai @ Ku Cheng Hai
 Group Managing Director, KSL Holdings Berhad
 E-mail: info_kslh@ksl.my

SUSTAINABILITY STATEMENT *(cont'd)*

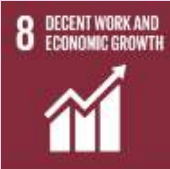







OUR COMMITMENT TO SUSTAINABILITY THROUGH THREE CORE PILLARS



SUSTAINABILITY STATEMENT (cont'd)

ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGs”)

KSL aligns its business practices with certain selected relevant UNSDGs through its three core pillars.

Goal	UNSDGs	Achievements
Sustainable Economic Policy	 	<ul style="list-style-type: none"> Machinery maintenance under <i>Factories and Machinery Act 1967</i>. Protective hoarding and controlled site access. Regular inspections of escalators, lifts, and building infrastructure. Compliance with <i>Occupational Safety and Health Act 1994</i> (Malaysia). Safety Committees and Officers to enforce fair labour practices. Zero tolerance for child labour/discrimination (aligned with SDG 8.7 on forced labour). Human Resource Procedures and Employee Handbook outline anti-fraud/gift policies. Mandatory awareness programs for all employees on ethical conduct.
Sustainable Environment Policy	   	<ul style="list-style-type: none"> Public safety measures in malls/resorts (CCTV, security patrols). Fire prevention systems certified by Malaysian Fire Department. "Reuse, Reduce, Recycle" policy (mentioned in earlier sustainability text). Energy-efficient machinery to reduce carbon footprint. Rainwater harvesting tanks (all high-rise projects) Dual-flush toilets (offices/malls/hotels). On-site water retention systems (KSL Hotel Johor Bahru). Stormwater collection for site cleaning Reduced freshwater consumption Solar panel installation (KSL Esplanade Mall). Solar water heating (KSL Hotel Johor Bahru) Solar water heating (KSL Hotel Johor Bahru) AC temperature optimisation (22-24°C). AC temperature optimisation (22-24°C). No open burning policy.
Sustainable Social Policy	 	<ul style="list-style-type: none"> Daily safety briefings and CIDB Green Card training to reduce workplace injuries. Mosquito fogging to prevent vector-borne diseases (e.g., dengue). Regular health checks and typhoid vaccinations for food handlers. Fire safety systems and emergency exits in malls/resorts. Panic buttons and CCTV surveillance for public safety. Anti-corruption policies and ethical business conduct. Compliance with national safety laws (e.g., DOSH inspections).

SUSTAINABILITY STATEMENT (cont'd)

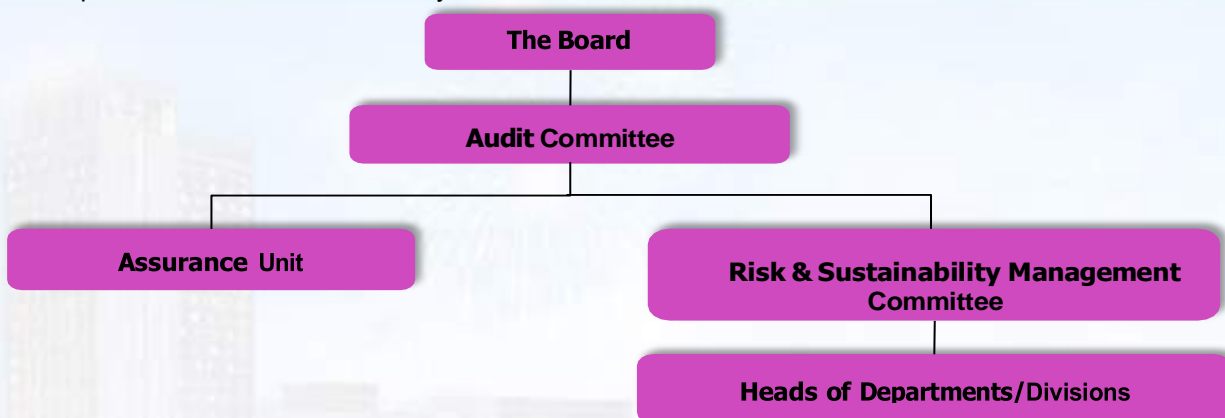
GOVERNANCE STRUCTURE AND PROCESS

The Board asserts its overarching responsibility for integrating recommended sustainable economic, environmental, and social practices throughout the Group, ensuring that business strategies are developed with sustainability considerations in mind and sustainability performance are monitored from time to time. The governance structure pertaining to the Group's sustainability management is guided by the Guide and Toolkit: Governance issued by Bursa Securities, with necessary adaptations based on the nature and scale of the businesses of the Group.

Effective governance is pivotal for the Group to operate in an accountable and sustainable manner. The Group's commitment to sustainable business practices permeates all levels of its organisation. At the leadership level, the Board, Executive Directors, and Management recognise the importance of comprehending and implementing sustainable economic, environmental, and social practices across the organisation.

To embed the commitment to sustainable economic, environmental, and social practices throughout the Group, the Board has established a formal structure to ensure accountability, oversight and review in the identification, management and reporting of sustainability matters and performance. This structure is essential for aligning the execution of sustainability initiatives across the organisation with the Board's sustainability and business strategies, with reporting at predetermined intervals. It enables the Group to be able to act on timely with the sustainability risks and opportunities applicable to the Group. The Risk and Sustainability Management Committee is delegated with the responsibilities for identifying, managing, and reporting sustainability matters and performance.

The Board has formalised sustainability principles, policies, and processes through the establishment of a Sustainability Policy. Additionally, a formal governance structure for the identification, management, and reporting of sustainability matters and performance of the Group has been established based on the Group's existing geographical scope, scale, and nature of business operations, particularly in property development and investment in Malaysia.



The governance structure clearly delineates the roles and responsibilities of the Board, the Audit Committee, the Risk and Sustainability Management Committee, Heads of Departments/Divisions, Key Risk and Sustainability Officers, and the Assurance Unit. The Board holds ultimate accountability for sustainability management and performance within the Group, while the Audit Committee oversees sustainability management and performance for reporting to the Board.

Audit Committee

The Audit Committee is responsible to review adequacy and effectiveness of the Group's sustainability governance structure, the process and results of identification, assessment, management and monitoring of sustainability matters as well as to determine the adequacy of the response and the current standing of the material sustainability matters and reporting the review results and recommendations to the Board for decision. The Audit Committee is required to oversee the overall management of stakeholders too to ensure the concerns and needs of all relevant stakeholders are taken into consideration throughout the development of the Group's business strategies and operations.

SUSTAINABILITY STATEMENT (*cont'd*)

GOVERNANCE STRUCTURE AND PROCESS (*cont'd*)

Risk and Sustainability Management Committee

The Risk and Sustainability Management Committee, chaired by the Executive Chairman of the Company, is delegated with the following duties:

- Implement the sustainability strategy and management policy as approved by the Board;
- Lead and implement the process of sustainability matters identification, assessment and management and devising appropriate action plan in cases where sustainability issues are not adequately or effectively addressed and communicate proposed action plans to the Heads of Departments/Divisions;
- To manage stakeholder engagement for input for assessment and communication of results of review and response;
- To oversee the Heads of Departments/Divisions in the implementation of systems of sustainability management;
- To implement the material sustainability matters' indicator and the target and performance monitoring thereof and the preparation of sustainability disclosures as required by laws and/or rules, and to report to the Audit Committee for review;
- To conduct periodic review of all sustainability matters of the Group (at least on an annual basis) and determine the adequacy of the response and the current standing of the sustainability matters and to report the review results (including material sustainability matters) and recommendations to the Audit Committee;
- To update the Audit Committee on changes to the material sustainability matters on periodical basis (at least on annual basis) respectively or when appropriate (due to change in external environment or internally) and the course of action to be taken by management in managing the changes; and
- To ensure relevant sustainability trainings are provided for appropriate level of employees to cultivate a positive attitude and promote correct approach toward sustainability management.

Heads of Departments/Divisions

As for the Heads of Departments/Divisions, they are primarily responsible for managing sustainability matters within their respective business processes and assisting the Risk and Sustainability Management Committee with the implementation of the process of sustainability matters identification, assessment, management and monitoring of all sustainability matters.

Assurance Unit

On the other hand, the Assurance Unit is responsible to review the Group's governance structure and sustainability management processes, as well as the Group's system of sustainability management implemented by the Risk and Sustainability Management Committee and Heads of Departments/Divisions in order to determine its adequacy and effectiveness for subsequent reporting to the Audit Committee. Besides, the Assurance Unit is required to review the compliance of the controls implemented by the Risk and Sustainability Management Committee and Heads of Departments/Divisions in managing sustainability matters, as well as the accuracy and reliability of sustainability disclosures as required by laws and/or rules for reporting to Audit Committee.

The sustainability matters management process is established by the Board in compliance with the Guide and Toolkit: Materiality Assessment issued by Bursa Securities, with necessary adaptations based on the nature and scale of the businesses of the Group, in alignment with the business strategies promoted by the Board.

ANTI-BRIBERY AND ANTI-CORRUPTION

The Board of KSL Group has established a comprehensive Group Anti-Bribery and Anti-Corruption Policy that demonstrates the organisation's zero-tolerance approach to corruption. This foundational policy applies to all Directors, employees, and business associates while ensuring full compliance with relevant anti-bribery laws and regulations.

SUSTAINABILITY STATEMENT (cont'd)

ANTI-BRIBERY AND ANTI-CORRUPTION (cont'd)

The process is reinforced through :-

- **Code of Conduct and Ethics**
- **Conflict of Interest Framework**
- **HR Procedures & Employee Handbook** (covering gifts, fraud, and misconduct)

As part of implementation, all employees undergo mandatory anti-corruption training, and the Board ensures regular policy reviews to maintain effectiveness. These measures collectively uphold the Board's expectation for strict adherence to the highest standards of ethical business practices and personal integrity across all levels of the organization and its business relationships. The governance structure ensures enterprise-wide application and enforcement of these anti-corruption principles.



Anti-Bribery and Corruption	FYE 2022	FYE 2023	FYE 2024	Target (s)
Substantiated complaints pertaining to Anti-Bribery & Corruption and gift giving incidents	0 case	0 case	0 case	0 case

WHISTLEBLOWING

The Group reinforces this commitment through its Whistleblowing Policy, administered by the Audit Committee Chairman and Senior Independent Director. This provides confidential reporting channels for all stakeholders to raise concerns about malpractice without fear of retaliation, with whistleblower protections guaranteed where legally permitted.

We encourage all stakeholders to report such matters in good faith through the designated reporting channels:

Email	Letter
ac@ksl.my	Audit Committee Chairman Wisma KSL, 148, Batu 1 1/2, Jalan Buloh Kasap, 85000 Segamat, Johor, Malaysia

FAIR LABOUR PRACTICES

KSL strictly complies with all applicable laws and regulations governing its property development and investment operations in Malaysia. During the reporting period, the Group recorded one legal action taken against the company, excluding any fines or sanctions related to social aspects. Appropriate mitigation measures have since been implemented to address the issue, and the Group remains committed to mitigating all future risks and ensuring continued compliance across its operations.

DATA PRIVACY AND SECURITY



SUSTAINABILITY STATEMENT (cont'd)

DATA PRIVACY AND SECURITY(cont'd)

KSL maintains rigorous data protection practices in full compliance with Malaysia's PDPA 2010. Our implemented Privacy Policy and security protocols ensure confidential handling of all stakeholder data. During the reporting period, we recorded zero data breaches or privacy complaints. We continuously enhance our measures through regular reviews and employee training, demonstrating our commitment to ethical data management and stakeholder trust. This proactive approach underscores our dedication to both legal compliance and operational integrity.

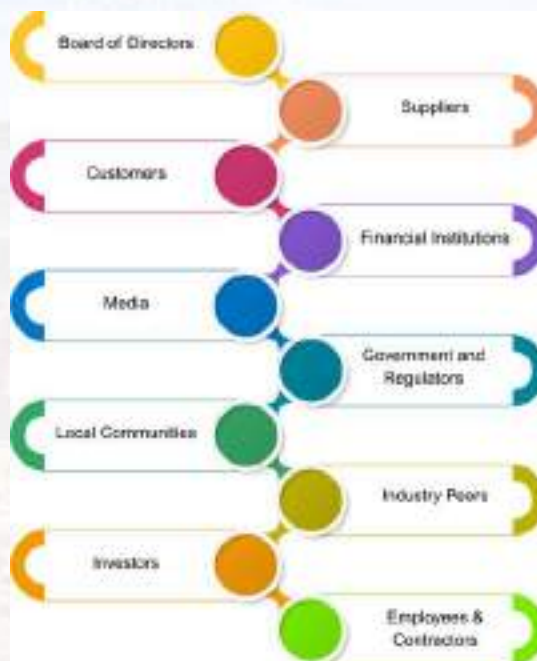
Data Privacy and Security	FYE 2022	FYE 2023	FYE 2024	Target (s)
No. of complaints on breach data	0 case	0 case	0 case	0 case

STAKEHOLDER ENGAGEMENT

KSL Group recognises stakeholder engagement as fundamental to sustainable business success. We maintain active dialogue with employees, customers and partners through both formal and informal channels to understand needs and address concerns. Our approach follows Bursa Securities' guidelines while being tailored to our operations. Current engagement includes direct meetings and performance reviews, though we have no trade union agreements in Malaysia. The Board oversees this process to ensure proper escalation of stakeholder matters. We continue refining our engagement methods to better align with stakeholder expectations while driving long-term mutual value.

During the financial year under review, the Risk and Sustainability Management Committee engaged stakeholders through both informal channels, such as meetings and direct communication led by Heads of Departments/Divisions and Executive Directors and formal mechanisms like employee performance appraisals as part of its sustainability assessment, management, and monitoring process. Additionally, as of the date of this Statement, the Group has no active collective agreements with trade unions in Malaysia and does not intend to pursue any such agreements.

The Board has determined, through stakeholder mapping and profiling exercises conducted by the Risk and Sustainability Management Committee and reported to them, that the following stakeholders are dependent on and have influence over the Group within the context of its business operations and the industries in which the Group participates:



SUSTAINABILITY STATEMENT (cont'd)

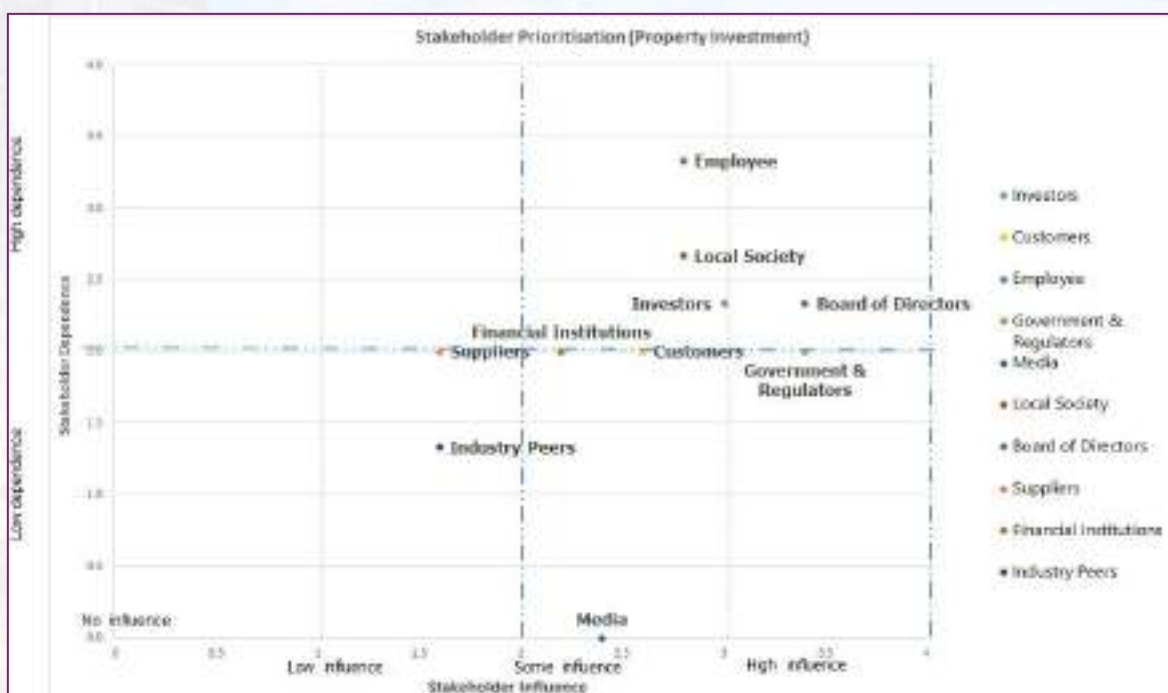
STAKEHOLDER ENGAGEMENT (cont'd)

Stakeholder Group	Engagement Objective (s)	Preferred Engagement Method (s)	Frequency Engagement
Board of Directors	Aligning business strategy with sustainable practices	<ul style="list-style-type: none"> - Committee meetings - Board meetings 	Ongoing
Suppliers	Ensure sustainable supply of quality services/materials	<ul style="list-style-type: none"> - Supplier evaluations Meetings, - Conflict of Interest Policy - Code of Conduct 	Ongoing
Customers	To improve customer's satisfaction	<ul style="list-style-type: none"> - Feedback forms - Defect reports - Face-to-face meetings - Email - Social media - Printed materials 	Ongoing
Financial Institutions	Secure continuous financial support	<ul style="list-style-type: none"> - Annual report - Press release - Public announcements - Face-to-face meetings 	Ongoing
Media	To minimise instances of inaccurate reporting	<ul style="list-style-type: none"> - Press conference/ release - Face-to-face interview/ visit 	Ongoing
Government and Regulators	Ensure compliance with laws/regulations	<ul style="list-style-type: none"> - Official submission - Official letter - Public dialogue involving government officials - Public announcements - Telephone conversation - Face-to-face meetings - Electronic mail system 	Ongoing
Local Communities	Enhance community acceptance of business operations	<ul style="list-style-type: none"> - Corporate social responsibility programme - Face-to-face meetings - Press release 	Ongoing
Industry Peers	To ensure business practice is in line with the policy	<ul style="list-style-type: none"> - Trade association participation - Newsletters - Meetings 	Ongoing
Investors	To ensure continuous financial support from investors	<ul style="list-style-type: none"> - Annual report - Annual general meeting - Shareholders' dialogue - Press release and public announcements 	Ongoing
Employees & Contractors	To retain competent employees	<ul style="list-style-type: none"> - Employees' survey - Employees' dialogue - Annual appraisal - Memorandum - Electronic mail system 	Ongoing

SUSTAINABILITY STATEMENT (cont'd)

STAKEHOLDER ENGAGEMENT (cont'd)

Following the identification of stakeholder groups and their proposed engagement methods, a prioritisation exercise was conducted for the relevant segments. This exercise ranked stakeholders based on their influence over and dependence on the Group, using criteria and scales approved by the Board. The results, presented in the Stakeholder Prioritisation Matrix below, include recommended engagement levels for each segment.



SUSTAINABILITY STATEMENT (cont'd)

SUSTAINABILITY MANAGEMENT ACTIVITY

The Group has implemented a structured approach to identify, manage, and report on sustainability matters and performance. This process began with comprehensive Stakeholder Mapping for both the property development and investment segments, where internal and external stakeholders with influence over or dependence on the Group were identified and profiled. The Risk and Sustainability Management Committee then prioritised these stakeholders based on Board-approved criteria through a Stakeholder Prioritisation Exercise.

Sustainability matters were identified through internal reviews and informal engagements with stakeholders, facilitated by senior management. These matters were systematically categorised for assessment purposes. The Committee conducted internal materiality assessments using predefined Board-approved criteria to evaluate the significance of these sustainability issues to both the Group and its stakeholders. Through direct engagement with key stakeholders, the Committee further analysed how these matters influenced stakeholder decision-making.

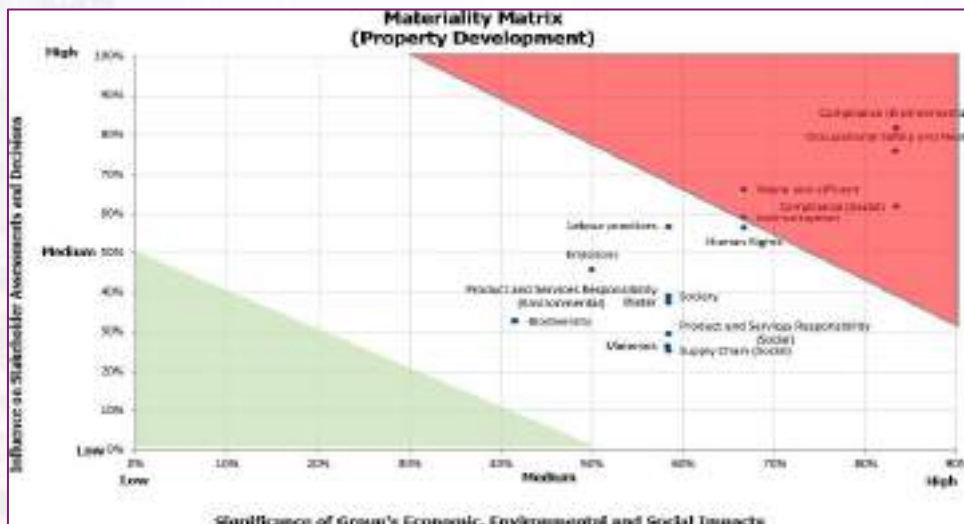
The combined results from the stakeholder prioritisation and materiality assessments enabled the Committee to determine material sustainability matters - those exceeding the Board-established threshold of significance. This comprehensive process ensures the Group focuses on the most impactful sustainability issues across its operations.

MATERIAL SUSTAINABILITY MATTERS

The Group employs a rigorous materiality assessment process to identify key sustainability matters, aligned with Bursa Securities' Guide Toolkit while being tailored to the Group's specific business operations. This structured approach evaluates Economic, Environmental, and Social (EES) factors through Board-approved mechanisms, emphasizing sustainability context, stakeholder inclusiveness, and continuous review cycles.

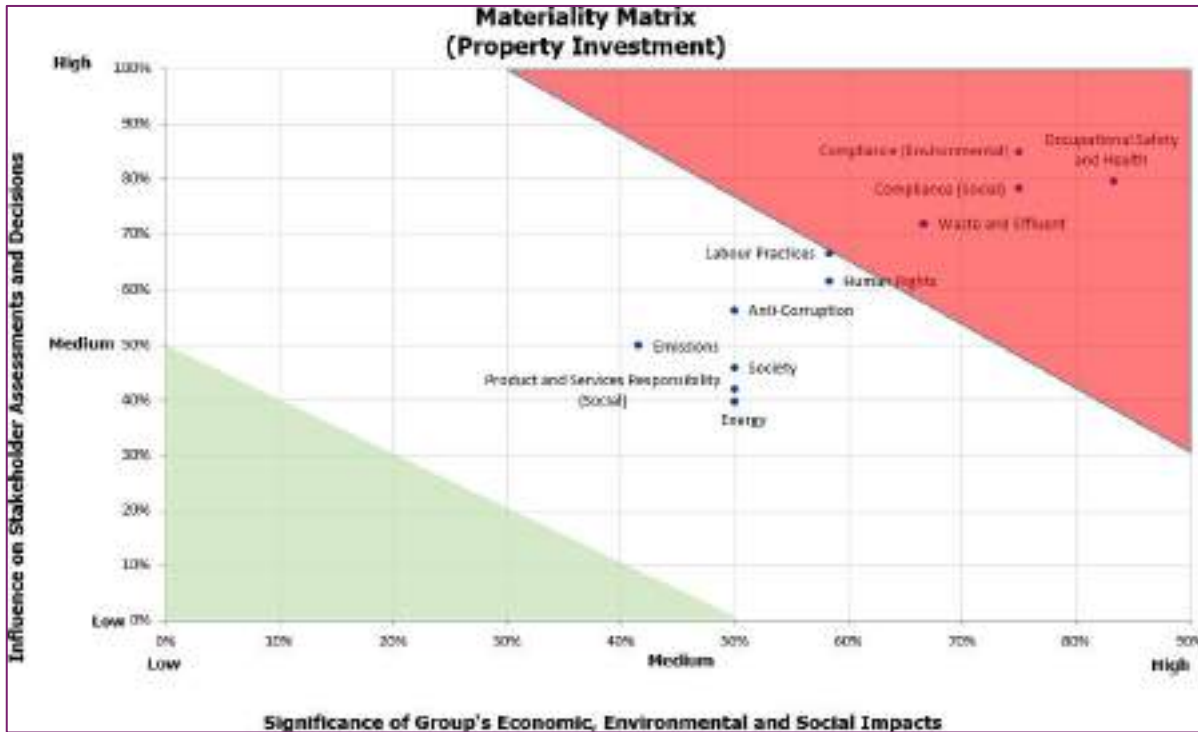
Through this process, the Risk and Sustainability Management Committee has identified and prioritised material sustainability issues that reflect both operational considerations and stakeholder expectations across the Group's property development and investment segments.

These matters have been classified as "Material," "Low and Medium," or "Not Material" based on a dual assessment of their business impact and influence on stakeholder decision-making. The resulting materiality matrices, developed for both business segments, underwent thorough review by the Audit Committee before being presented to the Board for final approval, ensuring robust sustainability governance and oversight. This comprehensive approach enables the Group to focus on the most significant sustainability challenges while maintaining alignment with stakeholder concerns and business priorities.



SUSTAINABILITY STATEMENT (cont'd)

MATERIAL SUSTAINABILITY MATTERS (cont'd)



PROTECTING OUR ENVIRONMENT

The Group maintains a steadfast commitment to environmentally responsible business practices, recognising our role in preserving natural ecosystems while creating sustainable living spaces. Our environmental stewardship program integrates comprehensive waste and effluent management systems with strict compliance to all applicable regulations, including Malaysia's Environmental Quality Act and its related provisions.

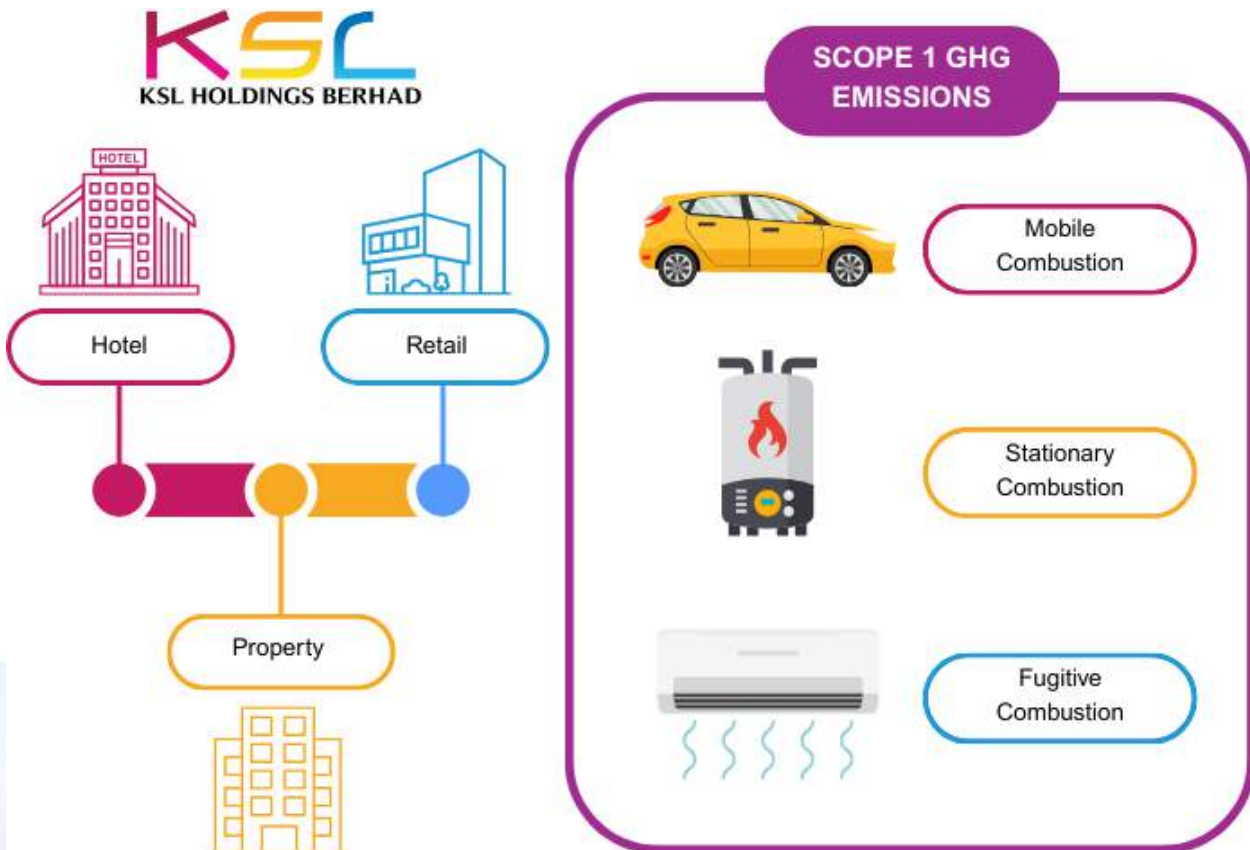
For our property development operations, we implement a multi-layered environmental protection framework. Executive leadership oversees compliance with all environmental regulations, ensuring every project adheres to established preservation protocols. Major developments undergo rigorous Environmental Impact Assessments conducted by accredited consultants, with construction commencing only after receiving full governmental approval. Our construction sites maintain stringent environmental controls, including absolute prohibitions on open burning and comprehensive noise mitigation measures. We prioritize construction waste recycling while ensuring proper disposal of remaining materials through approved channels.

The Group incorporates advanced environmental infrastructure across all projects, including sediment control systems, rainwater harvesting installations, and stormwater management solutions. Our architectural philosophy emphasizes natural lighting and ventilation through thoughtful building orientation, reducing energy demands while enhancing resident comfort. We further support sustainability through integrated recycling programs and material conservation initiatives. These collective efforts demonstrate our holistic approach to sustainable development, where environmental protection, regulatory compliance, and community wellbeing converge to create lasting value for both residents and ecosystems.

SUSTAINABILITY STATEMENT (cont'd)

PROTECTING OUR ENVIRONMENT (cont'd)

SCOPE 1 GHG EMISSIONS



FYE 2024		
	Tonnes of CO2e	Percentage Tonnes of CO2e (%)
Overall Scope 1 GHG¹	404,553.60	100.000%
Hotel Division	404,319.60	99.942%
Retail Division	3.27	0.001%
Property Division	230.69	0.057%

In 2024, KSL reported total Scope 1 greenhouse gas (GHG) emissions of 404,553.60 tonnes of CO2 equivalent (CO2e), representing 100% of the company's direct emissions. The Hotel Division was the largest contributor, accounting for 404,319.60 tonnes of CO2e, or 99.942% of the total. The Retail Division had minimal emissions, contributing just 3.27 tonnes (0.001%), while the Property Division accounted for 230.69 tonnes (0.057%). These figures highlight that the Hotel Division dominates KSL's Scope 1 emissions, with the Retail and Property Divisions contributing negligible amounts in comparison.

SUSTAINABILITY STATEMENT (cont'd)

PROTECTING OUR ENVIRONMENT (cont'd)

SCOPE 2 GHG EMISSIONS



FYE 2024		
	Energy Consumption (kWh)	Tonnes of CO2e
Overall Scope 2 GHG²	37,573,797	29,082
Hotel Division	21,695,665	16,792
Retail Division	15,095,871	11,684
Property Division	782,261	605

In 2024, KSL’s Scope 2 greenhouse gas (GHG) emissions is associated with purchased electricity which was 37,573,797 kWh. The Hotel Division was the largest contributor, accounting for 57.7% of total energy use (21,695,665 kWh) and emissions (16,792 tonnes of CO2e), reflecting its high operational intensity. The Retail Division followed with 40.2% of energy consumption (15,095,871 kWh) and emissions (11,684 tonnes CO2e), indicating substantial energy demands from retail operations. In contrast, the Property Division had a minimal impact, representing just 2.1% of both energy use (782,261 kWh) and emissions (605 tonnes CO2e).

SCOPE 3 GHG EMISSIONS



SUSTAINABILITY STATEMENT (cont'd)

PROTECTING OUR ENVIRONMENT (cont'd)

SCOPE 3 GHG EMISSIONS (cont'd)

Business Travel

FYE 2024		
Business Travel		
	Total Distance (km)	CO2 Emissions (kg)
Overall ³	87,299	14,356
Hotel Division	45,476	7,480
Retail Division	9,823	1,612
Property Division	32,000	5,264

In 2024, KSL's business travel across the organization totalled 87,299 km, resulting in 14,356 kilograms of CO2 emissions. The Hotel Division accounted for the highest share, with 45,476 kilometres travelled and 7,480 kilograms of CO2 emissions. The Retail Division contributed 9,823 kilometres and 1,612 kilograms of CO2, while the Property Division recorded 32,000 kilometres travelled, generating 5,264 kilograms of CO2. These figures indicate that business travel emissions were primarily driven by the Hotel and Property Divisions, with the Retail Division having a comparatively smaller impact.

Employee Commuting

FYE 2024		
Employee Commuting		
Type of Transport	Total Distance (km) ⁴	Tonnes of CO2e
Car	2,633,631	433
Motorcycle	814,481	93
Walk	10,639	0
Public Transport	4,290	1

KSL's 2024 employee commuting data reveals important patterns in staff transportation choices and their associated environmental impacts. The data shows a clear dominance of private vehicle use, with employees collectively traveling 3,459,041 kilometres while generating 527 tonnes of CO₂ equivalent emissions. Cars emerged as the primary commuting method, accounting for 2,633,631 kilometres travelled (76% of total distance) and responsible for 433 tonnes of emissions (82% of total commuting emissions). Motorcycle use followed, contributing 814,481 kilometres (24% of distance) and 93 tonnes of emissions (18% of total).

Public transport represented just 4,290 kilometres (0.1% of total distance) with minimal emissions of 1 tonne. Walking, while completely emission-free, accounted for only 10,639 kilometres (0.3% of distance). This minimal adoption of low-emission options presents a clear opportunity for improvement.

³ Data for Scope 3 Business Travel declared from: KSL Property Division, KSL Retail Division, and KSL Hotel Division

⁴ Data for Scope 4 Employee Commuting declared from: KSL Property Division, KSL Retail Division, and KSL Hotel Division

SUSTAINABILITY STATEMENT *(cont'd)*

PROTECTING OUR ENVIRONMENT *(cont'd)*

SCOPE 3 GHG EMISSIONS *(cont'd)*

Employee Commuting *(cont'd)*

The organization might consider implementing comprehensive commuting initiatives such as carpool matching systems, subsidies for public transportation, or infrastructure improvements to support walking and cycling. Such measures could help shift commuting patterns toward more sustainable options while potentially reducing transportation costs for employees.

The findings underscore the importance of regular monitoring and evaluation of commuting patterns. By tracking these metrics over time, KSL can assess the effectiveness of any implemented initiatives and make data-driven decisions to further reduce its commuting-related environmental impact. The current data provides a strong baseline for measuring future progress in creating more sustainable employee commuting practices.

WATER MANAGEMENT



FYE 2024	
	Water (M ³)
Overall Water Usage	823,949
Hotel Division	257,324
Retail Division	465,585
Property Division	101,039

In 2024, KSL reported a total water usage of 823,949 M³, distributed across its three main divisions. The Retail Division was the largest consumer, using 465,585 M³, accounting for more than half of the total water consumption. The Hotel Division followed with 257,324 M³, while the Property Division recorded the lowest usage at 101,039 M³. This breakdown highlights the varying water demands across KSL's operations, with the Retail and Hotel Divisions representing the primary areas for potential water efficiency initiatives. Monitoring and optimizing water usage in these high-consumption sectors could support the company's sustainability goals and resource management strategies.

SUSTAINABILITY STATEMENT (cont'd)

WASTE MANAGEMENT

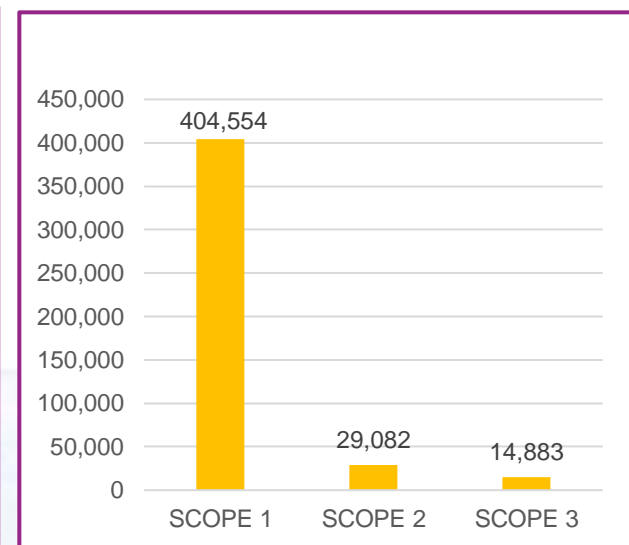
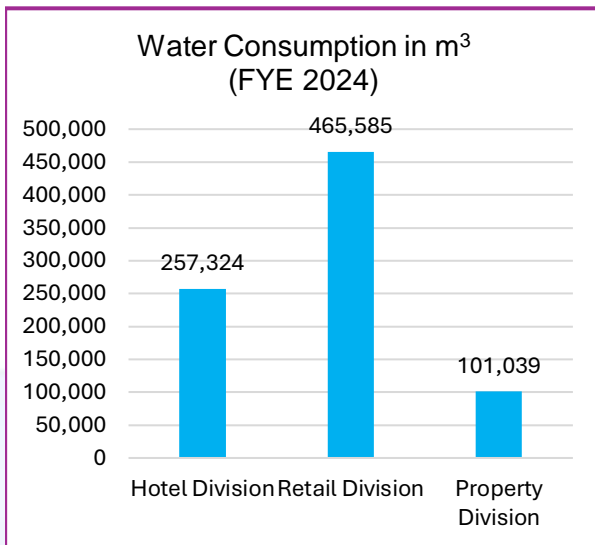
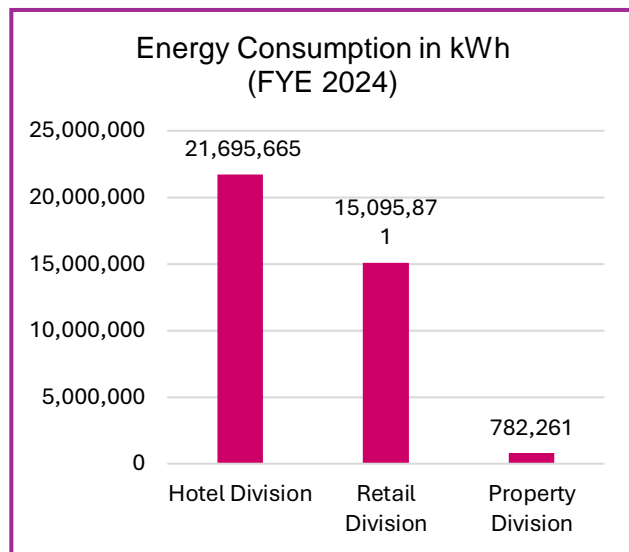
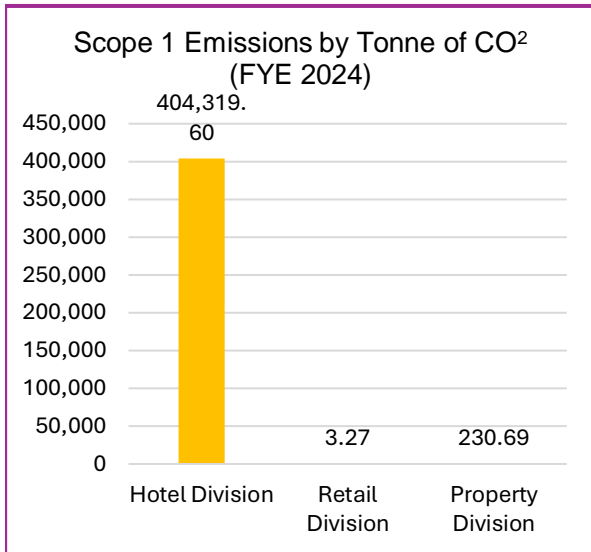


FYE 2024			
Waste Type	Hotel Division (kg)	Retail Division (kg)	Property Division (kg)
Reuse	0	0	29,200
Recycle	30,193	1,600	0
Incinerator	0	0	0
Landfill	14,112	1,200	837,728

In 2024, KSL's waste management data revealed significant variations in disposal practices across its hotel, retail, and property divisions. The hotel division demonstrated a strong focus on recycling, processing 30,193 kg of waste through this method while sending 14,112 kg to landfills, with no reported reuse or incineration activities. The retail division showed a more balanced approach, recycling 1,600 kg of waste, reusing 29,200 kg, and landfilling 1,200 kg, though like the hotel division, it did not utilise incineration. Most notably, the property division exhibited an overwhelming reliance on landfill disposal, accounting for 837,728 kg of waste, representing nearly the division's entire waste output, with no recycling, reuse, or incineration reported. This stark contrast between divisions highlights both successful sustainability practices and critical areas for improvement. The retail division's effective reuse program and the hotel division's substantial recycling efforts demonstrate viable waste reduction strategies that could potentially be expanded to other sectors.

SUSTAINABILITY STATEMENT (cont'd)

SCOPE 3 GHG EMISSIONS (cont'd)



SOCIAL SUSTAINABILITY

KSL is committed to fostering social sustainability across its property, retail, and hotel businesses. In 2024, KSL focused on supporting the communities it serves through impactful community engagement. The company worked to create welcoming environments through its retail outlets and hotel operations, providing spaces that encourage interaction and contribute to local vibrancy. These initiatives reflect KSL's commitment to positively impacting the areas where it operates.

KSL also emphasised its role as a responsible developer. The company incorporated thoughtful design in its property developments to ensure they are accessible and inclusive for residents and businesses. Furthermore, KSL continued to generate local employment opportunities through its retail and hotel operations, strengthening ties with the surrounding communities. By prioritising these efforts, KSL reaffirms its dedication to creating sustainable and thriving communities while achieving business growth.

SUSTAINABILITY STATEMENT (cont'd)

EMPOWERING PEOPLE AND COMMUNITIES



We are also dedicated to the development and engagement of our employees. Through regular training programmes, we invested in the skills and capabilities of our teams, equipping them to thrive in a dynamic business environment. Employee engagement remained a key priority, with initiatives designed to strengthen collaboration and foster a sense of belonging among our staff. Also, KSL prioritises the safety and well-being of its employees by maintaining high standards of occupational safety and health. Regular safety training and adherence to OSH regulations ensure a safe and secure working environment. Beyond our workforce, KSL actively engaged with local communities through corporate social responsibility (CSR) programmes. These initiatives focused on meaningful contributions, such as supporting local charities, organising community events, and providing resources to those in need. By aligning our social efforts with the needs of our employees and communities, KSL continues to uphold its responsibility to drive positive and sustainable change.

EMPLOYEE DEVELOPMENT

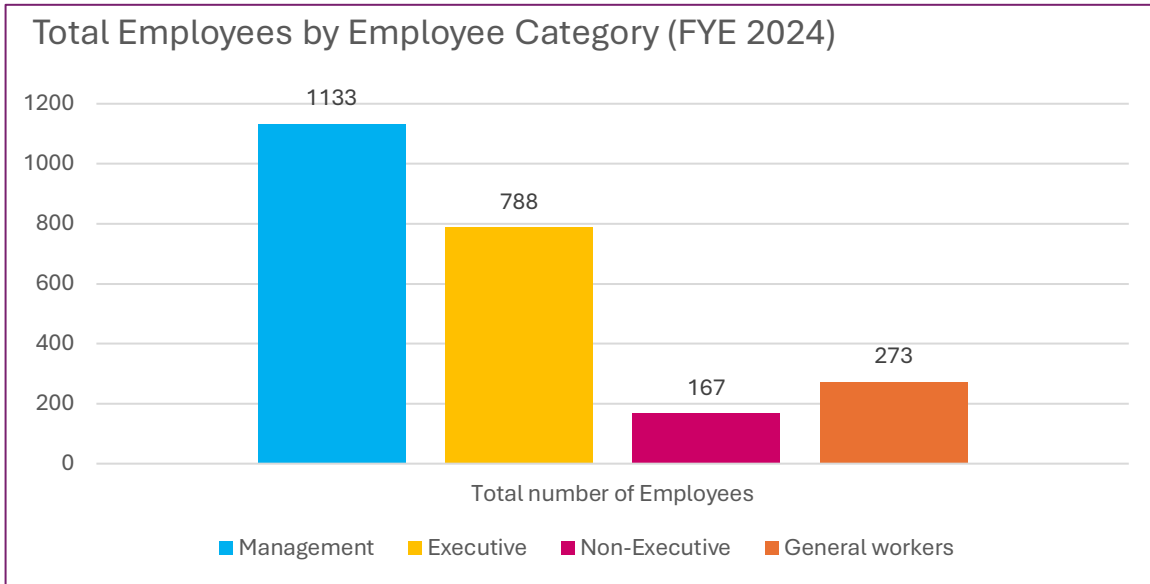
Employee development is a vital aspect of KSL’s commitment to nurturing its workforce and empowering them for success. By investing in regular training programmes, KSL aims to equip its employees with the necessary knowledge, skills, and tools to navigate an evolving business landscape effectively. These programmes are tailored to address industry trends and challenges, ensuring that employees are prepared to adapt to changes and excel in their roles.



Training initiatives at KSL cover a range of areas, including technical skills enhancement, leadership development, and personal growth. Employees are encouraged to participate in workshops, seminars, and online courses that broaden their expertise and support their professional progression. Below shows the total training hours in KSL for three financial years.

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE DEVELOPMENT (cont'd)



- Total Training Hours

	FYE 2023	FYE 2024
Total Training Hours	95	2361

FYE 2024	
Employee Category	Total Training Hours
Management	1133
Executive	788
Non-Executive	167
General Workers	273

Furthermore, these development opportunities foster a culture of continuous learning and innovation, enabling employees to contribute meaningfully to the company’s growth while advancing their own careers. Through its focus on employee development, KSL demonstrates its dedication to building a knowledgeable, skilled, and motivated workforce.



E-Invoicing Training

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE DEVELOPMENT ((cont'd)



Food Handling Training



Halal Awareness Training

EMPLOYEE ENGAGEMENT

Employee engagement remains a key priority for KSL, as the company continuously seeks to foster a sense of belonging and teamwork among its workforces. In the financial year ended 2024, KSL organised various initiatives that brought employees together, celebrated cultural diversity, and encouraged meaningful interactions. These efforts reflect KSL's commitment to creating a positive and inclusive workplace environment.

SUSTAINABILITY STATEMENT *(cont'd)*

EMPLOYEE ENGAGEMENT *(cont'd)*



Among the highlights of the year was the annual luncheon, which served as an opportunity to express appreciation to employees and strengthen team camaraderie. Festive celebrations further underscored KSL's dedication to inclusivity, with Christmas festivities, Deepavali kolam decoration activities, and Mid-Autumn celebrations bringing employees together to honour different traditions and cultures. Additionally, KSL demonstrated care and support for its team through initiatives such as the feminine products giveaway, showcasing its commitment to employee well-being. By organising these engaging activities, KSL fostered a sense of community and reinforced its role as a responsible and thoughtful employer.



KSL Annual Luncheon



Christmas Celebration

SUSTAINABILITY STATEMENT (cont'd)

EMPLOYEE ENGAGEMENT (cont'd)



Deepavali Kalam Decoration Activity



Mid-Autumn Festival Celebration



Feminine products Giveaway

OUR COMMITMENT TOWARDS DIVERSITY

KSL is committed to upholding Diversity, Equity, and Inclusion (DEI) as fundamental principles in its operations and workplace culture. Recognising the importance of fostering an inclusive environment, KSL strives to ensure that all employees, regardless of their backgrounds, identities, or experiences, feel valued and respected. The company actively promotes diversity by encouraging representation across all levels of its workforce, reflecting the communities it serves and celebrating the unique perspectives that each individual brings.

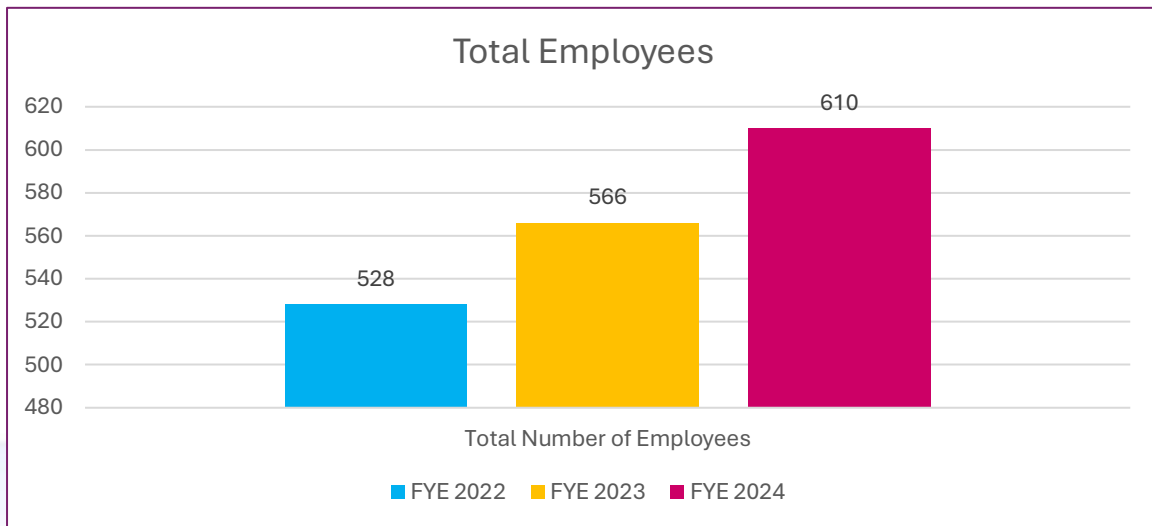
SUSTAINABILITY STATEMENT (cont'd)

OUR COMMITMENT TOWARDS DIVERSITY (cont'd)

Equity is embedded in KSL's practices to ensure fairness in opportunities, rewards, and access to resources. The company takes proactive steps to address potential barriers and create a level playing field for all employees. KSL also champions inclusion by cultivating a workplace culture where collaboration and mutual respect thrive.

KSL GROUP COMPOSITION

KSL has a diverse workforce, with a total of 820 employees as of the financial year ended 2024 (FYE 2024). The company's composition highlights a balanced representation of genders, with 447 male employees and 373 female employees contributing to its operations across property, retail, and hotel sectors. This workforce reflects KSL's commitment to fostering inclusivity and providing opportunities to individuals from various backgrounds.



- Total Workforce

Year	FYE 2022	FYE 2023	FYE 2024
Total Number of Employees	528	566	610

By promoting diversity within its employee base, KSL ensures a rich blend of perspectives and talents that drive innovation and success. The company takes pride in creating an environment where all employees can thrive and contribute meaningfully to its growth. This balanced gender composition further supports KSL's ongoing efforts to uphold diversity, equity, and inclusion as part of its sustainability goals.

- Percentage of contract workforce in KSL
-

KSL comprised 14.59% of contractors and temporary workforce in FYE 2024

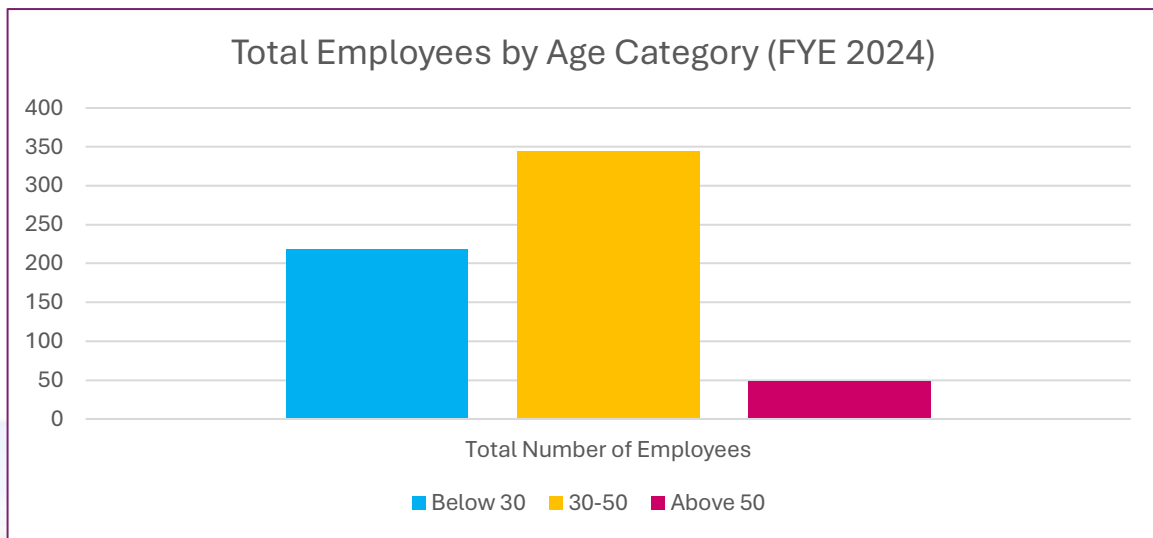
SUSTAINABILITY STATEMENT (cont'd)

KSL GROUP COMPOSITION (cont'd)

KSL values the contributions of its contract workforce as an integral part of its operations across property, retail, and hotel sectors. Contract employees play an essential role in ensuring operational flexibility and addressing specific business needs. KSL remains committed to providing fair and inclusive opportunities for contract workers while maintaining high standards of engagement and support for all employees within the organisation.

WORKFORCE BY AGE AND GENDER

KSL values the diversity of its workforce, which spans across various age groups and job categories. As of the financial year ended 2024, the company employed a total of 610 individuals, categorised by age groups into below 30, 30-50, and above 50. This distribution reflects KSL's commitment to maintaining a balanced and dynamic workforce that supports its operations in property, retail, and hospitality.



- Workforce by Age

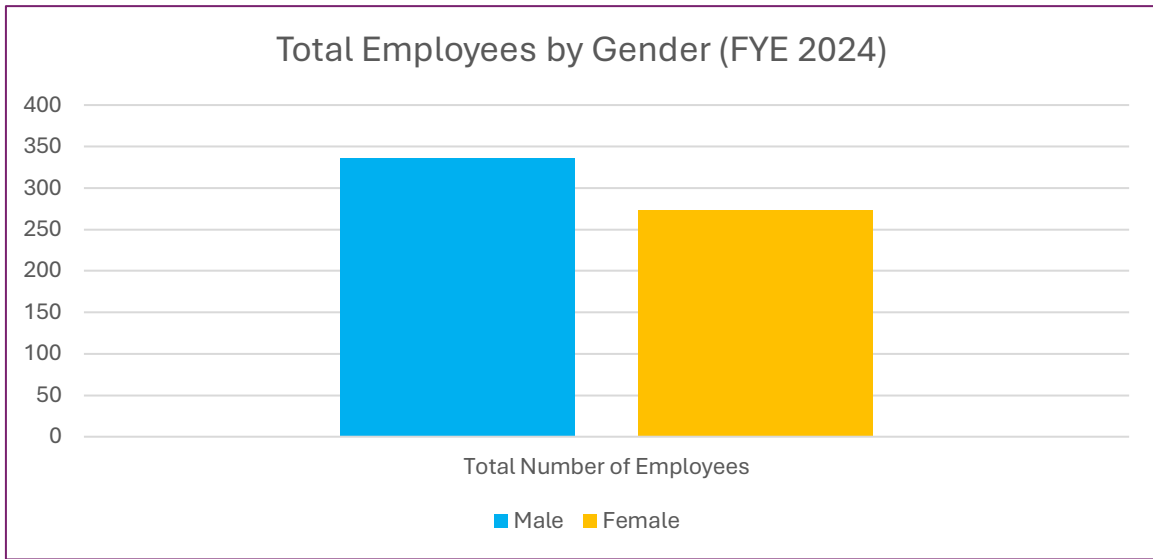
Year	Below 30	30-50	Above 50
FYE 2024	218	344	48

FYE 2024			
Employee Category	Below 30	30-50	Above 50
Management	5	95	15
Executive	40	121	16
Non-Executive	98	70	13
General Workers	75	58	4

In the **below 30** age category, KSL had 218 employees, comprising 5 in management, 40 in executive roles, 98 in non-executive positions, and 75 general workers. The majority of the workforce, 344 employees, fell within the **30-50** age group, with 95 in management, 121 in executive roles, 70 in non-executive positions, and 58 general workers. The **above 50** age category accounted for 48 employees, including 15 in management, 16 in executive roles, 13 in non-executive positions, and 4 general workers. This age and role distribution showcases KSL's efforts to provide opportunities across all levels of the organisation while building an inclusive and experienced workforce.

SUSTAINABILITY STATEMENT (cont'd)

WORKFORCE BY AGE AND GENDER (cont'd)

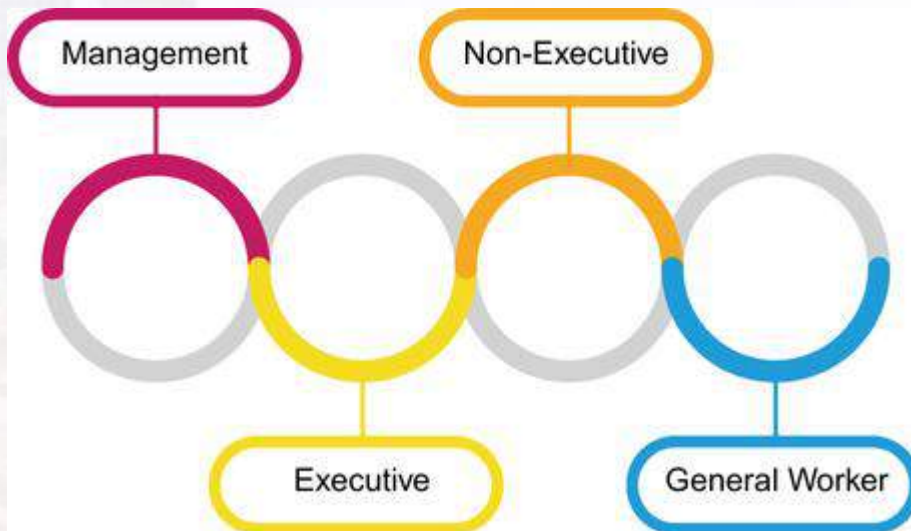


• Workforce by Gender

Year	Male	Female
FYE 2024	336	274

Employee Category	FYE 2024	
	Male	Female
Management	67	48
Executive	84	93
Non Executive	88	93
General Worker	97	40

WORKFORCE BY EMPLOYEE CATEGORY

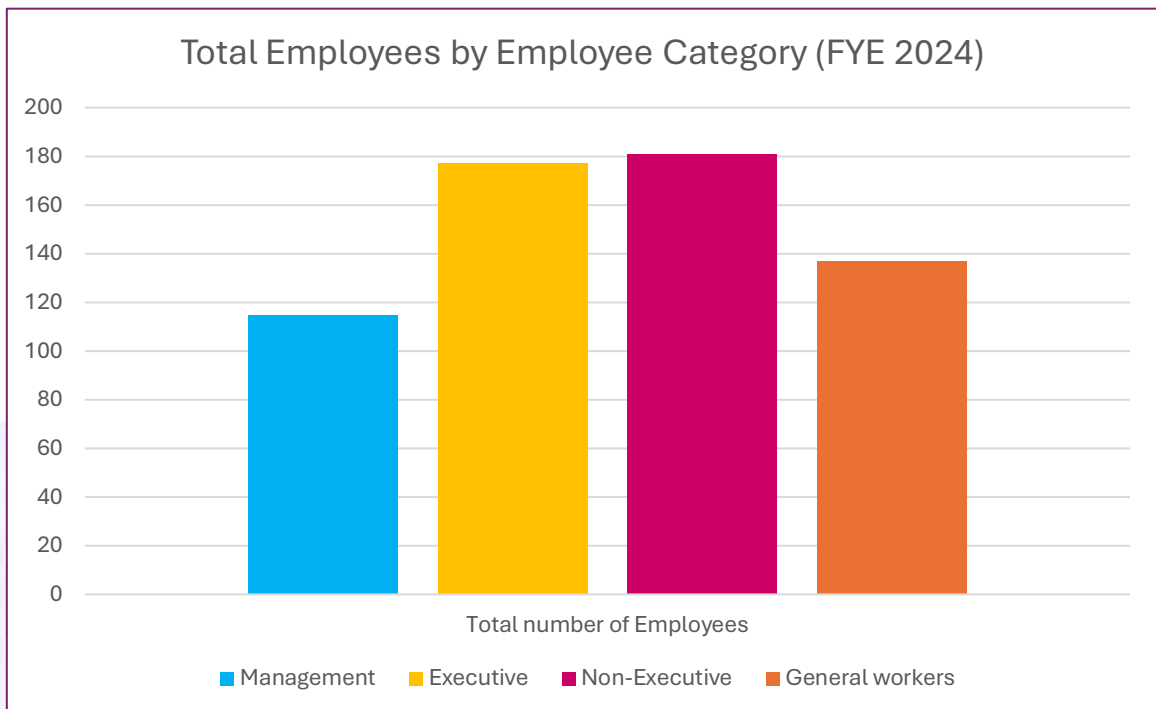


SUSTAINABILITY STATEMENT (cont'd)

WORKFORCE BY EMPLOYEE CATEGORY (cont'd)

KSL has a well-structured workforce comprising four main employee categories: management, executives, non-executives, and general workers. As of the financial year ended 2024, the company employed a total of 610 individuals across these categories, reflecting its diverse range of operations in property, retail, and hospitality.

The **management team**, consisting of 115 employees, plays a key role in strategic decision-making and steering the company towards achieving its goals. The **executives**, numbering 177, focus on driving day-to-day operations and ensuring smooth business processes. The **non-executive group** includes 181 employees who provide vital administrative and support functions to the organisation. Lastly, the **general workers**, comprising 137 individuals, contribute to the hands-on implementation and operational tasks essential to KSL's success. This categorisation reflects KSL's commitment to maintaining a balanced and cohesive workforce that is equipped to meet its operational demands effectively.



-
- Total Workforce by Employee Category

Year	Management	Executive	Non-Executive	General Workers
FYE 2024	115	177	181	137

SUSTAINABILITY STATEMENT (cont'd)

OCCUPATIONAL SAFETY AND HEALTH (OSH) (cont'd)

WORKFORCE TURNOVER

In the financial year ended 2024 (FYE 2024), KSL experienced an employee turnover rate distributed across various job categories. A total of 107 employees departed the company during the year, reflecting turnover figures from its management, executive, non-executive, and general worker groups.

Among the workforce, **25 employees** from the management level, **46 from executive roles**, **41 from non-executive positions**, and **58 general workers** left KSL during this period. These figures underline the importance of KSL's ongoing efforts to address turnover by enhancing employee retention strategies. The company remains committed to fostering a supportive and engaging work environment that prioritises employee satisfaction and well-being while sustaining a motivated and capable workforce to achieve its business goals.

KSL prioritises Occupational Safety and Health (OSH) as a core component of its operations, ensuring a safe and secure working environment for employees, contractors, and visitors across its property, retail, and hotel sectors. The company adheres to stringent safety standards and regulations to minimise workplace risks and foster a culture of safety. In 2024, KSL maintained an impressive record, with no fatalities related to workplace incidents and a low lost time incident rate, reflecting its commitment to protecting its workforce.



Safety and Health	Unit	FYE 2022	FYE 2023	FYE 2024
Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0

KSL also invested significantly in safety training initiatives during the year, accumulating a total of 1973.5 safety training hours across its operations. These efforts encompassed 57 employees, equipping them with the knowledge and skills necessary to carry out their roles safely and effectively. Regular safety audits, risk assessments, and emergency response drills further reinforced KSL's proactive approach to workplace safety. By prioritising OSH and promoting continuous improvement in its safety measures, KSL underscores its dedication to safeguarding the well-being of its employees while maintaining a productive and secure environment.

SUSTAINABILITY STATEMENT (cont'd)

OCCUPATIONAL SAFETY AND HEALTH (OSH) (cont'd)

Safety and Health	Unit	FYE 2022	FYE 2023	FYE 2024
Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0

KSL also invested significantly in safety training initiatives during the year, accumulating a total of 1973.5 safety training hours across its operations. These efforts encompassed 57 employees, equipping them with the knowledge and skills necessary to carry out their roles safely and effectively. Regular safety audits, risk assessments, and emergency response drills further reinforced KSL's proactive approach to workplace safety. By prioritising OSH and promoting continuous improvement in its safety measures, KSL underscores its dedication to safeguarding the well-being of its employees while maintaining a productive and secure environment.



Safety Training

SUSTAINABILITY STATEMENT (cont'd)

COMMUNITY ENGAGEMENT

KSL also engaged in various community initiatives, volunteer activities, and partnerships aimed at empowering underprivileged groups. By integrating these efforts into its operations, KSL demonstrates a harmonious alignment of business growth with its responsibility to drive positive and sustainable impact for the communities it serves.



KSL Outreach for Children with Autism

BALANCING BUSINESS AND SOCIAL RESPONSIBILITY

KSL continues to demonstrate a thoughtful balance between its business operations and social responsibility. KSL's procurement strategy was heavily weighted toward local suppliers, which accounted for RM294.6 million or 97.5% of total supplier expenditure. This strong preference for domestic sourcing highlights KSL's commitment to supporting the local economy while minimizing exposure to the risks and complexities associated with international supply chains, such as geopolitical disruptions, currency fluctuations, and logistical delays. The remaining 2.5% (RM7.56 million) allocated to overseas suppliers likely reflects the procurement of specialized goods or services that are not readily available within the local market.

FYE 2024	Local Suppliers (RM)	Overseas Suppliers (RM)	Local Suppliers (%)	Overseas Suppliers (%)
Overall¹	294,598,477	7,561,472	97.50%	2.50%

¹ Calculation is derived from purchase of materials from: KSL Properties Sdn Bhd, Khoo Soon Lee Realty Sdn Bhd, Bintang-Bintang Development Sdn Bhd, Sejota Sdn Bhd, KSL Medini Development Sdn Bhd, Prosper Plus Industry Sdn Bhd, VIP Beyond Sdn Bhd, and Gantang Jaya Sdn Bhd, KSL

SUSTAINABILITY STATEMENT (cont'd)

BALANCING BUSINESS AND SOCIAL RESPONSIBILITY (cont'd)

Beyond its supply chain, KSL reinforced its corporate social responsibility (CSR) through financial and community-focused initiatives. In 2024, the company contributed RM 209,158 to 26 beneficiary organisations, supporting education and welfare programs that promote economic and social well-being.



KSL Food Donation Drive to Pusat Jagaan Istimewa Lelaki Kebajikan Kasih Malaysia

SUSTAINABILITY STATEMENT (cont'd)

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category	Percentage	100
Management	Percentage	100
Executive	Percentage	100
Non-executive/Technical Staff	Percentage	100
General Workers	Percentage	100
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	209,158
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	26
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	4.4
Management Between 30-50	Percentage	82.6
Management Above 50	Percentage	13.0
Executive Under 30	Percentage	22.6
Executive Between 30-50	Percentage	68.4
Executive Above 50	Percentage	9.0
Non-executive/Technical Staff Under 30	Percentage	54.1
Non-executive/Technical Staff Between 30-50	Percentage	38.7
Non-executive/Technical Staff Above 50	Percentage	7.2
General Workers Under 30	Percentage	54.7
General Workers Between 30-50	Percentage	42.3
General Workers Above 50	Percentage	3.0
Gender Group by Employee Category		
Management Male	Percentage	58.2
Management Female	Percentage	41.8
Executive Male	Percentage	47.5
Executive Female	Percentage	52.5
Non-executive/Technical Staff Male	Percentage	48.6
Non-executive/Technical Staff Female	Percentage	51.4
General Workers Male	Percentage	70.8

SUSTAINABILITY STATEMENT (cont'd)

PERFORMANCE DATA TABLE (cont'd)

Indicator	Measurement Unit	2024
Bursa (Diversity)		
General Workers Female	Percentage	29.2
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	55.6
Female	Percentage	44.4
Under 30	Percentage	0.0
Between 30-50	Percentage	22.2
Above 50	Percentage	77.8
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megajoules	135,265,669.9
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	57
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	1133
Executive	Hours	788
Non-executive/Technical Staff	Hours	167
General Workers	Hours	273
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	14.59
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	25
Executive	Number	46
Non-executive/Technical Staff	Number	41
General Workers	Number	58
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	1
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	97.50
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	823.9
Bursa (Waste Management)		
Bursa C10(a) Total Waste Generated	Metric Tonnes	914.0

SUSTAINABILITY STATEMENT *(cont'd)*

PERFORMANCE DATA TABLE *(cont'd)*

Indicator	Measurement Unit	2024
Bursa C10(a)(i) Total waste diverted from disposal	Metric Tonnes	60.9
Bursa C10(a)(ii) Total waste directed to disposal	Metric Tonnes	853.1
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric Tonnes	404,554
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e (net solar avoidance)	Metric Tonnes	29,081
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric Tonnes	14,883
(*) Restated		



LIST OF MAJOR PROPERTIES HELD BY THE GROUP AS AT 31 DECEMBER 2024

No	Lot No.	Description	Land Area (sq ft.)	Existing Use	Tenure	Approximate Age (Year)	Net Book Value as at 31.12.24 (RM)	Date of Last Revaluation or if none, Date of Acquisition
01.	PTB 22817 Mukim of Johor Bahru District of Johor Bahru Johor Darul Takzim	Commercial complex	295,515	KSL City Mall	Freehold	11	477,980,000	14.02.2025
02.	PT 143339 Mukim of Klang District of Klang Selangor Darul Ehsan	Commercial complex	788,000	KSL Esplanade Mall	Freehold	1	325,000,000	31.12.2024
03.	Lot 113158, 113159, 113162, Lot 113164, 113165, 55044, Lot 55054, 55056 & 63409 Mukim of Pulai District of Johor Bahru Johor Darul Takzim	Land held for development	8,208,099	Taman Pulau Bestari	Freehold	-	261,658,552	20.03.2018
04.	Lot 55786 Mukim of Bukit Raja District of Petaling Jaya Selangor Darul Takzim	Land held for development	783,828	Vacant Land	Freehold	-	240,849,027	23.11.2023
05.	Lot 2437 Mukim of Tebrau District of Johor Bahru Johor Darul Takzim	Subdivided land under development	8,459,169	Taman Bestari Indah	Freehold	-	208,990,241	27.02.2002
06.	Lot 6412 & Lot 6415 Mukim of Klang District of Klang Selangor Darul Ehsan	Subdivided land under development	6,373,555	Bandar Bestari	Freehold	-	188,223,330	01.11.2007
07.	Lot 84133 Mukim of Tebrau District of Johor Bahru Johor Darul Takzim	Subdivided land under development	3,233,903	Taman Kempas Indah	Freehold	-	162,723,674	16.08.2002
08.	PTD 163673 – 163674 Mukim of Tebrau District of Johor Bahru Johor Darul Takzim	Land held for development	5,137,998	Vacant Land	Leasehold	-	140,840,552	12.03.2018
09.	Lot 1799 – 1807 Lot 24231 & 25782 Mukim of Pulai District of Johor Bahru Johor Darul Takzim	Land held for development	3,335,389	Vacant Land	Freehold	-	133,987,785	26.02.2024
10.	Lot 18973 - 19011, Lot 19013 - 19040, Lot 19048 - 19054, Lot 19062 - 19063, Lot 19105 - 19113, Lot 19041 - 19047, Lot 19055 - 19061, Lot 19064 - 19104, Lot 19114 - 19136 Mukim Simpang Kanan, District of Batu Pahat, Johor Darul Takzim	Land held for mix development	12,945,196	Bukit Banang	Freehold	-	129,997,106	30.01.2015

STATEMENT OF SHAREHOLDINGS AS AT 24 MARCH 2025

Total number of issued shares: 1,037,508,399

Class of shares : Ordinary shares

Voting rights : One vote per share

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	654	10.437	25,051	0.002
100 – 1,000	871	13.900	458,581	0.046
1,001 – 10,000	2,759	44.031	14,143,120	1.390
10,001 – 100,000	1,648	26.301	53,979,776	5.307
100,001 to less than 5% of issued shares	330	5.267	343,007,800	33.720
5% and above of issued shares	4	0.064	605,601,671	59.535
Total	6,266	100.000	1,017,215,999	100.000

* excluding a total of 20,292,400 ordinary shares bought back and retained as treasury shares.

THIRTY LARGEST SHAREHOLDERS

No.	Name	Holdings	%
1	PREMIERE SECTOR SDN BHD	323,546,642	31.807
2	KHOO CHENG HAI @ KU CHENG HAI	108,394,051	10.656
3	KU HWA SENG	104,889,521	10.311
4	KU TIEN SEK	68,771,457	6.761
5	HSBC NOMINEES (ASING) SDN BHD	49,237,459	4.840
6	IFAST NOMINEES (ASING) SDN BHD	47,125,200	4.633
7	UOB KAY HIAN NOMINEES (ASING) SDN BHD	41,838,086	4.113
8	GORGEOUS HORIZON SDN BHD	23,129,200	2.274
9	MAYBANK NOMINEES (TEMPATAN) SDN BHD (KU TIEN SEK)	10,000,000	0.983
10	KU WA CHONG	9,249,879	0.909
11	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD (SUSY DING)	5,300,000	0.521
12	PUBLIC NOMINEES (TEMPATAN) SDN BHD (WONG YEE HUI)	4,600,000	0.452
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD (WONG TUNG ANN)	4,556,400	0.448
14	RHB NOMINEES (TEMPATAN) SDN BHD (SUSY DING)	3,972,000	0.390
15	KHOO KENG GHIAP	3,967,680	0.390

STATEMENT OF SHAREHOLDINGS (cont'd)

THIRTY LARGEST SHAREHOLDERS (cont'd)

No.	Name	Holdings	%
16	CITIGROUP NOMINEES (TEMPATAN) SDN BHD (EPF BOARD)	3,871,600	0.381
17	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD (KONG KOK CHOY)	3,800,000	0.374
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD (EPF BOARD - ISLAMIC)	3,701,400	0.364
19	KU WA CHONG	3,129,196	0.308
20	LIM SOON HUAT	2,651,782	0.261
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD (NATIONAL TRUST FUND)	2,600,000	0.256
22	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (KAF CORE INCOME FUND)	2,600,000	0.256
23	LTK (MELAKA) SDN BHD	2,473,415	0.243
24	PUBLIC NOMINEES (TEMPATAN) SDN BHD (TAY LEK HENG)	2,410,400	0.237
25	RHB NOMINEES (TEMPATAN) SDN BHD (WONG YEE HUI)	2,367,000	0.233
26	AMSEC NOMINEES (TEMPATAN) SDN BHD (AMBANK (M) BERHAD)	2,262,700	0.222
27	HLB NOMINEES (TEMPATAN) SDN BHD (LEE POH KWEE)	2,068,000	0.203
28	PM NOMINEES (TEMPATAN) SDN BHD (KONG KOK CHOY)	1,900,000	0.187
29	CIMB GROUP NOMINEES (ASING) SDN. BHD. (DBS BANK LTD)	1,860,800	0.183
30	CARTABAN NOMINEES (ASING) SDN BHD (BNY MELLON - ACADIAN FUND)	1,850,383	0.182

SUSTANTIAL SHAREHOLDERS

According to the Register required to be kept under Section 144 of the Companies Act 2016, the following are the substantial shareholders of the Company:

No.	Substantial Shareholders	Direct Interest		Deemed Interest	
		Number of Shares	% of Shares	Number of Shares	% of Shares
1	PREMIERE SECTOR SDN BHD	323,546,642	31.807	-	-
2	KHOO CHENG HAI @ KU CHENG HAI	108,394,051	10.656	351,496,922 ⁽²⁾	34.555
3	KU HWA SENG	104,889,521	10.311	346,675,842 ⁽²⁾	34.081
4	KU TIEN SEK	78,771,457 ⁽³⁾	7.744	323,546,642 ⁽¹⁾	31.807

Notes:

- (1) Deemed interested through shareholdings by virtue of Section 8 of the Companies Act 2016.
- (2) Deemed interested pursuant to Section 8 and Section 59 (11) (c) of the Companies Act 2016.
- (3) Included his shareholding registered with MAYBANK NOMINEES (TEMPATAN) SDN BHD.

STATEMENT OF SHAREHOLDINGS (cont'd)

LIST OF DIRECTORS' SHAREHOLDINGS

No.	Directors	Direct Interest		Deemed Interest	
		Number of Shares	% of Shares	Number of Shares	% of Shares
1	KHOO CHENG HAI @ KU CHENG HAI	108,394,051	10.656	351,496,922 ⁽²⁾	34.555
2	KU HWA SENG	104,889,521	10.311	346,675,842 ⁽²⁾	34.081
3	KU TIEN SEK	78,771,457 ⁽³⁾	7.744	323,546,642 ⁽¹⁾	31.807
4	PANG AH KOW	-	-	-	-
5	TAN SWEE GEOK	287,392	0.028	-	-
6	WONG LEE LEE	-	-	-	-
7	KU EK MEI	-	-	23,129,200 ⁽¹⁾	2.274
8	KHOO LEE FENG	853,400	0.084	23,129,200 ⁽¹⁾	2.274
9	TAN KAI SENG	-	-	-	-

Notes:

- (1) Deemed interested through shareholdings by virtue of Section 8 of the Companies Act 2016.
 (2) Deemed interested pursuant to Section 8 and Section 59 (11) (c) of the Companies Act 2016.
 (3) Included his shareholding registered with MAYBANK NOMINEES (TEMPATAN) SDN BHD.

PUBLIC SHAREHOLDING SPREAD

Category	Shareholders	%	Shareholdings	%
Directors	3	0.048	293,195,821	28.823
Substantial Shareholders	1	0.016	323,546,642	31.807
Shareholders Holding Less Than 100	654	10.437	25,051	0.002
Public Shareholdings	5,608	89.499	400,448,485	39.368
Total	6,266	100.000	1,017,215,999	100.000

DIRECTORS' REPORT

The directors of **KSL HOLDINGS BERHAD**. have pleasure in submitting their report and the audited financial statements of the Group and the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITY

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries which are principally engaged in property development and hotel operations. The details of the subsidiaries are disclosed in Note 16 to the financial statements.

RESULTS OF OPERATIONS

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

	Group RM	Company RM
Profit before tax	619,354,460	6,071,525
Income tax expenses	<u>(147,282,877)</u>	<u>(2,181,645)</u>
Profit for the financial year	<u>472,071,583</u>	<u>3,889,880</u>
Profit attributable to:		
Owner of the company	472,084,006	3,889,880
Non- controlling interests	<u>(12,423)</u>	<u>-</u>
	<u>472,071,583</u>	<u>3,889,880</u>

In the opinion of the directors, the results of operations of the Group and the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors propose a final dividend of 8 sen per ordinary share, amounting to RM81,377,280 based on the outstanding issued and paid-up capital of 1,017,215,999 ordinary shares, in respect of the current financial year. The proposed dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2025.

DIRECTORS' REPORT (*cont'd*)

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

There was no issue of shares or debentures by the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statement of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that no known bad debts and that no allowance for doubtful debts was necessary; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

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

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

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

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION (cont'd)

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

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

DIRECTORS

The directors of the Company in office during the financial year until the date of this report are:

Khoo Cheng Hai @ Ku Cheng Hai
 Ku Hwa Seng
 Ku Tien Sek
 Pang Ah Kow
 Tan Swee Geok
 Wong Lee Lee
 Khoo Lee Feng (Appointed on 1 January 2024)
 Ku Ek Mei (Appointed on 1 January 2024)
 Tan Kai Seng (Appointed on 1 January 2024)

The name of the directors of the Company's subsidiaries in office during the financial year and up to the date of this report other than those named above are as follows:

Khoo Keng Ghiap
 Ku Wa Chong
 Ku Keng Leong
 Ku Keng Yaw

DIRECTORS' INTERESTS

The interests and deemed interest in the shares of the Group and of the Company and of its related corporations of those who were Directors at financial year end according to the Register of Directors' Shareholdings are as follows:

	<-----Number of ordinary shares----->			
	At 1 January 2024	Additions	Disposal	At 31 December 2024
Company				
Direct interest				
Khoo Cheng Hai @ Ku Cheng Hai	108,394,051	-	-	108,394,051

DIRECTORS' REPORT (cont'd)

DIRECTORS' INTERESTS (cont'd)

	<-----Number of ordinary shares----->			
	At 1 January 2024	Additions	Disposal	
Ku Hwa Seng	104,889,521	-	-	104,889,521
Ku Tien Sek	78,771,457	-	-	78,771,457
Khoo Lee Feng	853,400	-	-	853,400
Tan Swee Geok	287,392	-	-	287,392
Indirect interest (+)				
Khoo Cheng Hai @ Ku Cheng Hai	4,821,080	-	-	4,821,080
Deemed interest (#)				
Khoo Cheng Hai @ Ku Cheng Hai	323,546,642	-	-	323,546,642
Ku Hwa Seng	323,546,642	-	-	323,546,642
Ku Tien Sek	323,546,642	-	-	323,546,642
Deemed interest (*)				
Khoo Cheng Hai @ Ku Cheng Hai	23,129,200	-	-	23,129,200
Ku Hwa Seng	23,129,200	-	-	23,129,200
Deemed interest (**)				
Khoo Lee Feng	23,129,200	-	-	23,129,200
Ku Ek Mei	23,129,200	-	-	23,129,200

+ By virtue of his children's direct shareholding

Held through Premiere Sector Sdn. Bhd.

* Held through Gorgeous Horizon Sdn. Bhd. by their children

** Held through Gorgeous Horizon Sdn. Bhd

By virtue of their interests in the shares of the Company, Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng, Ku Tien Sek and Khoo Lee Feng are also deemed to have beneficial interest in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other directors in office at the end of the financial year hold any shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of fees and emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than certain directors who have substantial financial interests in companies which traded with the Company in the ordinary course of business, other than as disclosed in Note 30 to the financial statements.

DIRECTORS' REPORT (cont'd)

DIRECTORS' BENEFITS (cont'd)

The details of the directors' remuneration for the financial year ended 31 December 2024 are set out below:

	Group RM	Company RM
Executive directors:		
Salary and other emoluments	37,677,292	225,000
Defined contribution plan	5,986,536	34,200
Social security contributions	10,312	2,228
	<u>43,674,140</u>	<u>261,428</u>
Non-Executive directors:		
Fee	90,000	90,000
Salary and other emoluments	15,000	15,000
	<u>105,000</u>	<u>105,000</u>

During and at the end of the financial year, no arrangement subsisted to which the Company was party whereby Director of the Company might acquire benefits by means of the acquisition of share in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE COSTS

There were no indemnity given to or insurance effected for any Directors, officers and auditors of the Group and the Company in accordance with Section 289 of the Companies Act, 2016.

AUDITOR'S REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for the financial year ended 31 December 2024 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
Statutory audit	327,000	25,000
Other services	11,700	5,000
	<u>338,700</u>	<u>30,000</u>

DIRECTORS' REPORT *(cont'd)*

MATERIAL LITIGATION

The details of the material litigation are disclosed in Note 35 to the financial statements.

SIGNIFICANT EVENTS

The details of the significant events are disclosed in Note 36 to the financial statements.

SUBSEQUENT EVENT

The details of the subsequent event are disclosed in Note 37 to the financial statements.

DIRECTORS' REPORT (*cont'd*)

AUDITORS

The Auditors, Morison LC PLT have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board,
in accordance with a resolution of the directors,

KHOO CHENG HAI @ KU CHENG HAI

KU HWA SENG

Petaling Jaya
21 April 2025

STATEMENT BY DIRECTORS

The directors of **KSL HOLDINGS BERHAD**. state that, in their opinion, the accompanying financial statements, are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2024 and of the financial performance and the cash flows of the Company for the year ended on that date.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

KHOO CHENG HAI @ KU CHENG HAI

KU HWA SENG

Petaling Jaya
21 April 2025

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **KHOO CHENG HAI @ KU CHENG HAI**, the director primarily responsible for the financial management of **KSL HOLDINGS BERHAD**., do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

KHOO CHENG HAI @ KU CHENG HAI

Subscribed and solemnly declared by the abovenamed **KHOO CHENG HAI @ KU CHENG HAI** at **PETALING JAYA** in the state of Selangor Darul Ehsan on 21 April 2025.

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD

(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **KSL HOLDINGS BERHAD**, which comprise the statements of financial position as at 31 December 2024 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 for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 122 to 199.

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 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters

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

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

Key audit matter	How we addressed the key audit matter
<p>Revenue and cost recognition for property development activities</p> <p>Refer to Notes 3, 4, 5 and 18(b) to the financial statements for the Group's accounting policies on revenue recognition from property development, key sources of estimation uncertainty and related disclosure.</p> <p>The Group's revenue from property development activities, amounted to RM561,503,677, represent 41% of the Group's revenue.</p> <p>The Group recognise revenue from property development activities using the cost-based input method, which is measured on the basis of the Group's efforts or inputs to the actual property development costs incurred to date relative to the total estimated total property development costs.</p> <p>We determined this to be a key audit matter given its magnitude relative to the Group's revenue as well as the significant judgements and estimates involved in the following areas:</p> <ul style="list-style-type: none"> • progress of completion of the performance obligations; and • budgeting process in estimating the total total property development cost. 	<p>Our audit procedures, performed in this area included, among others:</p> <ul style="list-style-type: none"> • Obtained understanding of the revenue recognition process, including the accuracy and timing of revenue recognition towards satisfaction of performance of obligation, and tested the associated relevant controls surrounding revenue recognition; • Evaluated the reasonableness of the estimated total property development costs of major projects by examining the supporting documentations and interviewing the project teams; • Performed test of details on actual development cost and construction cost incurred during the financial year as to whether the cost incurred are valid and in the correct accounting period; • Checked the mathematical accuracy of the revenue and profit based on percentage completion calculation; and • Performed search for unrecorded liabilities, and evaluated accruals made in respect of work performed by subcontractors of which invoice or contractors' interim certificate has yet to be received as at financial year end, by reviewing the basis of estimation of the amount accrued.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Valuation of investment properties	External valuations
<p>Refer to Notes 3, 4 and 15 to the financial statements for the Group's accounting policies on investment properties, key sources of estimation uncertainty and related disclosure.</p> <p>We identified the valuation for investment properties as a key audit matter due to the significant judgement and estimation involved in determining the fair value of the properties, coupled with the fact that a small percentage difference in individual property valuation assumptions, when aggregated, could result in material misstatement.</p> <p>The valuations were carried out annually by third party independent valuers engaged by the Group, and the models used to determine the fair values depend on the nature of the properties.</p> <p>Under the profits method, the valuers take into account specific current information of the property such as the current tenancy agreements and rental income earned by the assets. They then apply assumptions in relation to rates of return, based on available market data and transactions, to arrive at a range of valuation outcomes, from which they derive a point estimate.</p> <p>Under the comparison approach, the valuation is based on assumption, amongst others, comparable historical transaction and factoring adjustments to comparable transactions including location, size, condition, accessibility, design and market knowledge, and estimated rental value per square foot.</p>	<p>Our audit procedures, performed in this area included, among others:</p> <ul style="list-style-type: none"> • Assessed the competence, capability and objectivity of the independent valuers, and verified their professional qualifications and discussed the scope of their work with management to determine that there were no matters that would have affected their independence and objectivity or imposed scope limitations upon them; • Held discussions with management and the valuers and from our review of the valuation reports, that we noted the valuers have considered factors related to each property's individual characteristics and its overall quality, geographical location and desirability as a whole in arriving to fair value. We have challenged the basis of the assumptions used, which included verifying the property related input data applied by the external valuer; • For valuation of certain properties using the comparison approach, we compared the fair values of a few samples of the properties with the average values of several similar properties in and around the area; and • For valuation of certain properties using the profits method, we tested a selection of data inputs underpinning the investment property valuation including rental income, tenancy schedules and estimated expenses, against appropriate supporting documentation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

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 skepticism throughout the audit. We also:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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

Other Matters

- (a) The financial statements of KSL Holdings Berhad for the financial year ended 31 December 2023 were audited by another auditors who expressed an unqualified opinion on these financial statements on 17 April 2024.
- (b) This report is made solely to the member 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.

**MORISON LC PLT (AF 002469)
202206000028 (LLP0032572-LCA)
Chartered Accountants**

**OOI CHI YEE
03684/08/2026 (J)
Chartered Accountant**

Petaling Jaya
21 April 2025

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	5	1,376,660,693	1,141,637,648	430,000	104,887,000
Cost of sales	6	<u>(620,040,065)</u>	<u>(489,878,766)</u>	<u>-</u>	<u>-</u>
Gross profit		756,620,628	651,758,882	430,000	104,887,000
Add: Other income	7	87,615,446	72,148,011	16,037,097	6,774,627
Less: Distribution expenses		(67,823,593)	(56,632,451)	(6,510)	(5,346)
Less: Administrative expenses		<u>(152,069,148)</u>	<u>(128,155,616)</u>	<u>(628,799)</u>	<u>(581,056)</u>
Profit from operations		624,343,333	539,118,826	15,831,788	111,075,225
Less: Finance costs	8	<u>(4,988,873)</u>	<u>(4,163,724)</u>	<u>(9,760,263)</u>	<u>(2,451,485)</u>
Profit before tax	10	619,354,460	534,955,102	6,071,525	108,623,740
Income tax expenses	11	<u>(147,282,877)</u>	<u>(118,114,989)</u>	<u>(2,181,645)</u>	<u>(1,062,960)</u>
Profit for the financial year, representing total comprehensive income for the financial year		<u>472,071,583</u>	<u>416,840,113</u>	<u>3,889,880</u>	<u>107,560,780</u>
Total comprehensive income for the financial year attributable to:					
Owners of the parent		472,084,006	416,893,872	3,889,880	107,560,780
Non-controlling interest		<u>(12,423)</u>	<u>(53,759)</u>	<u>-</u>	<u>-</u>
Net profit for the financial year		<u>472,071,583</u>	<u>416,840,113</u>	<u>3,889,880</u>	<u>107,560,780</u>
Earnings per ordinary share(sen):					
Basic and diluted	12	<u>46.41</u>	<u>40.98</u>		

The accompanying notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	13	248,886,881	237,426,984	2	2
Intangible assets	14	82,000	462,850	-	-
Investment properties	15	1,093,139,784	1,037,774,012	-	-
Investment in subsidiaries	16	-	-	1,228,881,959	1,228,781,958
Other investment	17	2,307,822	1,904,906	-	-
Inventories	18	1,845,457,632	1,192,401,334	-	-
Deferred tax assets	29	48,234	605,046	-	-
Total Non-Current Assets		<u>3,189,922,353</u>	<u>2,470,575,132</u>	<u>1,228,881,961</u>	<u>1,228,781,960</u>
Current Assets					
Inventories	18	991,724,568	724,843,266	-	-
Trade receivables	19	187,373,792	100,191,830	-	-
Other receivables	20	267,726,345	163,493,733	1,055	-
Contract assets	21	154,524,196	76,124,134	-	-
Current tax assets		620,189	1,303,020	123,894	702,217
Amount due by subsidiaries	22	-	-	838,419,956	273,034,797
Cash and bank balances	23	211,202,175	527,183,307	337,815	122,050
Total Current Assets		<u>1,813,171,265</u>	<u>1,593,139,290</u>	<u>838,882,720</u>	<u>273,859,064</u>
Total Assets		<u>5,003,093,618</u>	<u>4,063,714,422</u>	<u>2,067,764,681</u>	<u>1,502,641,024</u>

(Forward)

STATEMENTS OF FINANCIAL POSITION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
EQUITY AND LIABILITIES					
Share capital	24	699,234,524	699,234,524	699,234,524	699,234,524
Treasury shares	24	(24,776,017)	(24,776,017)	(24,776,017)	(24,776,017)
Reserves	25	<u>3,510,107,642</u>	<u>3,038,077,395</u>	<u>749,666,308</u>	<u>745,776,428</u>
Equity attributable to owner of the Company		4,184,566,149	3,712,535,902	1,424,124,815	1,420,234,935
Non-controlling interests		<u>17,577</u>	<u>246,241</u>	-	-
Total equity		<u>4,184,583,726</u>	<u>3,712,782,143</u>	<u>1,424,124,815</u>	<u>1,420,234,935</u>
Non-Current Liabilities					
Other payables	27	36,220,543	31,936,084	-	-
Loan and borrowings	28	8,501,000	27,687,232	-	-
Deferred tax liabilities	29	<u>67,444,376</u>	<u>60,342,933</u>	-	-
		<u>112,165,919</u>	<u>119,966,249</u>	-	-
Current Liabilities					
Trade payables	26	96,479,614	50,706,405	-	-
Other payables	27	170,746,401	137,872,816	219,896	175,369
Contract liabilities	21	8,001,977	2,284,244	-	-
Loan and borrowings	28	409,186,232	20,325,348	-	-
Current tax liabilities		21,929,749	19,777,217	-	-
Amount due to subsidiaries	22	-	-	643,419,970	82,230,720
		<u>706,343,973</u>	<u>230,966,030</u>	<u>643,639,866</u>	<u>82,406,089</u>
Total Liabilities		<u>818,509,892</u>	<u>350,932,279</u>	<u>643,639,866</u>	<u>82,406,089</u>
Total Equity and Liabilities		<u>5,003,093,618</u>	<u>4,063,714,422</u>	<u>2,067,764,681</u>	<u>1,502,641,024</u>

The accompanying notes form an integral part of the Financial Statements

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<-----Non-distributable----->			Distributable Retained earnings RM	Total RM	Non- Controlling Interests RM	Total Equity RM
	Share capital RM	Treasury shares RM	Revaluatio n reserves RM				
Group 2023							
As at 1 January 2023	699,234,524	(24,776,017)	16,694,801	2,604,488,722	3,295,642,030	-	3,295,642,030
Realisation of revaluation surplus	-	-	(4,610)	4,610	-	-	-
Profit/Total comprehensive income for the year	-	-	-	416,893,872	416,893,872	(53,759)	416,840,113
Transaction with owners:							
Incorporation of new subsidiary	-	-	-	-	-	30	30
Increase of share capital of a subsidiary	-	-	-	-	-	299,970	299,970
	-	-	-	-	-	300,000	300,000
As at 31 December 2023	<u>699,234,524</u>	<u>(24,776,017)</u>	<u>16,690,191</u>	<u>3,021,387,204</u>	<u>3,712,535,902</u>	<u>246,241</u>	<u>3,712,782,143</u>

(Forward)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

	<-----Non-distributable----->			Distributable Retained earnings RM	Total RM	Non- Controlling Interests RM	Total Equity RM
	Share capital RM	Treasury shares RM	Revaluatio n reserves RM				
Group 2024							
As at 1 January 2024	699,234,524	(24,776,017)	16,690,191	3,021,387,204	3,712,535,902	246,241	3,712,782,143
Realisation of revaluation surplus	-	-	(12,404)	12,404	-	-	-
Profit/Total comprehensive income for the year	-	-	-	472,084,006	472,084,006	(12,423)	472,071,583
Transaction with owners:							
Acquisition of non- controlling interest	-	-	-	(53,759)	(53,759)	(246,241)	(300,000)
Non-controlling interest arising from acquisition of a subsidiary	-	-	-	-	-	30,000	30,000
As at 31 December 2024	<u>699,234,524</u>	<u>(24,776,017)</u>	<u>16,677,787</u>	<u>3,493,429,855</u>	<u>4,184,566,149</u>	<u>17,577</u>	<u>4,184,583,726</u>

(Forward)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

	<-----Non-distributable----->		Distributable	
	Share capital RM	Treasury shares RM	Retained earnings RM	Total RM
Company				
2023				
At 1 January 2023	699,234,524	(24,776,017)	638,215,648	1,312,674,155
Profit/Total comprehensive income for the year	-	-	107,560,780	107,560,780
At 31 December 2023	<u>699,234,524</u>	<u>(24,776,017)</u>	<u>745,776,428</u>	<u>1,420,234,935</u>
2024				
At 1 January 2024	699,234,524	(24,776,017)	745,776,428	1,420,234,935
Profit/Total comprehensive income for the year	-	-	3,889,880	3,889,880
At 31 December 2024	<u>699,234,524</u>	<u>(24,776,017)</u>	<u>749,666,308</u>	<u>1,424,124,815</u>

The accompanying notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES				
Profit before taxation	619,354,460	534,955,102	6,071,525	108,623,740
Adjustments for:				
Amortisation of intangible assets	99,600	35,150	-	-
Bad debts written off	-	295,333	-	-
Depreciation of property, plant and equipment	10,918,798	10,014,517	-	-
Fair value adjustment of investment properties	(55,305,772)	(44,389,336)	-	-
Gain on fair value of equity instrument	(402,916)	(222,554)	-	-
Net loss/(gain) on disposal of property, plant and equipment	278,508	(51,174)	-	-
Impairment loss of intangible assets	281,250	-	-	-
Impairment loss of property, plant and equipment	844,364	-	-	-
Interest expenses	3,390,466	2,806,427	9,757,672	2,449,027
Interest income	(15,399,742)	(13,441,763)	(16,037,097)	(6,774,627)
Property, plant and equipment written off	441,007	1,800	-	-
Operating profit/(loss) before working capital changes carried forward	564,500,023	490,003,502	(207,900)	104,298,140
(Forward)				

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Operating profit/(loss) before working capital changes brought forward	564,500,023	490,003,502	(207,900)	104,298,140
Changes in working capital:				
Inventories:				
- Land held for property development	(653,056,298)	(75,834,419)	-	-
- Property development cost	(353,577,150)	9,945,811	-	-
- Completed projects	87,122,155	57,968,959	-	-
- Other inventories	(426,307)	(263,739)	-	-
Contract assets and liabilities	(72,682,329)	(22,410,699)	-	-
Trade and other receivables	(191,414,574)	(119,902,675)	(1,055)	-
Trade and other payables	70,631,253	58,401,994	44,527	117,586
Amount due by/(to) subsidiaries	-	-	(4,195,909)	(106,960,529)
Cash flow (used in)/from operating activities	(548,903,227)	397,908,734	(4,360,337)	(2,544,803)
Tax paid	(136,789,259)	(84,122,979)	(1,603,322)	(734,060)
Net cash (used in)/from operating activities	(685,692,486)	313,785,755	(5,963,659)	(3,278,863)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES				
Acquisition of new subsidiaries	-	-	-	(4)
Additional equity interest in subsidiary	-	-	-	(99,999)
Addition of investment properties	(60,000)	(32,920,723)	-	-
Incorporation of subsidiaries	-	-	(100,001)	(1,000,000)
Purchase of property, plant and equipment	(24,181,772)	(47,928,019)	-	-
Purchase of intangible assets	-	(498,000)	-	-
Net cash (used in)/from investing activities carried forward	(24,241,772)	(81,346,742)	(100,001)	(1,100,003)
(Forward)				

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net cash (used in)/from investing activities brought forward	(24,241,772)	(81,346,742)	(100,001)	(1,100,003)
Proceeds from disposal of property, plant and equipment	239,198	1,593,144	-	-
Shares issued by a newly incorporated subsidiary to non-controlling interest				
- Incorporation of subsidiary	-	30	-	-
- Increase of share capital	-	299,970	-	-
- Acquisition of non-controlling interest	(300,000)	-	-	-
Net cash inflow from acquiring a new subsidiary	12,330,000	2,202	-	-
Interest received	15,399,742	13,441,763	16,037,097	6,774,627
Net cash from/(used in) investing activities	<u>3,427,168</u>	<u>(66,009,633)</u>	<u>15,937,096</u>	<u>5,674,624</u>
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES				
Interest paid	(3,390,466)	(2,806,427)	(9,757,672)	(2,449,027)
Drawdown of revolving credit	390,000,000	-	-	-
Repayment of term loans	<u>(20,325,348)</u>	<u>(20,325,348)</u>	<u>-</u>	<u>-</u>
Net cash from/(used in) financing activities	<u>366,284,186</u>	<u>(23,131,775)</u>	<u>(9,757,672)</u>	<u>(2,449,027)</u>
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(315,981,132)	224,644,347	215,765	(53,266)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>527,183,307</u>	<u>(315,981,132)</u>	<u>122,050</u>	<u>175,316</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>211,202,175</u>	<u>527,183,307</u>	<u>337,815</u>	<u>122,050</u>

The accompanying notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

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

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries which are principally engaged in the property development and hotel operations. The principal activities of the subsidiaries are stated in Note 16 to the financial statements.

The address of the registered office and principal place of business of the Company is located at Wisma KSL, No. 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor Darul Ta'zim.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 April 2025.

2. BASIS OF PREPARATION

Statement of compliance

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

Adoption of amendments to MFRSs

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

2. BASIS OF PREPARATION (cont'd)

New MFRSs and amendments to MFRS in issue but not yet effective

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

Amendments to MFRS 121	Lack of Exchangeability ¹
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature- dependent Electricity ²
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards- Volume 11 ²
MFRS 18	Presentation and Disclosure in Financial Statements ³
MFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

⁴ Deferred to a date to be determined and announced by MASB.

The directors anticipate that the abovementioned new standards and amendments to MFRSs will be adopted in the annual financial statements of the Group and the Company when they become effective, if applicable, and that the adoption of the new standards and amendments to MFRSs will have no material impact on the financial statements of the Group and the Company in the period of initial application.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

The financial statements of the Group and the Company have been prepared on the historical cost unless otherwise indicated in the material accounting policy information below.

Functional and presentation currency

The financial statements of the Group and the Company are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Basis of consolidation

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

A business combination involving entities under common control is a business combination in which all the combining subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combine are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between the carrying value of the investment in subsidiaries and the share capital of the Company's subsidiaries is taken to merger reserve.

Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable assets.

Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries is measured at cost less accumulated impairment losses.

Revenue Recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group and the Company satisfied a performance obligation ("PO") by transferring a promised goods or services to the customer, which is when the customer obtains control of the goods or service. A PO may be satisfied at a point in time over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Revenue Recognition (cont'd)

(i) Revenue from contracts with customers (cont'd)

The Group recognises revenue from the following major sources:

Revenue from development property

The Group develops and sells residential and commercial properties before and after completion of construction of the properties. The revenue from property development is measured at the fixed transaction price agreed under the sales and purchase agreement. Revenue is recognised when control over the property has been transferred to customer, either over time or at a point in time, depending on the contractual terms.

For development properties whereby the Group is restricted contractually from directing the properties for another use, has no alternative use and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the entity does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset, usually upon transfer of legal title.

Progress billings to the customers based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones.

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the assets sold.

Services

Revenue is recognised at a point in time as those services are provided. The total consideration in the service contracts is allocated to all services based on their relative stand-alone selling prices.

Hotel and food and beverage revenue

Hotel room revenue is recognised when service is rendered to the customer over their stay at the hotel. The transaction price is the net amount collected from the customer. Advance deposits on hotel rooms are recorded as customer deposits (i.e. contract liability) until services are provided to the customer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Revenue Recognition (cont'd)

(i) Revenue from contracts with customers (cont'd)

Hotel and food and beverage revenue (cont'd)

Revenue from the sale of goods or services is recognised when the food and beverage, entertainment and attractions and retail goods is delivered, rendered or control transferred to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverage, retail goods or services. Advance ticket sales for entertainment and attractions are recorded as customer deposits (i.e. contract liability) until services are rendered to the customer.

Car park income

Car park is accounted for an receipt and receivable basis.

Management fees

Management fees are recognised at a point in time when services are rendered.

Membership fees

Membership fees are recognised at a point in time when services are rendered.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date the Group's or the Company's right to receive payment is established, which in the case of quoted securities are the ex-dividend date.

(iii) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentive granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from investment and subleased properties are recognised as other income.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Income tax

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

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

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

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

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

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

Any unutilised portion of a tax incentive that is not a tax base of an asset is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Property, plant and equipment

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

Except for freehold land, property, plant and equipment are depreciated on straight-line basis over the estimated useful lives of the assets at the following annual rates:

	%
Buildings	2
Plant and machinery	10 - 20
Motor vehicles	20
Other assets	
Office equipment	10 - 25
Tele-communication equipment	10 - 20
Renovation	10
Sales office	10
Site office	10
Signboards	10
Furniture and fittings	5 - 10
Hotel equipment	20
Food and beverage equipment	20

Intangible assets

Brand use rights is carried at cost less any accumulated summarised and any accumulated impairment losses. Brand use rights is amortised on a straight-line basis over its estimated economic useful lives summarised as follows:

Brand use rights	20%
------------------	-----

Lease

- (i) The Group as a Lessee

Short-term leases and leases of low-value assets

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Lease (cont'd)

(ii) The Group as a Lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to the ownership of the underlying asset to the lessee.

Operating leases

Leases in which the Group retains substantially all the risks and rewards incidental to ownership of the underlying asset are classified as operating leases. Lease income from operating lease is accounted for on a straight-line basis or another systematic basis if another systematic basis is more representative of the pattern of benefit received.

Contingent rents are recognised in profit or loss in the period in which they are earned.

Investment properties

Investment properties carried at fair value

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Contract assets and liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. Contract asset is recognised when the entity has performed under the contract but has not yet billed the customer. Contract asset is stated at cost less accumulated impairment.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer. Contract liability is recognised when the entity has not yet performed under the contract but has received advanced payments from the customer. Contract liabilities also include down payments received from customers.

Inventories

Land held for property development

Land held for property development consists of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at the lower of cost and net realisable value.

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

Property development cost

Property development costs are properties being constructed for sale in the ordinary course of business and are stated at the lower of costs and net realisable value. The cost of land, related development costs common to whole projects and direct building costs less cumulative amounts recognised as expense in the profit or loss for property under development are carried in the statements of financial position as property development costs.

The property development cost is subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer. Property development cost of unsold unit is transferred to completed development unit once the development is completed.

Completed development units

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects and direct building costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Inventories (cont'd)

Food and beverage and other hotel supplies

Inventories are stated at the lower of cost and net realisable value. Cost includes cost of purchase plus incidental cost and other costs of bringing the inventories to their present location and condition. The cost of inventories is determined on a weighted average basis. Net realisable value is the estimate of the selling price in the ordinary course of business, less costs to completion and selling expenses.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's and the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Financial assets (cont'd)

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group and the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (ii) below).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 *(cont'd)*

3. MATERIAL ACCOUNTING POLICY INFORMATION *(cont'd)*

Financial assets *(cont'd)*

(i) Amortised cost and effective interest method *(cont'd)*

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Financial assets that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has designated investment in quoted unit trust and other investment as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss from other financial assets are recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other operating income” or “administrative expenses” line item.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment

Financial assets and contract assets

The Group and the Company recognise loss and allowances for expected credit losses ("ECL") on financial asset measure at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets and lease receivables.

The Group and the Company apply a two-step approach to measure the ECL on financial assets other than trade receivable, contract assets and lease assets.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balances and other debt securities for credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

The Group and the Company assess at each financial year end whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Impairment (cont'd)

Financial assets and contract assets (cont'd)

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

ECLs are probability-weighted estimate of credit losses. Credit losses are measure as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group and the Company expect to receive). ECLs are discounted at the effective interest rate of the financial asset.

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

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

An impairment loss in respect of debts investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-off policy

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

Other assets

The carrying amounts of the other assets (except for inventories, deferred tax assets and investment property measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each period at the same time.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Impairment (cont'd)

Other assets (cont'd)

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

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

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

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

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

Fair value measurement

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

Fair value measurement (cont'd)

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

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

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

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

Level 3: unobservable inputs for the asset or liability.

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

Offsetting

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

Statements of cash flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

For the purpose of the statements of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and money market placements with banks, are used by the Group and the Company in the management of its short-term commitments.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the report amounts.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(a) Critical judgements in applying the Company's accounting policies (cont'd)

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately.

If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

Satisfaction of performance obligation in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

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

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group assesses each contract with customers to determine when the performance obligations of the Group under the contract are satisfied.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(b) Key sources of estimation uncertainty

Directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, except for:

Useful lives of property, plant and equipment

The cost of property, plant and equipment are depreciated on straight-line basis over the assets' estimated economic useful lives. Management estimated the useful lives of these property, plant and equipment 1 to 50 years. These are common life expectancies applied in the manufacturing and investment industries. Change in the expected level of usage and technological developments, could impact the economic useful lives and the residual values of these assets, therefore future depreciation charge could be revised.

The details of property, plant and equipment are disclosed in Note 13 to the financial statements.

Fair value of investment properties

The fair value of investment properties is arrived at by reference to market evidence of transactions prices for similar projects or by considering the aggregate of the present value of the estimated cash flows expected to be received from renting out the property and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The key assumptions used to determine the fair value of the investment properties are provided in Note 15 to the financial statements.

Revenue from property development contracts

The Group recognise revenue from property development activities in the profit or loss by using input method, which is measured the Group's effort or input to the actual property development costs incurred to date related to the estimated total property development costs.

Significant judgement are used to determine the progress of completion to the performance obligation and estimate these total property development costs to complete the contracts. In making these estimates, management relies on past experience, the work of specialists and a continuous monitoring mechanism.

The carrying amount of assets and liabilities of the Group arising from property development activities are disclosed in Notes 18 and 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

5. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue from contract with customers	1,251,541,632	1,042,595,885	430,000	387,000
Other revenue:				
Rental income	125,119,061	99,041,763	-	-
Dividend income	-	-	-	104,500,000
	<u>125,119,061</u>	<u>99,041,763</u>	<u>-</u>	<u>104,500,000</u>
	<u>1,376,660,693</u>	<u>1,141,637,648</u>	<u>430,000</u>	<u>104,887,000</u>

Disaggregation of the revenue from contract with customers:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Major goods and services				
Sale of development properties	561,503,677	234,751,002	-	-
Sale of completed development units	558,041,264	699,860,031	-	-
Hotel and food and beverage	122,602,195	99,279,469	-	-
Car park income	6,554,097	5,261,404	-	-
Other trade sales	2,840,399	3,443,979	-	-
Management fees from subsidiaries	-	-	430,000	387,000
	<u>1,251,541,632</u>	<u>1,042,595,885</u>	<u>430,000</u>	<u>387,000</u>

Timing of revenue recognised

At a point in time	690,037,955	807,844,883	430,000	387,000
Over time	561,503,677	234,751,002	-	-
	<u>1,251,541,632</u>	<u>1,042,595,885</u>	<u>430,000</u>	<u>387,000</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

6. COST OF SALES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Property development costs (Note 18 (b))	317,974,720	114,937,883	-	-
Cost of inventories sold	249,232,513	326,647,285	-	-
Post construction cost	275,873	6,434,403	-	-
Cost of running hotel and food and beverage	22,967,198	19,069,671	-	-
Cost of running investment properties	27,199,531	21,058,752	-	-
Other trade cost	2,390,230	1,730,772	-	-
	<u>620,040,065</u>	<u>489,878,766</u>	<u>-</u>	<u>-</u>

7. OTHER INCOME

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income of financial assets at amortised cost	15,399,742	13,441,763	16,037,097	6,774,627
Rental income	9,381,839	8,176,420	-	-
Fair value adjustment of investment property	55,305,772	44,389,336	-	-
Forfeiture income	1,634,837	1,644,341	-	-
Gain on fair value of equity investment	402,916	222,554	-	-
Gain on disposal of property, plant and equipment	-	145,882	-	-
Miscellaneous	5,490,340	4,127,715	-	-
	<u>87,615,446</u>	<u>72,148,011</u>	<u>16,037,097</u>	<u>6,774,627</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

8. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense on:				
Bank overdraft interest	29	2,698	-	-
Term loans interest	1,886,919	2,803,729	-	-
Revolving credit interest	1,503,518	-	-	-
Inter-company loan interest	-	-	9,757,672	2,449,027
	<u>3,390,466</u>	<u>2,806,427</u>	<u>9,757,672</u>	<u>2,449,027</u>
Bank charges	1,598,407	1,357,297	2,591	2,458
	<u>4,988,873</u>	<u>4,163,724</u>	<u>9,760,263</u>	<u>2,451,485</u>

9. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, bonus and allowance	78,106,823	61,551,614	330,000	285,000
Defined contribution plans	9,711,382	7,776,722	34,200	34,200
Social security contributions	441,501	322,273	2,228	2,228
Other benefits	1,944,864	1,288,978	-	-
	<u>90,204,570</u>	<u>70,939,587</u>	<u>366,428</u>	<u>321,428</u>

Included in employee benefits expenses are directors' remuneration who are also the key management personnel of the Group and of the Company:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Fee	90,000	90,000	90,000	90,000
Salaries and other emoluments	37,692,292	32,284,000	240,000	195,000
Defined contribution plans	5,986,536	5,206,120	34,200	34,200
Social security contributions	10,312	8,764	2,228	2,228
	<u>43,779,140</u>	<u>37,588,884</u>	<u>366,428</u>	<u>321,428</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

10. PROFIT BEFORE TAX

Profit before tax are stated after charging:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration:				
Statutory				
current year	327,000	315,000	25,000	25,000
Non-statutory				
current year	11,700	5,000	5,000	5,000
underprovision in prior years	6,700	15,000	-	-
Bad debts written off	-	295,333	-	-
Amortisation of intangible assets	99,600	35,150	-	-
Depreciation of property, plant and equipment	10,918,798	10,014,517	-	-
Intangible assets written off	281,250	-	-	-
Expenses relating to short term leases:				
Rental of equipment	244,038	105,671	-	-
Rental of premises	104,300	90,700	-	-
Loss on disposal of property, plant and equipment	278,508	94,708	-	-
Property, plant and equipment written off	441,007	1,800	-	-
Impairment of property, plant and equipment	844,364	-	-	-
Employee benefits (Note 9)	<u>90,204,570</u>	<u>70,939,587</u>	<u>366,428</u>	<u>321,428</u>

11. INCOME TAX EXPENSE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Recognised in profit or loss:				
Current tax expense:				
Malaysian				
current year	136,244,595	118,498,899	1,486,000	1,043,000
prior years	<u>3,380,027</u>	<u>(3,011,559)</u>	<u>695,645</u>	<u>19,960</u>
	<u>139,624,622</u>	<u>115,487,340</u>	<u>2,181,645</u>	<u>1,062,960</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

11. INCOME TAX EXPENSE (cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deferred tax expense: Relating to origination and reversal of temporary differences (Note 29)	8,270,296	5,257,978	-	-
Overprovision in prior year	(612,041)	(2,630,329)	-	-
	<u>7,658,255</u>	<u>2,627,649</u>	<u>-</u>	<u>-</u>
Total income tax expense	<u>147,282,877</u>	<u>118,114,989</u>	<u>2,181,645</u>	<u>1,062,960</u>

A reconciliation of income tax expenses applicable to profit before taxation at the statutory income tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before tax	<u>619,354,460</u>	<u>534,955,102</u>	<u>6,071,525</u>	<u>108,623,740</u>
At Malaysian statutory tax rate of 24% (2023: 24%)	148,645,070	128,389,224	1,457,166	26,069,698
Income not subject to tax	(21,231)	(772,719)	-	(25,080,000)
Non-deductible expenses	3,248,890	2,360,333	28,834	53,302
Effect of lower tax rate on deferred tax component	(7,742,808)	(6,281,511)	-	-
Deferred tax assets not recognised during the year	384,970	61,550	-	-
Overprovision of deferred taxation in prior year	(612,041)	(2,630,329)	-	-
Under/(Over) provision in prior years	<u>3,380,027</u>	<u>(3,011,559)</u>	<u>695,645</u>	<u>19,960</u>
Tax expense for the year	<u>147,282,877</u>	<u>118,114,989</u>	<u>2,181,645</u>	<u>1,062,960</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

11. INCOME TAX EXPENSE (cont'd)

The unutilised capital allowances of the Group and of the Company are available indefinitely for offsetting against future taxable profits of the Group and of the Company, subjects to no substantial changes in shareholdings of the Group entities under the Income Tax Act 1967 and guidelines issued by the tax authority.

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendments to Section 44(5F) of Income Tax Act 1967, the time limit of the carried forward unutilised tax losses has been extended to maximum of 10 consecutive years of assessment. This amendment is deemed to have effect from the year of assessment 2019 and subsequent years of assessment.

Any unused business losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessments 2018 to 2028).

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

	Group	
	2024	2023
	RM	RM
Unused tax losses to be carried forward until year of assessment:		
2028	2,384,943	2,384,943
2029	254,365	254,365
2030	108,462	108,462
2031	17,701	17,701
2032	9,766	9,766
2033	501,662	501,662
2034	374,351	-
	3,651,250	3,276,899

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

12. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at the end of reporting period was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding excluding treasury shares held by the Company, calculated as follows:

	Group	
	2024	2023
Profit attributable to ordinary shareholders (RM)	<u>472,084,006</u>	<u>416,893,872</u>
Weighted average number of ordinary shares at 31 December (units)	<u>1,017,215,999</u>	<u>1,017,215,999</u>
Basic earnings per ordinary share (sen)	<u>46.41</u>	<u>40.98</u>

Diluted earnings per ordinary share

There are no dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

13. PROPERTY PLANT AND EQUIPMENT

Group	Freehold land RM	Buildings RM	Plant and machinery RM	Motor vehicles RM	Other assets RM	Total RM
2024						
At 1 January 2024	19,871,960	229,710,147	16,139,720	10,701,063	79,236,598	355,659,488
Additions	-	16,792,217	829,360	1,764,642	4,795,553	24,181,772
Disposals	-	-	-	(1,221,680)	(394,993)	(1,616,673)
Written off	-	-	(441,000)	-	(17,663)	(458,663)
At 31 December 2024	<u>19,871,960</u>	<u>246,502,364</u>	<u>16,528,080</u>	<u>11,244,025</u>	<u>83,619,495</u>	<u>377,765,924</u>
Accumulated depreciation						
At 1 January 2024	-	39,919,907	6,297,906	6,880,282	65,134,409	118,232,504
Charge for the financial year	-	5,878,297	732,196	1,422,107	2,886,198	10,918,798
Disposals	-	-	-	(1,063,680)	(35,287)	(1,098,967)
Written off	-	-	-	-	(17,656)	(17,656)
At 31 December 2024	<u>-</u>	<u>45,798,204</u>	<u>7,030,102</u>	<u>7,238,709</u>	<u>67,967,664</u>	<u>128,034,679</u>
Accumulated impairment loss						
At 1 January 2024	-	-	-	-	-	-
Impairment loss recognised	-	-	-	-	844,364	844,364
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>844,364</u>	<u>844,364</u>
Carrying amount						
At 31 December 2024	<u>19,871,960</u>	<u>200,704,160</u>	<u>9,497,978</u>	<u>4,005,316</u>	<u>14,807,467</u>	<u>248,886,881</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

13. PROPERTY PLANT AND EQUIPMENT (cont'd)

	Freehold land RM	Buildings RM	Buildings in progress RM	Plant and machinery RM	Motor vehicles RM	Other assets RM	Total RM
Group							
2023							
Cost							
At 1 January 2023	16,200,680	135,570,046	69,111,597	12,442,754	10,043,429	68,575,765	311,944,271
Additions	-	-	35,888,403	4,846,480	2,970,178	4,222,958	47,928,019
Disposals	-	-	-	(1,149,514)	(2,309,044)	(750,744)	(4,209,302)
Written off	-	-	-	-	(3,500)	-	(3,500)
Reclassification	3,671,280	94,140,101	(105,000,000)	-	-	7,188,619	-
At 31 December 2023	<u>19,871,960</u>	<u>229,710,147</u>	<u>-</u>	<u>16,139,720</u>	<u>10,701,063</u>	<u>79,236,598</u>	<u>355,659,488</u>
Accumulated depreciation							
At 1 January 2023	-	34,397,707	-	5,853,051	7,708,045	62,928,216	110,887,019
Charge for the financial year	-	5,522,200	-	555,400	979,981	2,956,936	10,014,517
Disposals	-	-	-	(110,545)	(1,806,044)	(750,743)	(2,667,332)
Written off	-	-	-	-	(1,700)	-	(1,700)
At 31 December 2023	<u>-</u>	<u>39,919,907</u>	<u>-</u>	<u>6,297,906</u>	<u>6,880,282</u>	<u>65,134,409</u>	<u>118,232,504</u>
Carrying amount							
At 31 December 2023	<u>19,871,960</u>	<u>189,790,240</u>	<u>-</u>	<u>9,841,814</u>	<u>3,820,781</u>	<u>14,102,189</u>	<u>237,426,984</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

13. PROPERTY PLANT AND EQUIPMENT (cont'd)

	Other assets	
	2024	2023
	RM	RM
Company		
Cost		
At 1 January/31 December	<u>27,853</u>	<u>27,853</u>
Less: Accumulated depreciation		
At 1 January/31 December	<u>(27,851)</u>	<u>(27,851)</u>
Carrying amount		
At 1 January/31 December	<u>2</u>	<u>2</u>

Property, plant and equipment of the Group at cost of RM65,877,696 (2023: RM60,681,793) are fully depreciated and still in use.

During the financial year, the plant and equipment under a subsidiary company amounting to RM844,364 which included in the Group's property, plant and equipment were impaired by the management, as the recoverable amount of plant and equipment lower than the carrying amount. As a result, an impairment loss being recognised in in statement of profit or loss.

14. INTANGIBLE ASSETS

	Brand use rights	
	2024	2023
	RM	RM
Group		
Cost		
At 1 January	498,000	-
Additional	<u>-</u>	<u>498,000</u>
At 31 December	<u>498,000</u>	<u>498,000</u>
Accumulated amortisation		
At 1 January	35,150	-
Charge for the financial year	<u>99,600</u>	<u>35,150</u>
At 31 December	<u>134,750</u>	<u>35,150</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

14. INTANGIBLE ASSETS (cont'd)

	Brand use rights	
	2024	2023
	RM	RM
Accumulated impairment loss		
At 1 January	-	-
Impairment loss recognised	<u>281,250</u>	<u>-</u>
At 31 December	<u>281,250</u>	<u>-</u>
Carrying amount		
At 31 December	<u>82,000</u>	<u>462,850</u>

During the financial year, intangible assets under a subsidiary company amounting to RM281,250 which included in the Group's intangible assets were impaired by the management, as the recoverable amount of intangible assets lower than the carrying amount. As a result, an impairment loss being recognised in in statement of profit or loss.

15. INVESTMENT PROPERTIES

	2024	2023
	RM	RM
At 1 January	1,037,774,012	960,463,953
Additions	60,000	32,920,723
Fair value adjustment (Note 7)	<u>55,305,772</u>	<u>44,389,336</u>
At 31 December	<u>1,093,139,784</u>	<u>1,037,774,012</u>
Included in the above are:		
At fair value:		
Land	577,238,427	530,747,313
Buildings	<u>515,901,357</u>	<u>478,862,471</u>
	<u>1,093,139,784</u>	<u>1,009,609,784</u>
At cost:		
Building in progress	<u>-</u>	<u>28,164,228</u>
	<u>1,093,139,784</u>	<u>1,037,774,012</u>

Included in the investment property is land and building with carrying amount of RM37,040,000 (2023: RM37,040,000) held under the name of third party, with power of attorney granted to the Group.

Investment properties with an aggregate carrying amount of RM502,740,000 (2023: RM446,510,000) are pledged as securities for loans and borrowings as referred to in Note 28.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

15. INVESTMENT PROPERTIES (cont'd)

Investment properties comprise a number of freehold shop houses and commercial properties leased to third parties. Each of the leases contains an initial non-cancellable period of average 2 years and subsequent renewals are negotiated with the lessee and average renewal period is 2 years.

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

	Group	
	2024	2023
	RM	RM
Rental income (Note 5)	125,119,061	99,041,763
Direct operating expenses		
Income generating investment properties	(27,731,177)	(21,125,014)
Non-income generating investment properties	<u>(109,800)</u>	<u>(19,301)</u>

The fair values of the investment properties were based on indicative valuation by external, independent valuers having appropriate recognised professional qualification as follows:

- (a) RM555,999,000 (2023: RM528,699,000) arrived at by reference to transaction prices for comparable properties. Sales price of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation technique is the price per square foot of comparable properties, which ranged from RM22 to RM393 per square foot (2023: RM22 to RM377 per square foot). The estimated fair value would increase if the higher of the price per square foot.
- (b) RM537,140,784 (2023: RM480,910,784) determined by considering the aggregate of the present value of the estimated cash flows expected to be received from renting out the property using annual yield rates range from 5% to 7% (2023: 7% to 8%) and weighted average discount rate at 7% (2023: 8%) per annum. The estimated fair value would decrease if the lower of the yield rate or the higher of the discount rate.

Fair value of investment properties are categorised as Level 3 as described in Note 3 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

16. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
At cost:		
As of 1 January	1,228,781,958	1,227,681,955
Additions	100,001	1,100,003
As of 31 December	1,228,881,959	1,228,781,958

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2024	2023
Bintang-Bintang Development Sdn. Bhd. ("BBD")	Malaysia	Property investment and development	100%	100%
Bintang-Bintang Enterprise Sdn. Bhd. ("BBE")	Malaysia	Property development	100%	100%
Clarion Housing Development Sdn. Bhd. ("CHD")	Malaysia	Property investment	100%	100%
Eversonic Sdn. Bhd. ("Eversonic")	Malaysia	Property investment and development	100%	100%
Exportex Sdn. Bhd. ("Exportex")	Malaysia	Property development	100%	100%
Gebeng Bestari Sdn. Bhd. ("GB")	Malaysia	Property investment and development	100%	-
Goodpark Development Sdn. Bhd. ("GD")	Malaysia	Property development	100%	100%
Harapan Terang Sdn. Bhd. ("HT")	Malaysia	Property development	100%	100%
Harapan Terang Properties Sdn. Bhd. ("HTP")	Malaysia	Property development	100%	100%
Harapan Terang Realty Sdn. Bhd. ("HTR")	Malaysia	Property development	100%	100%
Khoo Soon Lee Realty Sdn. Bhd. ("KSLR")	Malaysia	Property investment and development	100%	100%
KSL City Management Sdn. Bhd. ("KSLCM")	Malaysia	Property management	100%	100%

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

16. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2024	2023
KSL City Development Sdn. Bhd. ("KSLCD")	Malaysia	Property investment and development	100%	100%
KSL Lestari Sdn. Bhd. ("KSL")	Malaysia	Property investment and development	100%	-
KSL Medini Development Sdn. Bhd. ("KSLMD")	Malaysia	Property development	100%	100%
KSL Perfect Builder Sdn. Bhd. ("KSLPB")	Malaysia	Property investment	100%	100%
KSL Properties Construction Sdn. Bhd. ("KSLPC")	Malaysia	Dormant	100%	100%
KSL Properties Sdn. Bhd. ("KSLP")	Malaysia	Property investment, development and hotel operations	100%	100%
KSL Properties Management Sdn. Bhd. ("KSLPM")	Malaysia	Car park operations and property management services	100%	100%
Omega Prestasi Sdn. Bhd. ("OP")	Malaysia	Wellness, health care related products and services	100%	100%
Pingat Pelita Sdn. Bhd. ("PP")	Malaysia	Food and beverages (F&B) related products and services	100%	100%
Prosper Plus Industry Sdn. Bhd. ("PPI")	Malaysia	Property development	100%	100%
Sejota Sdn. Bhd. ("Sejota")	Malaysia	Property development	100%	100%
Sering Cemerlang Sdn. Bhd. ("SC")	Malaysia	Dormant	100%	100%
Sure Success Properties Sdn. Bhd. ("SSP")	Malaysia	Property investment and hotel operations	100%	100%
Tai Lik Development (Batu Anam) Sdn. Bhd. ("Tai Lik")	Malaysia	Property development	100%	100%
Villa Bestari Sdn. Bhd. ("VB")	Malaysia	Property investment	100%	100%
VIP Beyond Sdn. Bhd. ("VIPB")	Malaysia	Property development	100%	100%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

16. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2024	2023
Held through HT KSL Development Sdn. Bhd. ("KSLD")	Malaysia	Property investment and development	100%	100%
Held through KSLPB Gantang Jaya Sdn. Bhd. ("GJ")	Malaysia	Property development	100%	100%
Held through SC Bestari Kaya Sdn. Bhd. ("BK")	Malaysia	Property investment and development	100%	100%
Held through VIPB KSL Bestari Sdn. Bhd. ("KSLB")	Malaysia	Property investment and development	100%	70%
Held through KSL Wawari Sdn. Bhd. ("WW")	Malaysia	Property investment and development	70%	-

(a) During the financial year:

(i) Acquisition of a subsidiary

(a) The Group via its subsidiary, KSL acquired 70,000 ordinary shares representing 70% interest in WW at a cash consideration of RM70,000.

The fair value of the identifiable assets and liabilities of WW as the date of acquisition was:

	2024
	RM
Total consideration transferred	70,000
Assets acquired and liabilities assumed at the date of acquisition:	
Cash and bank balances	(12,400,000)
Amount due to directors	12,300,000
Non-controlling interest	30,000
	<hr/>
Fair value identifiable net assets	(70,000)
	<hr/>
Effect of acquisition on consolidation	-
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

16. INVESTMENT IN SUBSIDIARIES

	2024 RM
<u>Total cost of business combination</u>	
The total cost of business combination is as follows:	
Cash consideration	70,000
The effect of the acquisition on cash flow is as follows:	
Total cost of the business combination	70,000
Less: cash and cash equivalents of the subsidiary required	(12,400,000)
Net cash inflows on acquisition	(12,330,000)
 (b) On 31 December 2024, the Company via its subsidiary, VIPB has acquired 300,000 ordinary shares in KSLB for a cash consideration of RM300,000. Upon completion of the acquisition, KSLB became wholly-owned subsidiary of the Group.	
 (ii) <u>Incorporation of subsidiaries</u>	
(a) On 20 May 2024, the Company incorporated a wholly-owned subsidiary name KSSL, by subscribing 100,000 ordinary shares representing 100% of the issued and paid-up capital at a cash consideration of RM100,000.	
(b) On 26 June 2024, the Company incorporated a wholly-owned subsidiary name GB, by subscribing 1 ordinary share representing 100% of the issued and paid-up capital at a cash consideration of RM1.	
None of the above incorporations are material to the Group.	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

16. INVESTMENT IN SUBSIDIARIES (cont'd)

(iii) Material partly owned subsidiary

Set out below are the Group's subsidiary that has material non-controlling interests:

Name of company	Proportion of ownership interests and voting rights held by non-controlling interest		Loss allocated to non-controlling interests		Accumulated non-controlling interests	
	2024	2023	2024	2023	2024	2023
	%	%	RM	RM	RM	RM
WW	30	-	12,423	-	17,577	-
KSLB	-	30	-	53,759	-	246,241
			<u>12,423</u>	<u>53,759</u>	<u>17,577</u>	<u>246,241</u>

Summarised statement of financial position

	WW		KSLB	
	2024 RM	2023 RM	2024 RM	2023 RM
Total assets	12,399,992	-	-	26,775,130
Total liabilities	(12,341,401)	-	-	(25,934,326)
Net assets	<u>58,591</u>	<u>-</u>	<u>-</u>	<u>840,804</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

16. INVESTMENT IN SUBSIDIARIES (cont'd)

(iii) Material partly owned subsidiary (cont'd)

Summarised statement of profit or loss and other comprehensive income

	WW		KSLB	
	2024 RM	2023 RM	2024 RM	2023 RM
Other income	-	-	-	6,010
Net loss for the financial year	(41,409)	-	-	(179,196)
Other comprehensive loss for the financial year	(41,409)	-	-	(179,196)
Total comprehensive loss for the financial year	(41,409)	-	-	(179,196)

Summarised statement of cash flows

	WW		KSLB	
	2024 RM	2023 RM	2024 RM	2023 RM
Net cash used in operating activities	(12,351,431)	-	-	(25,748,664)
Net cash from investing activities	-	-	-	25,755,122
Net cash from financing activities	12,336,401	-	-	1,000,000
Net change in cash and cash equivalents	(15,030)	-	-	1,006,458

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

16. INVESTMENT IN SUBSIDIARIES (cont'd)

(b) In the previous financial year:

(i) Acquisition of subsidiaries

In the previous financial year, the Group had acquired 100,000 ordinary shares and 1 ordinary share of OP and PP, both representing 100% of its total issued and paid-up share at cash consideration of RM3 and RM1 respectively.

The fair value of the identifiable assets and liabilities of OP and PP as the date of acquisition were:

	OP RM	PP RM
Total consideration transferred	3	1
Assets acquired and liabilities assumed at the date of acquisition:		
Cash and bank balances	(2,205)	(1)
Other payable	2,202	-
Fair value of identifiable net assets	(3)	-
Effect of acquisition on consolidation	-	-
<u>Total cost of business combination</u>		
The total cost of business combination is as follows:		
Cash consideration	3	1
The effect of the acquisition on cash flow is as follows:		
Total cost of the business combination	3	1
Less: cash and cash equivalents of the subsidiary company required	(2,205)	(1)
Net cash outflows on acquisition	(2,202)	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

16. INVESTMENT IN SUBSIDIARIES (cont'd)

(b) In the previous financial year (cont'd):

(ii) Incorporation of subsidiaries

- (a) On 15 June 2023, the Company via its subsidiary, VIPB incorporated a subsidiary, KSLB by subscribing 70 ordinary shares representing 70% of the issued and paid-up capital.
- (b) On 6 October 2023, the Company via its subsidiary, SC incorporated a wholly-owned subsidiary, BK by subscribing 100 ordinary shares representing 100% of the issued and paid-up capital.
- (c) On 3 November 2023, the Company incorporated a wholly-owned subsidiary named KSLCD, by subscribing 1,000,000 ordinary shares representing 100% of the issued and paid-up capital.

None of the above incorporations are material to the Group.

(iii) Increase in share capital of subsidiaries

- (a) On 16 March 2023, the issued and paid-up capital of PP was increased from RM1, comprising of 1 ordinary share to RM100,000, comprising of 100,000 ordinary shares, by way of a new issuance of 99,999 ordinary shares of RM1 each for cash. The Company acquired 99,999 ordinary shares, representing 100% of these new ordinary shares for total consideration of RM99,999.
- (b) On 15 August 2023, the issued and paid-up capital of KSLB was increased from RM100, comprising of 100 ordinary shares, to RM1,000,000, comprising of 1,000,000 ordinary shares, by way of new issuance of 999,900 ordinary shares of RM1 each for cash. The Company via its subsidiary, VIPB acquired 699,930 ordinary shares, representing 70% of these new ordinary shares for total consideration of RM699,930.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

17. OTHER INVESTMENT

	Group	
	2024 RM	2023 RM
At fair value through profit or loss:		
At 1 January	1,904,906	1,682,352
Unrealised fair value gain recognised in profit or loss (Note 7)	<u>402,916</u>	<u>222,554</u>
At 31 December	<u><u>2,307,822</u></u>	<u><u>1,904,906</u></u>

18. INVENTORIES

		Group	
	Note	2024 RM	2023 RM
Non-current			
Land held for property development	(a)	<u>1,845,457,632</u>	<u>1,192,401,334</u>
Current			
Property development cost	(b)	749,754,841	396,177,691
Completed development units, at cost		240,543,845	327,666,000
Food and beverages and other hotel supplies, at cost		<u>1,425,882</u>	<u>999,575</u>
		<u>991,724,568</u>	<u>724,843,266</u>
Total inventories		<u><u>2,837,182,200</u></u>	<u><u>1,917,244,600</u></u>

(a) Land held for property development

		Group	
		2024 RM	2023 RM
At 1 January		1,192,401,334	1,116,566,915
Additions		863,440,061	102,429,869
Transfer to property development costs (Note 18(b))		(209,355,451)	(26,595,450)
Cost charged out to profit and loss		<u>(1,028,312)</u>	<u>-</u>
At 31 December		<u><u>1,845,457,632</u></u>	<u><u>1,192,401,334</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

18. INVENTORIES (cont'd)

(a) Land held for property development (cont'd)

Included in the above are:

	Group	
	2024	2023
	RM	RM
Freehold land, at surrogate cost	1,376,846,824	773,495,804
Leasehold land, at cost	174,881,095	174,881,095
Development costs, at cost	<u>293,729,713</u>	<u>244,024,435</u>
	<u><u>1,845,457,632</u></u>	<u><u>1,192,401,334</u></u>

Included in the land held for property development is land with carrying amount of RM2,667,792 (2023: RM2,667,792) held under the name of a third party, with power of attorney granted to the Group.

Freehold land of the Group with carrying amount of RM150,133,223 (2023: RM149,922,809) is pledged as security for loans and borrowings as referred to in Note 28.

(b) Property development cost

	Group	
	2024	2023
	RM	RM
At 1 January		
Freehold land	145,418,095	116,196,065
Development expenditure	647,329,561	462,491,044
Cumulative costs recognised to profit or loss	<u>(396,569,965)</u>	<u>(172,563,607)</u>
	<u>396,177,691</u>	<u>406,123,502</u>
Cost incurred during the year:		
Land and development expenditure	624,306,777	347,074,948
Recognised during the year (Note 6)	<u>(317,974,720)</u>	<u>(114,937,883)</u>
	<u>306,332,057</u>	<u>232,137,065</u>
Transfer from land held for property development (Note 18(a))	209,355,451	26,595,450
Transfer of completed development unit to inventories	<u>(162,110,358)</u>	<u>(268,678,326)</u>
	<u>47,245,093</u>	<u>(242,082,876)</u>
At 31 December	<u><u>749,754,841</u></u>	<u><u>396,177,691</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

18. INVENTORIES (cont'd)

(b) Property development cost (cont'd)

	Group	
	2024 RM	2023 RM
Freehold land, at cost	339,613,838	145,418,095
Development costs	772,964,981	647,329,561
Recognised in profit or loss	<u>(362,823,978)</u>	<u>(396,569,965)</u>
	<u>749,754,841</u>	<u>396,177,691</u>

Included in the development costs of the Group are following expenses capitalised during the financial year:

	Group	
	2024 RM	2023 RM
Rental of machinery	<u>18,899,605</u>	<u>4,585,015</u>

19. TRADE RECEIVABLES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade receivables:				
Third parties	<u>187,373,792</u>	<u>100,191,830</u>	<u>-</u>	<u>-</u>

The aged analysis of trade receivables as at the reporting period are as follows:

	Property development RM	Property investment RM	Other RM	Total RM
Group 2024				
Neither past due nor impaired	91,949,484	359,328	193,495	92,502,307
Past due but not impaired:				
1 to 30 days	35,660,229	136,651	-	35,796,880
31 to 60 days	21,450,616	16,648	-	21,467,264
61 to 90 days	11,212,538	132,692	-	11,345,230
91 to 120 days	5,267,674	92,098	-	5,359,772
More than 121 days	19,978,429	923,910	-	20,902,339
	<u>93,569,486</u>	<u>1,301,999</u>	<u>-</u>	<u>94,871,485</u>
	<u>185,518,970</u>	<u>1,661,327</u>	<u>193,495</u>	<u>187,373,792</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

19. TRADE RECEIVABLE (cont'd)

Group 2023	Property development RM	Property investment RM	Other RM	Total RM
Neither past due nor impaired	35,560,103	2,188,350	510,447	38,258,900
Past due but not impaired:				
1 to 30 days	15,326,263	140,127	25,201	15,491,591
31 to 60 days	18,355,991	302,545	7,561	18,666,097
61 to 90 days	12,557,954	122,243	1,894	12,682,091
91 to 120 days	5,204,772	16,531	195	5,221,498
More than 121 days	9,026,663	844,990	-	9,871,653
	<u>60,471,643</u>	<u>1,426,436</u>	<u>34,851</u>	<u>61,932,930</u>
	<u>96,031,746</u>	<u>3,614,786</u>	<u>545,298</u>	<u>100,191,830</u>

Credit terms of trade receivables range from 1 to 3 months (2023: 1 to 3 months).

At end of the financial year, trade receivables of RM94,871,485 (2023: RM61,932,930) were past due but not impaired. These relate to a number of independent customer from whom there is no recent history of default.

20. OTHER RECEIVABLES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables:				
Contract cost	19,418,649	4,527,658	-	-
Deposit for acquisition of land	220,413,683	122,323,308	-	-
Sundry receivables	18,385,397	17,433,497	-	-
Sundry deposits	8,084,087	18,848,291	-	-
Prepayments	1,424,529	360,979	1,055	-
	<u>267,726,345</u>	<u>163,493,733</u>	<u>1,055</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

20. OTHER RECEIVABLE (cont'd)

Contract cost represents incremental costs incurred as a result of obtaining contracts and are recoverable. It primarily comprises promotion expenses, sales commission and legal costs. Capitalised contract costs are amortised when the related revenues are recognised for the respective financial years.

	Group	
	2024 RM	2023 RM
Contract cost		
At 1 January	4,527,658	2,917,017
Incurred during the year	46,282,074	19,237,693
Less: Amortised to profit or loss	<u>(31,391,083)</u>	<u>(17,627,052)</u>
At 31 December	<u>19,418,649</u>	<u>4,527,658</u>

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

21. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group	
	2024 RM	2023 RM
Contract assets		
Property development	<u>154,524,196</u>	<u>76,124,134</u>
Contract liabilities		
Property development	<u>8,001,977</u>	<u>2,284,244</u>

The Group issues progress billings to purchasers when the billing milestones are attained. The contract assets primarily relate to the Group's rights to consideration for work completed on property development but not yet billed at the reporting date. The contract liabilities primarily relate to the advance consideration received from a customer for property development, which revenue is recognised when the performance obligation is satisfied over time.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

21. CONTRACT ASSETS AND CONTRACT LIABILITIES (cont'd)

Significant changes to contract assets and contract liabilities balances during the year are as follows:

	Group	
	2024 RM	2023 RM
Revenue recognised that was included in the contract liability at the beginning of the year	2,284,244	286,832
Transfer from contract assets recognised at the beginning of the year to trade receivables	<u>76,124,134</u>	<u>51,716,023</u>

The revenue in related to unsatisfied performance obligations at the end of the reporting period are expected to be recognised in the following periods:

	Group	
	2024 RM	2023 RM
Within 1 year	366,005,399	177,711,468
Between 1 and 4 year	<u>146,922,394</u>	<u>77,437,588</u>
	<u>512,927,793</u>	<u>255,149,056</u>

22. AMOUNT DUE BY/(TO) SUBSIDIARIES

The amount due by/(to) subsidiaries are non-trade in nature, unsecured, bear interest at rates from 3.25% to 3.29% (2023: 2.82% to 3.08%) per annum and are repayable on demand.

23. CASH AND BANK BALANCES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deposits placed with licensed banks	-	220,225,380	-	-
Money market	51,921,426	127,587,064	-	-
Bank balances and cash	<u>159,280,749</u>	<u>179,370,863</u>	<u>337,815</u>	<u>122,050</u>
	<u>211,202,175</u>	<u>527,183,307</u>	<u>337,815</u>	<u>122,050</u>

- (a) Included in bank balances of the Group is amount of RM10,361,598 (2023: RM7,585,315) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are restricted from use in other operations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

23. CASH AND BANK BALANCES (cont'd)

- (b) During the previous financial year, the interest rate of fixed deposit of the Group ranges from 2.85% to 4.5% per annum and the maturities of fixed deposits as at the end of the financial years range from 30 days to 365 days.
- (c) Money market represents investment in highly liquid money market instruments which are readily convertible to known amount of cash and are subject to an insignificant risk of change in value.
- (d) The reconciliation of liabilities arising from financing activities are as follows:

	Term loans RM	Revolving credit RM	Total RM
Group			
At 1 January 2024	48,012,580	-	48,012,580
Drawdown	-	390,000,000	390,000,000
Interest charged	1,886,919	1,503,518	3,390,437
Repayment	(22,212,267)	(1,503,518)	(23,715,785)
At 31 December 2024	<u>27,687,232</u>	<u>390,000,000</u>	<u>417,687,232</u>
At 1 January 2023	68,337,928	-	68,337,928
Interest charged	2,803,729	-	2,803,729
Repayment	(23,129,077)	-	(23,129,077)
At 31 December 2023	<u>48,012,580</u>	<u>-</u>	<u>48,012,580</u>

24. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Units	RM	Units	RM
Issued and fully paid:				
Ordinary shares:				
As at 1 January/31 December				
December	<u>1,037,508,399</u>	<u>699,234,524</u>	<u>1,037,508,399</u>	<u>699,234,524</u>

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. All ordinary shares rank equally with regard to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

24. SHARE CAPITAL (cont'd)

Treasury shares

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting held on 27 May 2024, renewed their approval for the Company's plan to repurchase its own shares. The directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

The Company did not repurchase any of its issued ordinary shares from the open market during the financial year.

Treasury shares have no rights in voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

At 31 December 2024, the Company held 20,292,400 (2023: 20,292,400) of the Company's shares. The number of outstanding ordinary shares in issue after deducting treasury shares is therefore 1,017,215,999 (2023: 1,017,215,999) ordinary shares.

25. RESERVES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Distributable				
Retained earnings	3,493,429,855	3,021,387,204	749,666,308	745,776,428
Non-distributable				
Revaluation reserve	16,677,787	16,690,191	-	-
	<u>3,510,107,642</u>	<u>3,038,077,395</u>	<u>749,666,308</u>	<u>745,776,428</u>

(i) Dividends

The Directors propose a final single-tier dividend of 8 sen per ordinary share in respect of the current financial year. The proposed first and final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements for the current financial year. Such dividend, when approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

25. RESERVES (cont'd)

(ii) Revaluation reserve

	Group	
	2024 RM	2023 RM
At 1 January	16,690,191	16,694,801
Realisation of revaluation surplus	<u>(12,404)</u>	<u>(4,610)</u>
At 31 December	<u>16,677,787</u>	<u>16,690,191</u>

Prior to adoption of FRS 140 on 1 January 2006, the revaluation reserve is used to record increase in fair value of investment properties and land held for property development and decreases to the extent that such decrease relates to an increase on the same asset in this reserve.

26. TRADE PAYABLES

The normal trade credit terms granted to the Group are 30 to 90 days (2023: 30 to 90 days) depending on the terms of the contracts. These balances are unsecured and non-interest bearing.

27. OTHER PAYABLES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current				
Deposit payables	36,220,543	31,936,084	-	-
Current				
Other payables:				
Sundry payables	54,308,465	39,811,277	28,660	29,133
Deposits payable	7,928,021	5,933,570	-	-
Accruals	<u>108,509,915</u>	<u>92,127,969</u>	<u>191,236</u>	<u>146,236</u>
	<u>170,746,401</u>	<u>137,872,816</u>	<u>219,896</u>	<u>175,369</u>
	<u>206,966,944</u>	<u>169,808,900</u>	<u>219,896</u>	<u>175,369</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

28. LOANS AND BORROWINGS

	Group	
	2024 RM	2023 RM
Non-current Secured		
Term loans	8,501,000	27,687,232
Current Secured		
Term loans	19,186,232	20,325,348
Revolving credit	390,000,000	-
	<u>409,186,232</u>	<u>20,325,348</u>
	<u>417,687,232</u>	<u>48,012,580</u>

The loans and borrowings are secured by means of:

- (a) Fixed charge over the investment properties of the Group as referred to in Note 15;
- (b) Fixed charge over the land held for property development of the Group as referred to in Note 18;
- (c) Corporate guarantee by the Company.

29. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2024 RM	2023 RM
Movement in temporary differences during the year		
At 1 January	(59,737,887)	(57,110,238)
Recognised in profit or loss (Note 11)	(7,658,255)	(2,627,649)
At 31 December	<u>(67,396,142)</u>	<u>(59,737,887)</u>
Represented by		
Deferred tax assets	48,234	605,046
Deferred tax liabilities	(67,444,376)	(60,342,933)
	<u>(67,396,142)</u>	<u>(59,737,887)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

29. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

The components and movement of deferred tax assets and deferred tax liabilities as at the end of the financial year, prior to offsetting are as follows:

	Unutilised tax losses RM	Unutilised capital allowance RM	Others RM	Total RM
Group				
Deferred tax assets				
2024				
At 1 January	58,305	-	546,741	605,046
Recognised in profit or loss	<u>(50,946)</u>	<u>20,279</u>	<u>(526,145)</u>	<u>(556,812)</u>
At 31 December	<u>7,359</u>	<u>20,279</u>	<u>20,596</u>	<u>48,234</u>
2023				
At 1 January	-	-	-	-
Recognised in profit or loss	<u>58,305</u>	<u>-</u>	<u>546,741</u>	<u>605,046</u>
At 31 December	<u>58,305</u>	<u>-</u>	<u>546,741</u>	<u>605,046</u>
	Fair value adjustment RM	Unrealised revaluation surplus RM	Others RM	Total RM
Group				
Deferred tax liabilities				
2024				
At 1 January	(54,046,770)	(4,962,561)	(1,333,602)	(60,342,933)
Recognised in profit or loss	<u>(5,622,925)</u>	<u>(152,485)</u>	<u>(1,326,033)</u>	<u>(7,101,443)</u>
At 31 December	<u>(59,669,695)</u>	<u>(5,115,046)</u>	<u>(2,659,635)</u>	<u>(67,444,376)</u>
2023				
At 1 January	(46,971,000)	(4,964,027)	(5,175,211)	(57,110,238)
Recognised in profit or loss	<u>(7,075,770)</u>	<u>1,466</u>	<u>3,841,609</u>	<u>(3,232,695)</u>
At 31 December	<u>(54,046,770)</u>	<u>(4,962,561)</u>	<u>(1,333,602)</u>	<u>(60,342,933)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

29. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

Unrecognised deferred tax assets

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

	Group	
	2024 RM	2023 RM
Unabsorbed capital allowances	888,560	4,079
Unutilised tax losses	3,620,588	2,901,026
	4,509,148	2,905,105

The potential deferred tax assets in respect of these items have not been recognised as it is uncertain whether sufficient future taxable profits will be available against which certain subsidiaries can utilise the benefits.

30. RELATED PARTIES

Identity of related parties

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

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.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

30. RELATED PARTIES (cont'd)

Significant related party transactions

The significant related party transactions of the Group and the Company are shown below:

Group		2024 RM	2023 RM
A. Companies in which certain directors have interest			
Rental income from:			
Harapan Terang Motor Sdn. Bhd.	(a)	20,400	20,400
Bestari Bestmart Sdn. Bhd.	(b)	5,412,001	5,412,001
Rental expense to:			
Bintang-Bintang Sdn. Bhd.	(c)	(200,000)	(200,000)
Purchase from:			
Segamat Quarry (1981) Sdn. Bhd.	(d)	(69,305)	-
Tiram Quarry Sdn. Bhd.	(e)	(860,858)	-
B. Key management personnel			
Directors			
Fee		90,000	90,000
Other emoluments		37,702,604	32,292,764
Contribution to state plans		5,986,536	5,206,120
		43,779,140	37,588,884
Company			
A. Subsidiaries			
Management fees income		430,000	387,000
Loan interest income		16,032,253	6,772,059
Loan interest expense		(9,757,672)	(2,449,027)
Dividend income		-	104,500,000
		-	104,500,000
B. Key management personnel			
Directors			
Fee		90,000	90,000
Other emoluments		242,228	197,228
Contribution to state plans		34,200	34,200
		366,428	321,428

Note:

- (a) In which Ku Tien Sek has interest
- (b) In which Ku Hwa Seng has interest
- (c) In which Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng, Ku Tien Sek, Ku Ek Mei and directors of certain subsidiary, Ku Wa Chong, Ku Keng Leong, Ku Keng Yaw have interest
- (d) In which Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng and Ku Tien Sek have interest
- (e) In which Ku Tien Sek has interest and directors of certain subsidiary, Ku Wa Chong has interest.

Significant related party balances related to the above transactions are disclosed in respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

31. SEGMENT INFORMATION

The Group has four reportable segments, as described below, which offer different products and services. For each of the business segments, the Group Managing Director reviews the internal management reports on monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- (i) Property development - The development of residential and commercial properties;
- (ii) Property investment - Investment of real properties, mall and hotel operator;
- (iii) Investment holding - Provision of management services to the subsidiaries; and
- (iv) Car park operation - Car park management services

Other non-reportable segments comprise operations mainly related to food and beverage operator, gym operator and sales of construction materials. None of these segments met the quantitative thresholds for reporting segments in 2024 and 2023.

Performance is measured based on revenue and operating profit as the management believes that such information is the most relevant in evaluating the results of the operation.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed upon.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is also included in the internal management reports provided to the Group Managing Director.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and investment properties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

31. SEGMENT INFORMATION (cont'd)

Group	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Others RM	Elimination RM	Total RM
2024							
Revenue							
External sales							
Sales of properties	1,119,544,941	-	-	-	-	-	1,119,544,941
Rental income	-	125,239,061	-	-	-	(120,000)	125,119,061
Hotel, food and beverage	-	122,602,195	-	-	-	-	122,602,195
Carpark income	-	-	6,554,097	-	-	-	6,554,097
Other trade sales	1,078,637	114,329	-	-	1,647,433	-	2,840,399
Inter-segment	-	-	-	430,000	-	(430,000)	-
	<u>1,120,623,578</u>	<u>247,955,585</u>	<u>6,554,097</u>	<u>430,000</u>	<u>1,647,433</u>	<u>(550,000)</u>	<u>1,376,660,693</u>
Other income							
Rental income	9,431,061	370,572	-	-	-	(419,794)	9,381,839
Others	20,312,109	2,500,022	57,354	4,844	53,506	-	22,927,835
Fair value adjustment	-	55,305,772	-	-	-	-	55,305,772
Inter-segment	6,084,145	3,532,804	139,404	16,032,253	1,319	(25,789,925)	-
	<u>35,827,315</u>	<u>61,709,170</u>	<u>196,758</u>	<u>16,037,097</u>	<u>54,825</u>	<u>(26,209,719)</u>	<u>87,615,446</u>
Results							
Segment results	443,765,712	188,246,191	5,302,470	15,831,787	(1,474,098)	(27,328,729)	624,343,333
Finance costs							(4,988,873)
Income tax							(147,282,877)
Net profit for the year							<u>472,071,583</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

31. SEGMENT INFORMATION (cont'd)

	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Other RM	Elimination RM	Total RM
Group 2024							
Other information							
Segment assets	4,457,709,010	1,382,197,738	8,154,924	2,067,764,681	16,483,978	(2,929,216,713)	<u>5,003,093,618</u>
Consolidated total assets							<u>5,003,093,618</u>
Segment liabilities	1,381,523,918	256,846,076	714,793	643,639,866	17,549,165	(1,481,763,926)	<u>818,509,892</u>
Consolidated total liabilities							<u>818,509,892</u>
Capital expenditure	22,706,782	672,762	-	-	802,228	-	24,181,772
Depreciation of property, plant and equipment	5,212,529	5,317,441	115,970	-	272,858	-	10,918,798

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

31. SEGMENT INFORMATION (cont'd)

Group	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Other RM	Elimination RM	Total RM
2023							
Revenue							
External sales							
Sales of properties	934,611,033	-	-	-	-	-	934,611,033
Rental income	-	99,161,763	-	-	-	(120,000)	99,041,763
Hotel, food and beverage	-	98,971,414	-	-	308,055	-	99,279,469
Carpark income	-	-	5,261,404	-	-	-	5,261,404
Other trade sales	3,271,068	41,650	-	-	131,261	-	3,443,979
Inter-segment	-	-	-	104,887,000	-	(104,887,000)	-
	<u>937,882,101</u>	<u>198,174,827</u>	<u>5,261,404</u>	<u>104,887,000</u>	<u>439,316</u>	<u>(105,007,000)</u>	<u>1,141,637,648</u>
Other income							
Rental income	8,421,567	171,250	-	-	-	(416,397)	8,176,420
Others	16,879,324	2,635,425	55,417	2,568	9,521	-	19,582,255
Fair value adjustment	-	44,389,336	-	-	-	-	44,389,336
Inter-segment	2,162,789	221,164	65,074	6,772,059	-	(9,221,086)	-
	<u>27,463,680</u>	<u>47,417,175</u>	<u>120,491</u>	<u>6,774,627</u>	<u>9,521</u>	<u>(9,637,483)</u>	<u>72,148,011</u>
Results							
Segment results	369,438,272	168,729,983	3,999,019	111,075,225	(402,587)	(113,721,086)	539,118,826
Finance costs							(4,163,724)
Income tax							(118,114,989)
Net profit for the year							<u>416,840,113</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

31. SEGMENT INFORMATION (cont'd)

Group 2023	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Other RM	Elimination RM	Total RM
Other information							
Segment assets	3,151,996,161	1,187,264,138	4,003,950	1,502,641,024	19,861,729	(1,802,052,580)	<u>4,063,714,422</u>
Consolidated total assets							<u>4,063,714,422</u>
Segment liabilities	520,660,387	95,492,819	590,970	82,406,088	7,052,931	(355,270,916)	<u>350,932,279</u>
Consolidated total liabilities							<u>350,932,279</u>
Capital expenditure	73,791,516	5,159,382	-	-	1,897,844	-	80,848,742
Depreciation of property, plant and equipment	4,214,203	5,650,194	116,081	-	34,039	-	<u>10,014,517</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS

Classification of financial instruments

The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial assets				
<i>At amortised cost</i>				
Trade receivables	187,373,792	100,191,830	-	-
Other receivables	26,469,484	36,281,788	-	-
Amount due by subsidiaries	-	-	838,419,956	273,034,797
Cash and bank balances	211,202,175	527,183,307	337,815	122,050
	<u>425,045,451</u>	<u>663,656,925</u>	<u>838,757,771</u>	<u>273,156,847</u>
<i>Fair value through profit or loss</i>				
Other investment	2,307,822	1,904,906	-	-
	<u>427,353,273</u>	<u>665,561,831</u>	<u>838,757,771</u>	<u>273,156,847</u>
Financial liabilities				
<i>At amortised cost</i>				
Trade payables	(96,479,614)	(50,706,405)	-	-
Other payables	(206,966,944)	(169,808,900)	(219,896)	(175,369)
Amount due to subsidiaries	-	-	(643,419,970)	(82,230,720)
Loans and borrowings	(417,687,232)	(48,012,580)	-	-
	<u>(721,133,790)</u>	<u>(268,527,885)</u>	<u>(643,639,866)</u>	<u>(82,406,089)</u>

Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing its credit, liquidity and market risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board, the Group's and the Company's policy is not to engage in speculative transactions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of those risks.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and to the Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is mainly from trade and other receivables and a financial guarantee given to a licensed bank, whereas the Company's exposure to credit risk is mainly from the amount of other receivables and amount due by subsidiaries.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit ratings. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

Trade receivables and contract assets

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

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

The Group does not require collateral in respect of trade receivables and contract assets. The Group does not have trade receivable and contract asset for which no loss allowance is recognised because of collateral.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Concentration of credit risk

The exposure to credit risk for trade receivables (Note 19) and contract assets (Note 21) by operating segments was as follows:

	2024	2023
	RM	RM
Operating segments		
Property development	340,043,166	172,155,880
Property investment	1,661,327	3,614,786
Others	193,495	545,298
	<u>341,897,988</u>	<u>176,315,964</u>

Credit risk arising from property development

The Group does not have any significant credit risk as its services and products are predominantly rendered and sold to a large number of customers using financing from reputable end-financiers. Credit risks with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group in the event of default.

Credit risk arising from property investment

Credit risk arising from outstanding receivables from tenants is minimised by closely monitoring the limit granted to the tenants and their credit worthiness. In addition, the tenants have placed security deposits with the Group which act as collateral.

As at 31 December 2024, the carrying amount of the refundable security deposits is RM36,220,543 (2023: RM31,936,084).

No allowance is made for impairment for trade receivables that are neither past due nor credit impaired and contract assets based on the Group's historical credit loss experience and forecast of economic conditions.

The Group's trade receivables that are past due but not credit impaired relate to customers for which there is low probability that the receivables are not fully recoverable.

Cash and bank balances

The cash and bank balances are mainly held with bank and financial institution counterparties, which have financial strength and are reputable with high credit rating and no history of default. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(i) Credit risk (cont'd)

Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group and the Company consider that their cash and bank balances have low credit risk based on the creditworthiness of the counterparties.

Other receivables

Credit risk on other receivables is mainly arising from sundry debtors and deposits receivables. The Group monitors the repayment on an individual and 12-month expected loss basis.

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

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

Financial guarantees

The Company provides secured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loan on an individual basis by using internal information available.

The maximum exposure to credit risk is the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Inter-company loan and services

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

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

Generally, the Company considers amounts due from fellow subsidiaries as low credit risk.

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (*cont'd*)

32. FINANCIAL INSTRUMENTS (*cont'd*)

Financial risk management objectives and policies (*cont'd*)

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group's and the Company finance its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(ii) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

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

Group	Carrying amount RM	Contractual interest rate %	Contractual cashflows RM	Under 1 year RM	1 - 5 years RM	Over 5 years RM
Non-derivative financial liabilities						
2024						
Trade payables	96,479,614	-	96,479,614	96,479,614	-	-
Other payables	206,966,944	-	206,966,944	170,746,401	36,220,543	-
Term loans	27,687,232	4.00% - 4.54%	28,585,999	19,226,836	9,359,163	-
Revolving credit	390,000,000	4.19%	390,000,000	390,000,000	-	-
	<u>721,133,790</u>		<u>722,032,557</u>	<u>676,452,851</u>	<u>45,579,706</u>	<u>-</u>
2023						
Trade payables	50,706,405	-	50,706,405	50,706,405	-	-
Other payables	169,808,900	-	169,808,900	137,872,816	31,936,084	-
Term loans	48,012,580	4.96% - 5.13%	50,639,533	20,510,490	30,129,043	-
	<u>268,527,885</u>		<u>271,154,838</u>	<u>209,089,711</u>	<u>62,065,127</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)**

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(ii) Liquidity risk

Company	Carrying amount RM	Contractual interest rate %	Contractual cashflows RM	Under 1 year RM	1 - 5 years RM	Over 5 years RM
Non-derivative financial liabilities						
2024						
Other payables	219,896	-	219,896	219,896	-	-
Amount due to subsidiaries	<u>643,419,970</u>	3.28%	<u>643,419,970</u>	<u>643,419,970</u>	<u>-</u>	<u>-</u>
	<u><u>643,639,866</u></u>		<u><u>643,639,866</u></u>	<u><u>643,639,866</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
2023						
Other payables	175,369	-	175,369	175,369	-	-
Amount due to subsidiaries	<u>82,230,720</u>	3.16%	<u>82,230,720</u>	<u>82,230,720</u>	<u>-</u>	<u>-</u>
	<u><u>82,406,089</u></u>		<u><u>82,406,089</u></u>	<u><u>82,406,089</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(iii) Market risk

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

The Group's and the Company's variable rate borrowings 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.

The Group and the Company managed interest rate risk through effective use of its floating and fixed rate debts.

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed rate instruments				
Financial assets	<u>50,000,000</u>	<u>220,225,380</u>	<u>-</u>	<u>-</u>
Floating rate instruments				
Financial assets	1,921,426	127,587,064	-	-
Financial liabilities	<u>(417,687,232)</u>	<u>(48,012,580)</u>	<u>(643,419,970)</u>	<u>(82,230,720)</u>
	<u>(415,765,806)</u>	<u>79,574,484</u>	<u>(643,419,970)</u>	<u>(82,230,720)</u>

Interest rate risk sensitivity analysis

Cashflow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates during the reporting period would have increased/(decreased) the Group's and the Company's pre-tax profit or loss by approximately RM4,158,000 and RM6,434,000 (2023: RM796,000 and RM822,307) respectively.

Fair value sensitivity analysis for fixed rate instruments

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

32. FINANCIAL INSTRUMENTS (cont'd)

Financial risk management objectives and policies (cont'd)

(iii) Market risk (cont'd)

Fair value of financial instruments

The carrying amounts of cash and bank balances, short-term receivables and payables, amount due by/(to) subsidiaries and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments.

The determination of fair value of other investment is categorised as Level 1, based on quoted prices in active markets.

The carrying amount of the non-current portion of other payable are reasonable approximate of fair value due to the insignificant impact of discounting.

The carrying amount of the of loans and borrowings that carry floating interest rates approximate their fair value as they are insignificant impact of discounting and re-priced to market interest rates on or near the reporting date.

33. CAPITAL MANAGEMENT

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

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a debt-to-capital ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Company.

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	96,479,614	50,706,405	-	-
Other payables	206,966,944	169,808,900	219,896	175,369
Amount due to subsidiaries	-	-	643,419,970	82,230,720
Loans and borrowings	417,687,232	48,012,580	-	-
Less: Cash and bank balances	(211,202,175)	(527,183,307)	(337,815)	(122,050)
Net debt/(cash)	509,931,615	(258,655,422)	643,302,051	82,284,039

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

33. CAPITAL MANAGEMENT (cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Total capital	<u>4,184,583,726</u>	<u>3,712,782,143</u>	<u>1,424,124,815</u>	<u>1,420,234,935</u>
Capital and net debt	<u>4,694,515,341</u>	<u>3,454,126,721</u>	<u>2,067,426,866</u>	<u>1,502,518,974</u>
Debt-to-capital ratio	<u>0.11</u>	<u>N/A</u>	<u>0.31</u>	<u>0.05</u>

N/A = not applicable, the Group and the Company have sufficient cash and bank balances to settle the liabilities as at year end.

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

The Company is not subject to any externally imposed capital requirements.

34. COMMITMENTS

(i) Capital commitments

This represents the balance of the contracted purchase price of land.

	Group	
	2024 RM	2023 RM
Capital expenditure Contracted but not provided for: Freehold land	<u>1,025,173,384</u>	<u>457,482,389</u>

(ii) Operating lease arrangements (as lessor)

The Group has entered into non-cancellable operating leases agreements on its investment property. The future minimum lease payments receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	Group	
	2024 RM	2023 RM
Not later than 1 year	73,483,006	45,774,099
Later than 1 year but not later than 5 years	<u>58,419,312</u>	<u>21,756,350</u>
	<u>131,902,318</u>	<u>67,530,449</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (*cont'd*)

35. MATERIAL LITIGATION

The Group is not engaged in any material litigation cases as at the date of this report other than the followings:

(i) Gan Keng Wah & Gan Kian Hock (“Plaintiff”) vs SJ

Plaintiff are claiming against SJ for alleged encroachment and nuisance arising from excavation works carried out by SJ on its land, which is adjacent to the Plaintiffs’ property. The claim includes special damages amounting to RM1,020,000, in addition to other general damages, interest, and costs to be assessed by the Court.

In response, SJ has filed a Counter Claim alleging that the encroachment originated from the Plaintiff’s land and is affecting its own land. SJ is claiming RM699,201 in special damages, alongside other general damages, interest, and legal costs.

As at date of report, the matter is still ongoing.

(ii) Bandan Pegurusan Bersama Pangsapuri Maple Residence (“JMB”) vs KSLR

JMB filed a discovery order against KSLR on the premise which discovered recurring roof and inter-floor leaks, swimming-pool seepage and signs of differential settlement. To evaluate possible defects litigation, the JMB needs the original construction warranties, waterproofing guarantees and structural reports that remain in the developer’s files.

Court has taken note and fixed the next case management date on 24 April 2025.

(iii) Lee Wee Kang, Chan Chee Hong, Lim Siok Hui, Subramaniam A/L Sunnathamby, Boo Hooi Ping, Sharvin A/L Ragavan and G.Muguthan A/L Gangatharan (“Plaintiff”) vs KSLR, Skyjewel Sdn.Bhd.(“Skyjewel”)

Plaintiff are claiming against KSLR and Skyjewel for breach of the Deed of Mutual Covenant (“DMC”) and the invalidation of the DMC premised on purported illegality. Plaintiff asked the High Court to cancel the DMC, ordered full disclosure of accounts since 2016, investigate any profits and pay them back into the estate’s maintenance fund.

KSLR and Skyjewel counter-claim RM882,685 for losses allegedly caused when the plaintiff persuaded others to stop paying fees.

The Court has fixed the case management on 29 May 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

36. SIGNIFICANT EVENTS

The following is a summary of material acquisition of properties by the Group's subsidiaries during the financial year ended 31 December 2024:

- (a) On 29 April 2024, KSL Medini Development Sdn. Bhd., a wholly-owned subsidiary of the Group entered into a conditional Sale and Purchase Agreement ("SPA") with Tropicana Firstwide Sdn. Bhd., Tropicana Rhythm Crest Sdn. Bhd. and Tropicana Desa Mentari Sdn. Bhd. for the acquisition of 183.3323 acres in total area of freehold lands located in Mukim Pulai, Daerah Johor Bahru, Negeri Johor for a purchase consideration of RM211,578,650.
- (b) On 9 July 2024, Goodpark Development Sdn. Bhd., a wholly-owned subsidiary of the Group, entered into a conditional SPA with Myview Diversified Sdn. Bhd. for the acquisition of two pieces of freehold lands located in Mukim Plentong, Daerah Johor Bahru, Negeri Johor for a purchase consideration of RM84,881,326.

The acquisition was completed before the date of this report.

- (c) On 7 October 2024, Harapan Terang Properties Sdn. Bhd., a wholly-owned subsidiary of the Group, entered into a conditional SPA with Sutera Potensi Sdn. Bhd. for the acquisition of a piece of freehold land located in Mukim Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor for a purchase consideration of RM76,070,505.
- (d) On 15 October 2024, Sejota Sdn. Bhd., a wholly-owned subsidiary of the Group, entered into a conditional SPA with Stan Plantation Sdn. Bhd. for the acquisition of two pieces of freehold lands located in Mukim Buloh Kasap, Daerah Segamat, Negeri Johor for a purchase consideration of RM115,614,823.
- (e) On 30 December 2024, Goodpark Development Sdn. Bhd., a wholly-owned subsidiary of the Group, entered into a DRA with Johor Land Berhad for a number of parcels of titled undeveloped freehold land in area located within Taman Mutiara Gading in Mukim Simpang Kanan, Daerah Batu Pahat, Negeri Johor for a project consideration of RM110,000,000.

The acquisition was completed before the date of this report.

The acquisition of freehold lands under KSL Medini Development Sdn. Bhd., Harapan Terang Properties Sdn. Bhd. and Sejota Sdn. Bhd. has not been completed as at the date of this report as certain conditions precedent are pending fulfilment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (cont'd)

37. SUBSEQUENT EVENT

On 22 January 2025, the Company incorporated a wholly-owned subsidiary company Wawari Development Sdn. Bhd. by subscribing 100 ordinary shares representing 100% of the issued and paid-up capital at a cash consideration of RM100.

38. COMPARATIVE FIGURES

The comparative figures in prior year's statements of financial position as shown below have been reclassified to enhance comparability with current period's presentation. As a result, certain line items have been amended on the face of statements of financial position.

The effects of the restatements to the financial statements of the Group and the Company are summarised as below:

	As previously reported RM	Reclassification RM	As restated RM
Statement of financial position as at 31 December 2023			
Assets			
Trade and other receivables	263,685,563	(263,685,563)	-
Trade receivables	-	100,191,830	100,191,830
Other receivables	-	163,493,733	163,493,733
Liabilities			
Trade and other payables	(188,579,221)	188,579,221	-
Trade payables	-	(50,706,405)	(50,706,405)
Other payables	-	(137,872,816)	(137,872,816)



Wisma KSL, 148, Batu 1 1/2
Jalan Buloh Kasap
85000 Segamat
Johor



www.ksl.my



607-9311 430



607-9324 888