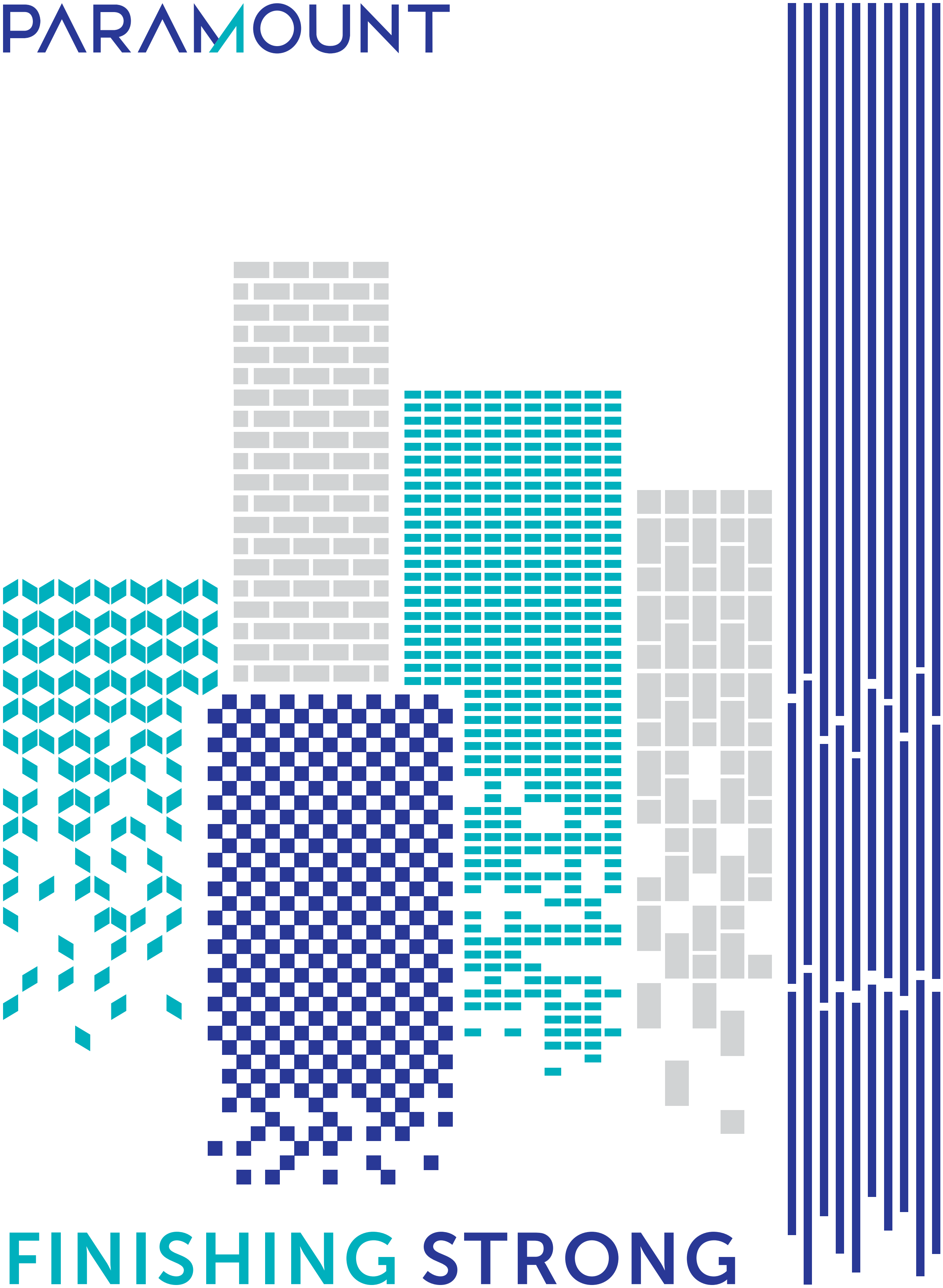
PARAMOUNT



FINISHING STRONG

ANNUAL REPORT 2024

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55TH ANNUAL GENERAL MEETING

Suite I, Level 2, Mercure Kuala Lumpur Glenmarie Hotel,
Jalan Kontraktor U1/14, Seksyen U1,
40150 Shah Alam, Selangor Darul Ehsan

Thursday, 5 June 2025, 10.30 a.m.

Scan the QR code to view or download a soft copy of this Annual Report 2024

01

THE COMPANY

HOW WE CREATE VALUE

OUR VISION

Changing Lives and **Enriching Communities** For A Better World

OUR MISSION

We deliver superior products and services that benefit society, and shape future generations of leaders and thinkers.

We care for the safety and health of our people, and we believe in developing their talents through empowerment and enabling them to maximise their potential.

We grow our businesses to deliver sustainable and responsible shareholder returns while ensuring that we continue to protect our environment.

We must be bold in technological innovations to be market leaders in our core businesses.

We will leverage on the synergies within our business ecosystem to create unique product offerings.

OUR CORE VALUES

TRUST

We will strive to strengthen the faith that our shareholders, customers and the community have placed upon us to deliver sustainable returns.

RESPECT

We respect people as individuals, care for their well-being, and welcome diversity in capability and background. We encourage positive teamwork and expect everyone to be open, candid and constructive in their comments and suggestions and always seek to help our colleagues inside and outside Paramount.

INTEGRITY

We expect to do what is right, not only what is allowed. We believe in absolute honesty and strong principles of uncompromising ethical and moral behaviour from everyone – our employees as well as those who do business with us. Integrity must not only be heard but must also be seen in action at all times.

BRAVERY

We must have the courage to stand up for what we believe in and be bold enough to venture into new areas and businesses.

ENERGY

We embrace the future with vitality and vigour, exhibiting innovativeness and entrepreneurship in the true spirit upon which the company was founded.

GROUP STRUCTURE

PROPERTY

100%

- Aneka Sepakat Sdn Bhd
- Berkeley Sdn Bhd
- Berkeley Maju Sdn Bhd
- Broad Projects Sdn Bhd
- Carp Legacy Sdn Bhd
- Kelab Bandar Laguna Merbok Sdn Bhd
- Paramount Construction Sdn Bhd
- Paramount Construction (PG) Sdn Bhd
- Paramount Holdings Sdn Bhd
- Paramount Property (Cityview) Sdn Bhd
- Paramount Property (Cjaya) Sdn Bhd
- Paramount Property Construction Sdn Bhd
- Paramount Property Development Sdn Bhd
- Paramount Property (Glenmarie) Sdn Bhd
- Paramount Property (Lakeside) Sdn Bhd
- Paramount Property (Lakeview) Sdn Bhd
- Paramount Property (PG) Sdn Bhd
- Paramount Property (PW) Sdn Bhd
- Paramount Property (Seaview) Sdn Bhd
- Paramount Property (Sekitar 26 Enterprise) Sdn Bhd
- Paramount Property (Sepang) Sdn Bhd
- Paramount Property (Utara) Sdn Bhd
- Paramount Utropolis Retail Sdn Bhd
- Seleksi Megah Sdn Bhd *(In members' voluntary liquidation)*
- Utropolis Sdn Bhd

70%

- Regal Residences Sdn Bhd

  100%

  - Tanah Bayumas Sdn Bhd

49%

- Navarang Charoennakhon Company Limited

COWORKING

100%

- Paramount Coworking Sdn Bhd
- Paramount Scalable Sdn Bhd

70%

- Gardens of Hope Sdn Bhd

INVESTMENT & OTHERS

100%

- Flexsis Sdn Bhd
- Janahasil Sdn Bhd
- Jasarim Bina Sdn Bhd *(In members' voluntary liquidation)*
- Magna Intelligent Sdn Bhd
- Paramount Capital Resources Sdn Bhd
- Paramount FoodPrint Sdn Bhd
- Paramount Global Sdn Bhd
- Paramount Global Investments Pty Ltd
- Paramount Globalcom Sdn Bhd
- Paramount Greencity Sdn Bhd
- Paramount Investments & Properties Pty Ltd
- Paramount Property Holdings Sdn Bhd
- Super Ace Resources Sdn Bhd

30%

- University of Wollongong Malaysia Sdn Bhd
- UOW Malaysia KDU Penang University College Sdn Bhd
- Omegaxis Sdn Bhd

  55.1%

  - Peoplender Sdn Bhd

    79.8%

    - Fundaztic SG Pte Ltd

AT A GLANCE: HIGHLIGHTS OF 2024

REVENUE

RM1.0 billion

YOY ↑ 3%

PROFIT BEFORE TAX

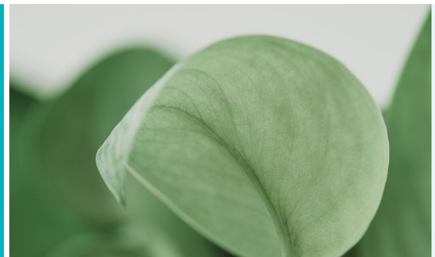
RM156.9 million

YOY ↑ 20%

PROFIT ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS

RM102.4 million

YOY ↑ 24%



PROPERTY SALES

RM1.4 billion

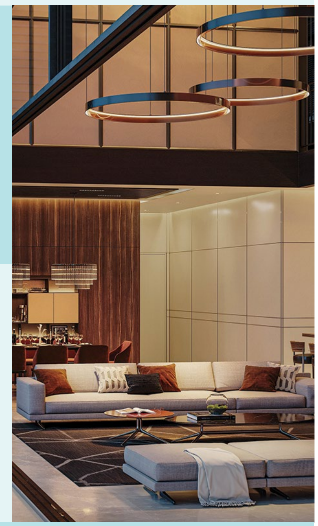
from RM1.1 billion in FY2023

3rd Year Above RM1 billion

PROPERTIES LAUNCHED

RM2.2 billion

2,255 units in 7 locations



PROPERTIES COMPLETED

RM2.0 billion GDV

2,702 properties

UNBILLED SALES

RM1.6 billion

up from RM1.4 billion in FY2023

DEBT TO TOTAL EQUITY RATIO

Gross **0.67x** Net **0.52x**

TOTAL DIVIDENDS FOR FY2024

7.5 sen

(FY2023: 7.0 sen)

The first interim dividend of 3.0 sen was paid on 26 September 2024, the second interim dividend of also 3.0 sen was paid on 26 December 2024, while the third interim dividend of 1.5 sen was paid on 21 March 2025.

CORPORATE **PROFILE**

Paramount Corporation Berhad (Paramount or **the Company)** is an investment holding company with property development as its core business. It is listed on the Main Market of Bursa Malaysia Securities Berhad (**Bursa Securities**).

Its core business division, Paramount Property, has property development projects in Kuala Lumpur, Selangor, Penang and Kedah, and an equity venture project in Bangkok.

Paramount also offers a network of coworking spaces under Co-labs Coworking, and a consult, design and build solutions provider under Scalable Malaysia.

In the hospitality sector, Paramount owns and operates Dewakan, which is the only restaurant in Malaysia to hold two MICHELIN Stars and a MICHELIN Green Star. Paramount also owns Mercure Kuala Lumpur Glenmarie, a four-star business hotel located at Utropolis Glenmarie, Shah Alam.

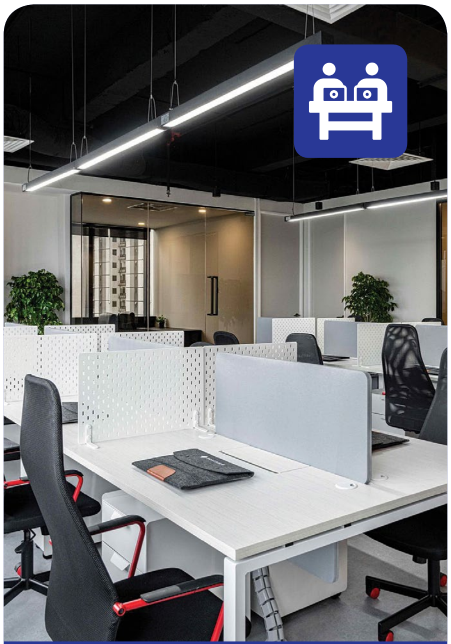
In May 2024, Paramount took up a 21.5% equity stake in a Malaysian property developer with projects in London, Sydney and Melbourne to diversify its income base. Paramount also has investments in digital enterprises, including peer-to-peer (**P2P**) financing platform Fundaztic, e-commerce ecosystem provider Commerce.Asia, and OpenLearning, a social online learning and Massive Open Online Courses (**MOOC**) platform listed on the Australian Securities Exchange.

Paramount was a pioneer in private education in Malaysia, having founded Kolej Damansara Utama (**KDU**) and Sri KDU schools in 1983 and 2003, respectively. Paramount still has a strategic stake in the tertiary education business but has completely divested its pre-tertiary education business.

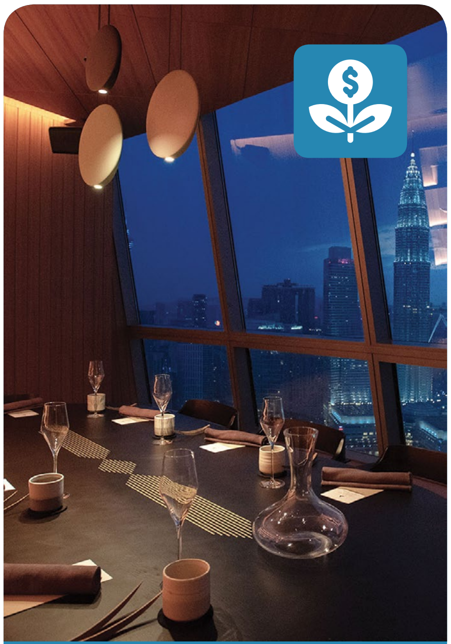
Paramount was founded as a rice miller in 1969 and has been listed on Bursa Securities (previously known as The Kuala Lumpur Stock Exchange) since 15 July 1971. It was restructured into a property development company after acquiring the entire equity of a real estate company in 1978.

Through its journey of more than half a century, Paramount's vision of '**Changing lives and enriching communities for a better world**' has guided its businesses as it plays its part in nation building. Its vision is reinforced by its core values of Trust, Respect, Integrity, Bravery, and Energy (T.R.I.B.E).

PROPERTY



COWORKING



INVESTMENT & OTHERS

PROPERTY

Paramount Property prides itself as an award-winning developer with an excellent track record of building townships, residential, commercial, and industrial properties, as well as schools and university campuses, in the Klang Valley, Kedah, and Penang.

PARAMOUNT PROPERTY

The People's Developer™

As The People's Developer, Paramount Property strives to **Design for Life**, creating products to suit the different stages of a person's life. It places **People First**, the people it builds for, and those who grow with the company, always prioritising their needs. It also works to **Uplift Communities** through sustainability practices and by supporting initiatives that make the world a better place for all. Paramount Property also has an equity venture in a condominium project in Bangkok.

PROPERTY PROJECTS IN 2024

CENTRAL REGION (KUALA LUMPUR & SELANGOR)

Legend:
Launched *Acreage* *Total no. of units* *Expected completion* *Completed*

2024 3.59 acres
354 2028

The Ashwood, 'Where Tranquillity Resides' is a haven with stunning views of the Kuala Lumpur cityscape and the Royal Selangor Golf Club. Located at the U-Thant enclave, known as the Embassy Row, in the heart of Kuala Lumpur, The Ashwood is a freehold luxury residential development consisting of condominiums, duplexes and low-rise villas, with a host of amenities.

The project sits on 3.59 acres of freehold land, surrounded by foreign embassies, high commissions, high-end residences, international schools, medical centres, eateries, and premium grocers.

2021 0.95 acres
241 2024

The Atrium is a freehold 20-storey tower of luxury serviced apartments at Jalan Ampang, Kuala Lumpur, just 1.8km to the city centre. With 12 layout types and promising an 'Exquisite Union' of elegant aesthetics and modern practicality, this prestigious address at the U-Thant enclave lets residents enjoy not only an exclusive community, but also the city's wealth of amenities, including premium malls, educational institutions, medical centres, leisure spots, and more.

Beyond a multi-tier security system, all units at The Atrium are equipped with digital door locks for easy-access safety, as well as smart home systems controlled by mobile devices. It won Honours in the 'Close to Home' category at the StarProperty Awards 2022.

PROPERTY PROJECTS IN 2024

CENTRAL REGION (KUALA LUMPUR & SELANGOR)

Legend: *Launched* · *Acreage* · *Total no. of units* · *Expected completion* · *Completed*

2022 | 9.66 acres
2,100
Units launched – 1,553 units | 2031

The Atera, Petaling Jaya, is a leasehold transit oriented mixed development that is a walking distance of only 400m to Asia Jaya Light Rail Transit (LRT) station. It is a GreenRE Silver development that features rainwater harvesting, solar power for common areas, and electric vehicle chargers. Each home is semi-furnished and comes with a smart home system.

The Atera is perfect for couples and young families with its host of facilities.

Promising 'Closer to All that Matters', The Atera boasts of malls, grocers, commercial hubs, hospitals, universities, colleges, and public and private schools nearby. The development is well-connected to major highways: Federal Highway, New Klang Valley Expressway (NKVE), Sprint Highway, and the New Pantai Expressway.

Phase 1, which comprises 676 units of serviced apartments, 80 affordable homes and four retail lots, was launched in 2022. Phase 2, featuring, 788 units of serviced apartments and five retail lots, was launched in 2024.

2024 | 10.1 acres
170 | 2027

The final phase of the award winning **Sejati Residences** is a low-density enclave of 170 units of three-storey Park Homes set on 10.1 acres of prime freehold land.

The limited-edition homes feature spacious and versatile layouts, offering the luxury of five bedrooms and five en-suite bathrooms, perfect for intergenerational living. Additionally, the Park Homes offer six private parks spread across 1.5 acres of lush land, a 1.9km walkway that connects the entire neighbourhood and seven outdoor facilities encouraging a healthy and active lifestyle.

PROPERTY PROJECTS IN 2024

CENTRAL REGION (KUALA LUMPUR & SELANGOR)

Legend:
Launched · *Acreage* · *Total no. of units* · *Expected completion* · *Completed*

2022 | 32.74 acres
234 | 2025

Sejati Lakeside 2, a sequel to Sejati Lakeside, is a freehold landed development by a 45-acre lake at a prime location in Cyberjaya. This 'Wellness Inspired Lakeside Living' residential development offers dual recreation experiences – garden and lakeside views. It features three lush parks with carefully curated facilities that promote wellness and safety.

This non-strata development comprises double-storey semi-detached homes. The homes are spacious and designed with layouts that achieve harmony between shade and cross ventilation.

The exclusive enclave is conveniently close to commercial hubs and shopping malls, universities, international schools, sports and recreational centres, banks, hospitals, and restaurants.

Phase 1 of Sejati Lakeside 2 consisting of 122 semi-detached homes was launched in November 2022 and Phase 2 consisting of 112 units was launched in June 2023. Phase 1 was completed in 2024. This development won Excellence in the 'Family-Friendly Award (Landed) - Within Greater KL' category at the StarProperty Awards 2023.

2015 | 237 acres
2,715
Units launched – 1,466 units | 2027

Greenwoods Salak Perdana is planned around the concept of 'My Home, My Community'. This freehold development at Salak Perdana, Sepang, is Paramount Property's second township in the Klang Valley with double-storey terrace houses, townhouses, and shop offices. The development offers a vista of hills and parks. A part of the development, Laman Rimba, a hillock with hiking trails provides many hours of healthy recreation for the surrounding community.

Nestled across a 18-acre freehold land, Greenwoods Senna that was launched in 2024 offers a collection of 368 units semi-detached townhouses with layouts ranging from 34' x 65' to 44' x 75'. It is a secure gated and guarded community with an open-concept layout designed for wholesome family living. Each unit includes a side terrace with certain units boasting a back terrace, providing a space for family gatherings and outdoor dining. Greenwoods Senna is the perfect home for a modern and expansive living experience where you can have peace of mind knowing that your family and home are well-protected.

Greenwoods Seraya, a cluster of 260 units of freehold modern townhouses that were launched in 2022 was completed in 2024.

Greenwoods Cendana, which comprises double-storey terrace houses, was completed in January 2023. Greenwoods Keranji, which also consists of double-storey terrace houses, won the 'Starter Home Award 2019 (Best Affordable Home)' by StarProperty.my. The township is accessible via major highways and the Express Rail Line (**ERL**).

PROPERTY PROJECTS IN 2024

CENTRAL REGION (KUALA LUMPUR & SELANGOR)

Legend: *Launched* | *Acreage* | *Total no. of units* | *Expected completion* | *Completed*

Launched: 2019 | Acreage: 33.12 acres

Total no. of units: 1,822 (Residential phases 1 & 2)
Phase 1 – 736 including affordable homes
Phase 2 – 368 units of 1,086 have been launched

Expected completion: 2028

Berkeley Uptown is a freehold mixed-use development in Klang's central business district, presenting 'Modern Living in the Heart of Klang'. The development comprises serviced apartments, retail shops, offices, and a public park. It is anchored by Sri KDU International School Klang.

Uptown Residences 1 that was completed in 2024 offers a range of sizes: smaller units for first-time buyers and small families, and garden villa units for bigger families. Residents enjoy 16 modern facilities for all ages and multi-tiered security, including 24-hour CCTV surveillance.

Uptown Residences 2, launched in December 2024, is nestled on 7.37 acres of prime freehold land with two towers of serviced apartments and exclusive park villas. The homes bring the best of intergenerational living, offering five sizes ranging from 910 sq ft to 1,556 sq ft, with up to 4+1 bedrooms and three bathrooms, and up to four car parks per unit. Uptown Residences 2 have layouts that are perfect for first homebuyers, young families as well as larger households with senior family members. It is a development where different generations can flourish together in a secure haven that has a verdant central park, recreational podium deck, private rooftop garden that's the first-of-its-kind in Klang, 2.9 acres of lush landscapes and 40 lifestyle facilities for all ages. In addition, there is also a 10,000 sq ft indoor community social space.

Berkeley Uptown's commercial hub spans 7.69 acres. It houses the first Family Mart drive-through in Malaysia, with other lifestyle brands slated to join in later. The development is close to schools, commercial centres, malls, medical centres, major highways, and trains. The LRT 3 line, when completed, will further improve accessibility to this development.

Launched: Serviced residences in 2018
Office and retail spaces in 2019

Total no. of units: Serviced apartments – 493
Retail spaces and two office towers

Acreage: 5.09 acres

Completed: 2024

ATWATER is a visionary masterplan that redefines urban living. It is a vibrant community that seamlessly integrates retail, commercial, and residential spaces. ATWATER's Corporate Office Towers offer more than just exclusive office suites. Its strategic location in the heart of Section 13, Petaling Jaya, a thriving business hub, is supported by a wide range of amenities, including financial institutions, diverse dining options, convenient transportation, and easy access to major highways. The surrounding mature neighbourhoods provide a ready customer catchment for businesses operating in the area.

Tower A and Tower B are two Grade A, MSC-status-compliant buildings, designed sustainably and awarded with green building certification. Standing at eight and 16 storeys respectively, the corporate office towers offer versatile workspaces with a range of practical floor plates. Paramount's corporate headquarters is at Tower B, a live showcase of what a well-designed corporate office can be at the address. ATWATER is a prestigious address designed for forward-thinking corporations that value sustainability, connectivity and practicality.

ATWATER's residential component of 493 serviced apartments was completed in 2022 and now hosts a thriving community.

PROPERTY PROJECTS IN 2024

CENTRAL REGION (KUALA LUMPUR & SELANGOR)

Legend:
Launched · *Acreage* · *Total no. of units* · *Expected completion* · *Completed*

2022 | 6.02 acres
356 | 2025

Bearing the concept of 'Smart Home Living at Your Fingertips', **Arinna Kemuning Utama** is a freehold low density landscaped residential development at Kemuning Utama, Shah Alam. It comprises two residential towers with generous built-up sizes of 1,011 sq ft and 1,528 sq ft. All units enjoy smart home features and are protected with multi-tiered security.

A mini retail complex fronting the development provides convenient access to groceries, eateries, and other day-to-day necessities. There are also public and international schools, banks, medical centres, and commercial hubs in the vicinity.

PROPERTY PROJECTS IN 2024

NORTHERN REGION (SUNGAI PETANI & PENANG)

2012 | 657.1 acres
5,936
Units launched – 3,499 | 2028

Bukit Banyan is a unique award-winning freehold hillpark development in Sungai Petani. It was launched in 2012 as a 520-acre township with a 25-acre landscaped hillpark. Paramount Property purchased an adjoining 137.1 acres in 2020 to expand the township as all launches were well-received.

The township offers a variety of products, ranging from single and double-storey terrace houses to double-storey semi-detached homes, bungalows, townhouses, and shop offices. Bukit Banyan has received awards for its family-centric designs and landscaping. The hillpark won the EdgeProp-ILAM Malaysia's Sustainable Landscape Awards 2021 – Landscape Planning (Gold) and Excellence in the StarProperty Award 2024 in Placemaker Award category.

Wisma Paramount, Paramount Property's northern regional office, which is located at Bukit Banyan, enjoys a Platinum rating from GreenRE and a Silver from Green Building Index.

In 2024, there were three launches: Cassia with 137 units of single-storey terrace houses, Aspera with 111 units of double-storey terrace houses, and Aspera Elite, with 80 units of double-storey terrace houses.

PROPERTY PROJECTS IN 2024

NORTHERN REGION (SUNGAI PETANI & PENANG)

Legend: *Launched* · *Acreage* · *Total no. of units* · *Expected completion* · *Completed*

2016 | 33.8 acres
4,606
Units launched – 2,811 | 2030

Utropolis Batu Kawan is Paramount's first integrated mixed development project in Penang. It comprises residential apartments, commercial and retail lots, as well as the UOW Malaysia KDU Penang University College campus.

The latest residential phase, Savana, was launched in March 2023. Savana won Honours in the 'Family-Friendly Award (High-Rise) – Beyond Greater KL' category at the StarProperty Awards 2023. One of its key unique selling propositions is the array of facilities spanning over three floors.

In November 2024, Utropolis Batu Kawan launched Seiras Avenue comprising 10 units of shops, perfect for setting up lifestyle facilities for residents of the soon-to-be launched 411 units of dual- and triple-key Seiras serviced apartments.

Utropolis Batu Kawan has easy access to the North-South Expressway, the second Penang Bridge, McDonald's drive-through, Starbucks drive-through, IKEA, Design Village Outlet Mall, and Batu Kawan Industrial Park, where opportunities abound.

2023 | 17.87 acres
58 | 2025

Business owners will benefit from the freehold modern light industrial units at **Paramount Palmera Industrial Park** at Bukit Minyak, Penang. The 52 semi-detached and six detached light industrial units with expandable space can be adapted with the growth of business.

Bukit Minyak is next to Bukit Mertajam and just 4.5km or a 9-minute drive to the Bukit Tambun Utara toll plaza of the North-South Expressway.

EQUITY VENTURE

Legend:
Launched · *Acreage* · *Total no. of units* · *Expected completion* · *Completed*

Launched: 2020 | Acreage: 0.67 acres
Total no. of units: 227 | Completed: 2024

Na Reva Charoennakhon in Bangkok is a freehold condominium project by Navarang Charoennakhon, which is 49% equity owned by Paramount.

The 29-storey building is a waterfront development next to the Chao Phraya River, just minutes to Bangkok's Central Business District and key attractions. It enjoys one of the best panoramic skylines with a river view. The modern apartments come with amenities such as an infinity-edge pool, fitness centre, various gardens, and even a coworking space.

The project marries timeless aesthetics with comfort and functionality for multigenerational use, and enjoys easy access to public transport. Our equity partner, Navarang Asset Co. Ltd, was awarded the 'Best Developer Residential High-Rise' by the Dot Property Thailand Awards 2021.

The project was launched to the Malaysian market in January 2025.

NEW LAUNCHES IN 2025

Launched: 2025 | Acreage: 69.2 acres
Total no. of units: 766 Units launched – 30 (The Shoppes) | Expected completion: 2029

Paramount Embun Hills is a private community that offers idyllic intergenerational living, right next to the lush Bukit Mertajam rainforest. Spanning 69.2 acres, the development consists of a total of 766 units of two-storey terrace houses, two-storey cluster houses, two-storey semi-detached houses and low cost apartments. Complementing the residential component is The Shoppes, a boutique commercial development with freehold two-storey shop offices.

These thoughtfully designed homes offer comfortable living spaces for every generation, from the young to the young at heart.

CO-LABS COWORKING

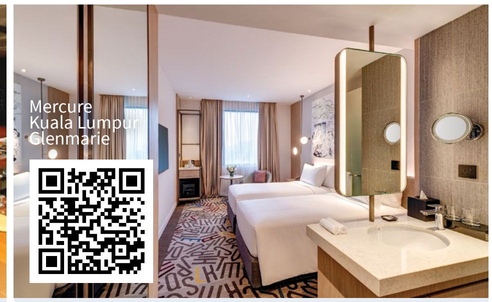
Co-labs Coworking is a network of vibrant coworking spaces designed for entrepreneurs, small and medium-sized enterprises, and corporates. With its network of spaces in Kuala Lumpur, Petaling Jaya and Shah Alam, Co-labs Coworking's turnkey solutions offer comprehensive, dynamic and flexible office solutions, including a collaborative ecosystem and holistic working environment, giving its members opportunities to improve workplace wellness. It continues to expand its network, adding on a new space in early 2024 and will open two more in 2025.

As demand for flexible workspace continues to rise, Co-labs Coworking is committed to expanding its network and solidifying its position as a leading provider.

SCALABLE

Scalable Malaysia is a dynamic, one-stop workspace solutions provider dedicated to redefining work environments in response to post-COVID trends. Scalable Malaysia specialises in location sourcing, consulting, and crafting strategic, innovative interiors that prioritise spatial experience. Over time, Scalable Malaysia has expanded its offerings from workspaces to include sales galleries, retail, F&B, and sports facilities.

INVESTMENT & OTHERS



Education

Paramount has a strategic stake in a tertiary education business that comprises **University of Wollongong Malaysia Sdn Bhd** and **UOW Malaysia KDU Penang University College Sdn Bhd**. In late 2018, Paramount entered into a share purchase agreement with UOWM Sdn Bhd and relinquished its majority stake to the latter in 2019. Paramount is sub-leasing three campuses to this tertiary education group.

Food & Beverage

DEWAKAN

Since receiving its first MICHELIN Star in 2023, **Dewakan** has consistently refined culinary excellence. In 2024, Dewakan proudly became the first restaurant in Malaysia to be awarded two MICHELIN Stars. The same year, Chef Darren Teoh was celebrated with 2 Knives at the Best Chef Awards, signifying 'world-class' status, and Dewakan was recognised as one of the Best 100 Restaurants in Asia by Tatler Asia. The fine dining restaurant at Naza Tower, Kuala Lumpur retained its two MICHELIN Stars in 2025 and is the only restaurant in Malaysia to be awarded a MICHELIN Green Star for its commitment to sustainability.

Hospitality

MERCURE
HOTELS
KUALA LUMPUR GLENMARIE

Mercure Kuala Lumpur Glenmarie is a locally inspired four-star international hotel managed by Accor S.A. (a French hospitality brand), featuring 229 well-appointed rooms and suites with a vibrant contemporary design. With customisable meeting spaces, F&B options such as the Warna All-Day Dining showcasing local flavours and the industrial-chic Urban@13 Rooftop Bar, and recreational facilities of a gym and a saltwater pool, the hotel offers its guests an overarching experience of 'Feel Local Everywhere'. It is situated next to the University of Wollongong Malaysia campus and was built as part of the Utropolis Glenmarie development with commercial, residential, and institutional components.

Investment in Other Businesses

As part of its income diversification strategy, Paramount embarked on the following:

- **Overseas property development**
  In May 2024, Paramount, through its wholly owned subsidiary Flexsis Sdn Bhd, acquired 21.5% equity interest in Eco World International Berhad (EWI), a company also listed on Bursa Securities, with projects in the United Kingdom and Australia.

- **Digital platforms**
  Paramount's digital journey began in 2018 when Magna Intelligent Sdn Bhd (Magna Intelligent) was incorporated as a wholly owned subsidiary to invest in the digital space. It first invested in OpenLearning Ltd, an Australian online education platform for tertiary education institutions. OpenLearning was subsequently listed on the Australian Securities Exchange in 2019.

  In August 2021, Magna Intelligent made its first fintech investment with a 30% equity interest in Omegaxis Sdn Bhd, the holding company of Peoplender Sdn Bhd that operates Fundaztic, a P2P financing platform registered with the Securities Commission Malaysia. Peoplender also operates in Singapore through its subsidiary, Fundaztic SG Pte Ltd.

  In March 2022, Magna Intelligent invested in Commerce DotAsia Ventures Sdn Bhd, an all-in-one e-commerce ecosystem that provides one-stop e-commerce solutions for brands, businesses, and SMEs in Southeast Asia.

AWARDS & RECOGNITION IN THE PAST THREE YEARS

2024

Paramount Corporation Berhad

BCI Asia Awards 2024

Top 10 Developers Awards 2024

Malaysia Developer Awards 2024

- *Top-of-the-Chart Awards for Market Capitalisation below RM1 billion – Ranked 1st*
- *Best Qualitative for Market Capitalisation below RM1 billion – Ranked 1st*
- *Best in Quantitative for Market Capitalisation below RM1 billion – Ranked 1st*

StarProperty Awards 2024

StarProperty All-Stars Award – Ranked 6th

Paramount Property

Putra Aria Brand Awards 2024

Silver in Property category

The Edge Property Excellence Awards 2024

The Edge Top Property Developers Awards 2024 – Ranked 12th

Bukit Banyan

StarProperty Awards 2024

Excellence in The Placemaker Award

Co-labs Coworking

ASEAN Property Developer Awards 2023/2024

- *Best Work Space Development*
- *Innovative Developer Award*

Dewakan

The MICHELIN Guide Kuala Lumpur and Penang 2025

- *Two MICHELIN Stars*
- *One MICHELIN Green Star*

Best 100 Restaurants in Asia by Tatler Asia

Best Chef Awards 2024

- *2 Knives – Darren Teoh*

Scalable Malaysia

ATAP Design Awards 2024

- *Best Public Space Design for The Ashwood gallery*
- *Best Retail Design for ZCOVA retail store*

AWARDS & RECOGNITION IN THE PAST THREE YEARS

2023

Paramount Corporation Berhad

BCI Asia Awards 2023

Top 10 Developers Awards 2023

Malaysia Developer Awards 2023

- *Top-of-the-Chart Awards as one of the Top 5 for Market Capitalisation below RM1 billion – Ranked 2nd*
- *Best Qualitative for Market Capitalisation below RM1 billion – Ranked 1st*

StarProperty Awards 2023

StarProperty All-Stars Awards – Top 10 Listed Companies – Ranked 7th

Paramount Property

The Edge Property Excellence Awards 2023

The Edge Top Property Developers Awards 2023 – Ranked 12th

Savana, Utropolis Batu Kawan

StarProperty Awards 2023

Honours in the Family-Friendly Award (High-Rise) – Beyond Greater Kuala Lumpur category

Sejati Lakeside 2

StarProperty Awards 2023

Excellence in the Family-Friendly Award (Landed) – Within Greater Kuala Lumpur category

Dewakan

The MICHELIN Guide Kuala Lumpur and Penang 2024

Two MICHELIN Stars

2022

Paramount Corporation Berhad

Minority Shareholders Watch Group (MSWG)- ASEAN Corporate Governance Award 2021

Industry Excellence Award for Corporate Governance Disclosure-Property

Malaysia Developer Awards 2022

- *Top-of-the-Chart Awards as one of the Top 5 for Market Capitalisation below RM1 billion – Ranked 4th*
- *Ranked 1st for Transparency among all reviewed companies, including companies with market cap above RM1 billion*

The Edge Malaysia's Centurion Club & Corporate Awards 2022

Highest Return on Equity Over Three Years in the Property Sector

Paramount Property

The Edge Property Excellence Awards 2022

The Edge Top Property Developers Awards 2022 – Ranked 12th Overall & 7th for Qualitative

StarProperty Awards 2022

StarProperty All-Stars Award

Sinaran Residences, Utropolis Batu Kawan

StarProperty Awards 2022

Excellence in the Family-Friendly Award (High-Rise)

The Atrium

StarProperty Awards 2022

Honours in the 'Close to Home' category

Dewakan

The MICHELIN Guide Kuala Lumpur and Penang 2023

One MICHELIN Star

Asia's 50 Best Restaurants 2022

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

QUAH CHEK TIN
Chairman &
Independent Non-Executive Director

JEFFREY CHEW SUN TEONG
Group Chief Executive Officer &
Executive Director

BENJAMIN TEO JONG HIAN
Deputy Group Chief Executive Officer &
Executive Director

ONG KENG SIEW
Senior Independent Non-Executive Director
Mobile : 018-959 8578
Email : ksong@pcb.my

QUAH POH KEAT
Independent Non-Executive Director

FOONG PIK YEE
Independent Non-Executive Director

DATO' ONG ENG BIN
Independent Non-Executive Director

SECRETARY

NG WAI PENG
MAICSA 7014112
SSM Practising Certificate No. 202008003726

REGISTERED OFFICE

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Telephone : 03-7712 3333
Facsimile : 03-7712 3322
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INVESTOR RELATIONS

Investor Relations Department
Telephone : 03-7712 3337
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REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
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Facsimile : 03-2095 5332

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
Al Rajhi Banking & Investment Corporation (Malaysia) Bhd
Affin Islamic Bank Berhad
AmBank Islamic Berhad
Bank Islam Malaysia Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code : 1724
Stock Name: PARAMON
(Listed since 15 July 1971)

02

THE STORY

MESSAGE FROM **THE CHAIRMAN**

DEAR SHAREHOLDERS,

On behalf of the Board of Directors (the Board), I am honoured to present the annual report and audited financial statements of Paramount Corporation Berhad (Paramount or the Company) for the financial year ended 31 December 2024 (FY2024).

Malaysia's economy grew by 5.1% in 2024, driven by strong investments and domestic spending. The country recorded RM378.5 billion in approved investments, a 14.9% increase and a record high. Domestic investment accounted for RM208.1 billion (55%) while foreign investment contributed RM170.4 billion (45%). The Property Market Report 2024 also reported exceptional performance, with 2024 reporting the highest volume and value of transactions in the decade.

Against this backdrop, Paramount and its subsidiaries (**the Group**) secured revenue of RM1.0 billion once again, and a profit before tax (**PBT**) of RM156.9 million in FY2024, representing 3% and 20% increases respectively than that of the preceding year. We are proud to have broken several other records and finished the year strong. You can read more about it in the Management Discussion and Analysis on page 24.

I am also pleased to note here that Paramount relocated its corporate office to Tower B of Pusat Perdagangan Dataran Atwater, Petaling Jaya in November 2024. ATWATER's two office towers are Paramount's first high-rise commercial development, and a part of Paramount's first integrated development in Petaling Jaya. As such, the completion of ATWATER and our corporate office moving there are significant milestones for Paramount, more so as the Company concludes its current five-year plan and gears up for the next one starting 2026.

ENSURING SHAREHOLDER VALUE CREATION

The Board has been declaring second interim dividends since last year instead of proposing final dividends. As mentioned in the last annual report, this helps space out the payouts. For FY2024, we declared three interim dividends totalling 7.5 sen per share, which is 0.5 sen higher than the FY2023 dividends of 7.0 sen per share.

The first interim dividend of 3.0 sen per share was paid on 26 September 2024, the second, 3.0 sen per share was paid on 26 December 2024, while the third interim dividend of 1.5 sen per share was paid on 21 March 2025.

The FY2024 dividends translate to a yield of 7.1% against Paramount's closing share price of RM1.05, as at 31 December 2024, surpassing the Employee Provident Fund dividend rate of 6.3% for both Conventional and Shariah savings. The payout ratio of FY2024 at 46% is more than double that of our Dividend Policy's minimum payout of 20% of net profits attributable to shareholders.

We will continue to enhance shareholder value while ensuring sustainable growth for the company.

FOCUSED ON SUSTAINABLE GROWTH

Paramount remains committed to value creation and sustainable growth in the execution of its five-year (FY2020 – FY2024) strategic plan that was extended to six years due to COVID-19. We continue to deliver high quality products and services, optimising capital use and making strategic investments that enhance long-term shareholder value.

Property development remains Paramount's core business, as outlined in its strategic plan, with integrated mixed development and landed residential being the mainstay at a ratio of about 70:30. In FY2024, our property development launch of RM2.2 billion comprised 72% high-rise residential, 27% landed residential, and only 1% commercial.

QUAH CHEK TIN
Chairman & Independent Non-Executive Director

Paramount's Board of Directors at the office opening ceremony at Tower B of Pusat Perdagangan Dataran Atwater, Petaling Jaya

Our land replenishment strategy focused on sites that can be developed within a short period of time to achieve better capital efficiency. On top of that, we are partial to locations where we can leverage our strong brand presence while not totally discounting opportunities at growth locations with good public infrastructure. Guided by these priorities and our aspiration to replicate our two recent successes (The Ashwood and The Atrium) in the U-Thant area of Kuala Lumpur, Paramount signed a sales and purchase agreement in December 2024 to acquire a 4.5 acre of leasehold land with existing condominiums.

To diversify our income base and expand our property market beyond Asia, in particular the United Kingdom and Australia, Paramount acquired 21.5% equity stake in Eco World International Berhad (**EWI**) in May 2024. The deal has shown immediate positive results to the Group's bottom line through dividend income.

The coworking business, Co-labs Coworking, is on a growth trajectory, having expanded to seven locations by the end of 2024, with plans to open two more in 2025. Meanwhile, Paramount FoodPrint is opening Bidou, a new French restaurant in 2025 as our two-MICHELIN starred Dewakan celebrates its 10th anniversary.

The Board and Management are working on Paramount's next five-year plan (2026 - 2030), keeping in mind both capital and operational efficiencies, to ensure sustainable growth for Paramount as we journey into our 60th year in 2029.

RECOGNISED FOR UPHOLDING EXCELLENCE

Paramount was bestowed with multiple awards across various businesses in 2024, underscoring its commitment to excellence and innovation across the Group.

> **The FY2024 dividends translate to a yield of 7.1% against Paramount's closing share price of RM1.05, as at 31 December 2024.**

At the Malaysia Developer Awards 2024, Paramount led in the category of companies with Market Capitalisation Below RM1 billion. We also achieved first place for both Best Qualitative Performance and Best Quantitative Performance in this category.

At the StarProperty Awards 2024, Paramount Property secured Excellence in the Placemaker category for Bukit Banyan in Sungai Petani as well as the sixth place for the All-Stars Award.

Further solidifying its reputation, Paramount was named one of the Top 10 Developers at the BCI Asia Awards. Paramount Property was also awarded Silver in the Putra Aria Brand Awards 2024 under the property category. Winning these awards signifies the trust and confidence Malaysians have in the Paramount Property brand as the people's developer.

As for the coworking business, Co-labs Coworking was honoured at the ASEAN Property Developer Awards 2023/2024. This recognition highlights Co-labs Coworking's excellence in providing collaborative and dynamic coworking spaces. Scalable Malaysia, a provider of build and design solutions under the coworking business, was also recognised at the Atap Design Awards 2024.

Dewakan continued to make strides in the world of gastronomy. In the 2025 MICHELIN Guide for Kuala Lumpur and Penang, Dewakan retained its two MICHELIN Stars, a testament to its cooking and culinary artistry. Dewakan also made history by becoming the first restaurant in Malaysia to receive the MICHELIN Green Star in 2025 for its commitment to sustainability and environmental responsibility in its operations.

Paramount Property's Annual Dinner with the theme of "back to school"

NURTURING OUR GREATEST ASSET

At Paramount, employee well-being, safety and productivity are fundamental to our workplace culture. We invest in learning and development to ensure that our people, from fresh graduates right through to senior management, have the right skills and knowledge in an ever-changing business environment.

Our approach to employee wellness is holistic, encompassing mental, physical, and financial health.

We offer a variety of health screenings and fitness programmes aimed at encouraging preventive care and maintaining overall well-being. As Paramount progresses, the holistic well-being of our workforce remains a top priority.

CHANGING LIVES AND ENRICHING COMMUNITIES FOR A BETTER WORLD

In 2024, we celebrated several milestones in our sustainability journey. Our ESG sustainability effort is led by our Deputy Group Chief Executive Officer, Mr Benjamin Teo, and his report is available on Paramount's website.

I would like to mention that in August 2024, Paramount issued its first Sustainability-Linked Sukuk Wakalah. This was on the back of the Sustainability-Linked Financing Framework that received a Gold Impact Assessment from MARC Ratings Berhad. This shows that we have

Dewakan received two MICHELIN Stars at the 2025 MICHELIN Guide for Kuala Lumpur and Penang. It was also the first and only Malaysian recipient of the MICHELIN Green Star for sustainable gastronomy aligned our operations with our financing in our sustainability journey.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our deepest appreciation to our shareholders, business associates, bankers, customers, and all other stakeholders. Your support and confidence in Paramount is the foundation of our journey.

We also extend our sincere appreciation to our management team for their commitment and exceptional accomplishments over the past year. We also thank all our employees for their perseverance in the pursuit of value creation and driving growth. Continuous feedback and engagement are essential as we aim to exceed our current achievements and attain new heights.

I would also like to express my gratitude to my fellow Board members for their invaluable guidance and insights, and helping the Group successfully move from strength to strength.

Additionally, I wish to also extend our heartfelt appreciation to Puan Fatimah Binti Merican who resigned from the Board on 12 March 2025. Puan Fatimah joined Paramount in July 2018 and at the time of her resignation, was serving as the Chairman of the Remuneration Committee and a member of both the Audit Committee and the Nominating Committee. We sincerely thank Puan Fatimah for her contributions and we wish her every success in her endeavours.

I look forward to the journey ahead with optimism as we embark on the next five-year plan. These are exciting times as we continue our pursuit of value creation and sustainable growth.

Paramount issued its first Sustainability-Linked Sukuk Wakalah with AmBank Islamic Berhad as sole subscriber and AmInvestment Bank Berhad as principal adviser

MANAGEMENT DISCUSSION **AND ANALYSIS**

In 2024, the Malaysian economy exhibited a commendable growth rate of 5.1%, a notable increase from the 3.6% growth recorded in 2023. This upward trajectory can be attributed to a sustained expansion in domestic demand coupled with a significant resurgence in export activities.

2024 ECONOMY RECAP

The domestic landscape played an instrumental role in this growth, with stronger household spending emerging as a critical driver. This phenomenon can be closely linked to favourable labour market conditions, targeted policy measures designed to support household incomes, and the overall health of household balance sheets. These factors have created an environment conducive to increased consumer confidence and spending, thus propelling the economy forward.

JEFFREY CHEW SUN TEONG
Group Chief Executive Officer & Executive Director

According to the Property Market Report 2024 by the Ministry of Finance, Valuation and Property Services Department, the volume and value of property transactions for the year expanded by 5.4% and 18.0%, respectively, reaching 420,545 transactions worth RM232.3 billion, compared to 2023 (399,008 transactions worth RM196.8 billion).

The Malaysian residential property market, which forms 62% of the volume of transactions, has exhibited notable resilience, overcoming the disruptions caused by the COVID-19 pandemic. Residential market activity continued to strengthen, recording a marginal increase of 4.0% in volume and 5.9% in value.

Annual transaction volume and value for residential have not only rebounded but surpassed pre-pandemic levels recorded in 2019, and continue climbing. This recovery aligns with the broader economic resurgence, indicating a positive correlation between the health of the property market and the overall growth of the Malaysian economy.

Against this backdrop, Paramount Corporation Berhad (**Paramount** or **the Company**) and its subsidiaries (**the Group**) head towards the completion of its 5-year strategic plan, setting new sales and revenue records yet again, as the Company remains focused on its value creation journey and sustainable growth.

FINISHING STRONG

As Paramount sets to conclude the implementation of its five-year strategic plan for the financial years 2020 to 2024, that was extended for a year to accommodate the effects of the COVID-19 pandemic, we celebrate 2024 on a high note. We are grateful for the trust and support our stakeholders have placed in us.

What enabled the Management to move with strength and agility over the last five years – and even the decade – that included some of the toughest of times in our history – is our determination to always uphold the twin pillars of value creation and sustainable growth as our priorities.

Management is proud to say that financial year 2024 (**FY2024**) was a year of record-breaking results and new benchmarks in strategic acquisitions. Our property sales breached the billion-ringgit threshold for the third year running, touching RM1.4 billion in 2024. Our revenue touched RM1 billion for the second year and is the highest in our history. Our record unbilled sales of RM1.6 billion is an indication of the Group's near-term cashflow, as long as construction proceeds as scheduled.

These feats were achieved through diligence and financial discipline in conducting our core business, as well as being strategic about our land replenishment.

We divested our non-core education business – fully exiting pre-tertiary education businesses and continued to reduce our stake in the tertiary education business. Proceeds were mainly reinvested into our core business of property development and shareholders rewarded with special dividends totalling 41 sen, i.e. 29 sen in FY2020 and 12 sen in FY2022.

Over the last five years, Paramount has doubled its property operations, growing its annual sales from RM770 million in 2020 to the record-breaking RM1.4 billion in 2024. This supported the Group charting a compounded annual growth rate (**CAGR**) of 15% for its revenue, from RM593.6 million in 2020 to the record of RM1,040.2 million in FY2024. The Group's profit before tax (**PBT**) grew by a CAGR of 32% from RM51.5 million in 2020 to RM156.9 million in FY2024.

Paramount has always been committed to environmental and socially responsible business practices in driving product and service excellence, but in recent years it had become increasingly intentional in defining how it advanced sustainability across the entire business.

> **Management is proud to say that FY2024 was a year of record-breaking results and new benchmarks in strategic acquisitions.**

Each townhouse at Greenwoods Senna enjoys a side terrace, with certain units also having a back terrace, providing the perfect space for family gatherings and outdoor dining

Paramount was proud to issue its first Sustainability-Linked Sukuk Wakalah in August 2024. By linking this Sukuk to specific sustainability targets, we took a bold step forward by ensuring that our financial activities support our business goals while contributing positively to environmental and social objectives. On top of that, our Sustainability-Linked Financing Framework received a Gold Impact Assessment by MARC Ratings Berhad, solidifying our commitment to environmental, social and governance (**ESG**) practices.

One of the highlights of FY2024 was our acquisition of 21.5% equity stake in Eco World International Berhad (**EWI**) another Malaysian public listed property company with operations in the United Kingdom (**UK**) and Australia. This investment provided Paramount access to markets outside of Asia through a company that operates within a familiar governance framework. The transaction has led to immediate positive financial impact to our financial results with its dividends.

Not least, the Malaysia Developer Awards recognised Paramount as the top-performing property developer among all players with market capitalisation below RM1 billion. Paramount also won awards for its property projects and coworking businesses.

We focused on these strategies in FY2024.

Strong Value Proposition

At Paramount, we remain deeply committed to creating value in everything we do. By putting people first, designing for life and uplifting communities, Paramount Property as the people's developer consistently delivers innovative, sustainable, and high-quality solutions that resonate with the needs of our customers.

The Atera in Petaling Jaya showcases its appeal as a transit-oriented development adjacent to the Asia Jaya Light Rail Transit (**LRT**) station, meeting the growing demand for conveniently located residential options for singles, young families and even retirees.

There is also The Ashwood, our newly-launched luxury high-rise development in Kuala Lumpur. Inspired by the elegance of traditional Chinese mansions, The Ashwood features layouts with vast living areas, large L-shaped balconies, and smart home features, offering both functionality and comfort. The two 49-storey towers and 12 exclusive villas are complemented by resort-style interiors, many amenities, and green features that ensure sustainability without compromising luxury. The Ashwood also showcases Paramount's ability to develop a variety of products, including luxury high-rises in premium location preferred by high-net worth individuals.

There is always demand for landed homes – and we cater to this need with carefully planned developments at various locations but always harmonised with the beauty of nature. For instance, Bukit Banyan features a beautifully landscaped 25-acre hillpark that stands tall at the heart of the development. In 2024, Bukit Banyan won Excellence in The Placemaker Award from StarProperty Awards. In Cyberjaya, our Sejati Lakeside series offer generously sized modern homes with green parks and waterscapes. Meanwhile, Greenwoods Salak Perdana is set against picturesque green hills and includes Laman Rimba, a mini forest trail that brings residents closer to nature. Each of these landed developments reflects our commitment to integrating natural elements with quality living spaces, enhancing both lifestyle and well-being.

On the commercial front, ATWATER Corporate Towers stands out with its elegant low-E glass façade surrounded by lush greenery and fronted by water fountains. Both the Grade A office towers meet MSC-status requirements and are certified with a GreenRE rating. Dataran Atwater at Jalan Profesor Diraja Ungku Aziz, Petaling Jaya, is a prestigious business address, and an ideal choice for forward-thinking companies.

The ATWATER corporate towers at Jalan Profesor Diraja Ungku Aziz, Petaling Jaya is a prestigious business address for forward-thinking companies

Our efforts as a value creator were also affirmed when Paramount clinched the top place at the Malaysia Developer Award 2024 in the Top-of-the-Chart-Awards for Market Capitalisation Below RM1 Billion category, also sweeping both the Best in Qualitative and Best in Quantitative awards.

Efficiency Through Standardisation

Paramount remains committed to prioritising safety and minimising waste in all construction activities. Product standardisation and process efficiency have never been more critical in light of escalating costs associated with construction materials and labour.

Bulk buying of building materials offers significant benefits, including better pricing and reduced project costs. This approach helps Paramount secure a steady supply of materials, minimising risks from price fluctuations and shortages, ultimately enhancing project efficiency.

Similarly, adopting Industrialised Building Systems (**IBS**) improves construction safety, quality, and consistency. By standardising components and processes, IBS leads to more reliable outcomes and fewer on-site errors. It promotes better risk management through strict quality control, allowing for early identification of potential issues, which helps reduce delays and costs.

We also focus on product standardisation and process efficiency to optimise cost structures and reduce reliance on manual labour, enhancing productivity. Adopting self-climbing platforms has allowed us to gain tremendous savings in lead time. This approach improves our productivity and contributes to our projects' sustainability, aligning with industry best practices.

Digital Transformation

We envision a future where technology transforms our lives and works for a better world. At our new corporate

Technology enables our handover process and defects reporting seamless and efficient

office at Tower B, Pusat Perdagangan Dataran Atwater, we had integrated facial recognition technology for secure and convenient access, reflecting our commitment to innovation and smart workplace solutions. At the car park, the licence plate technology is implemented.

Meanwhile, we continued to leverage digital technologies across our property operations, including project design and approvals. Integrating digital applications has been instrumental in streamlining communication and enriching the customer experience. Our digitalised marketing and sales processes enable customers to interact with us seamlessly through online platforms.

Our websites facilitate customers' informed decision-making. Customers can track the construction progress of their properties on Paramount Property's website. A customer app supports the handover process and defects reporting.

Our e-procurement system automates the purchase-to-payment process, streamlining operations, and enhancing efficiency and transparency. We have also implemented e-invoicing that is now a statutory requirement.

Like many companies, hybrid meetings have become a norm, enabling collaboration across locations while saving travel time and lowering our carbon footprint.

Selective Land Replenishment

The Group continued to actively look for land at strategic locations for future development. We are ever mindful that any new land acquired has to be developed speedily and deliver attractive, sustainable returns to our shareholders.

Our land replenishment strategy and project launches are guided by a target revenue ratio of 70:30 for integrated mixed development and landed residential for sustainable growth.

On 12 December 2024, Paramount signed a sale and purchase agreement for 4.5 acres of leasehold land with 93 units of condominium on it (currently known as Brunsfield Residence) at the U-Thant area of Kuala Lumpur, for either refurbishment or redevelopment, leveraging on the success of our two projects next door, The Ashwood and The Atrium. The transaction is pending completion.

Monetisation of Non-core Assets – Tertiary Education Business

Pursuant to our share purchase agreement dated 19 November 2018 between Paramount and UOWM Sdn Bhd (**UOWM**), UOWM exercised its call option on 30 August 2024 to acquire 10% of the shares of University of Wollongong Malaysia Sdn Bhd and UOW Malaysia KDU Penang University College Sdn Bhd from Paramount for RM5.3 million. The transaction is pending approval from the Ministry of Higher Education.

REVENUE

FY2024
RM1.0
billion

FY2023: RM1.0 billion

PROFIT BEFORE TAX

FY2024
RM156.9
million

FY2023: RM130.2 million

PROFIT ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS

FY2024
RM102.4
million

FY2023: RM82.8 million

REVIEW OF FINANCIAL RESULTS

In FY2024, the Group reached a new high in revenue at RM1.0 billion, a 3% increase from that in FY2023. On the back of sustained revenue from the property segment and dividend income from its investment in another property developer, the Group's PBT rose by 20% to RM156.9 million compared to RM130.2 million recorded in FY2023. Meanwhile, the Group's profit attributable to ordinary equity holders grew 24% to RM102.4 million (FY2023: RM82.8 million).

The key contributors to the better FY2024 financial results were the improved PBT of the investment and others segment and the property segment.

For FY2024, the property segment recorded its highest ever PBT of RM145.0 million, accounting for 92.4% of the Group's PBT on the back of a revenue of RM965.3 million. Sales was also a new milestone at RM1.4 billion. These achievements were aligned to the five-year plan to scale up the core business of property development.

The investment and others segment has recorded a significant improvement in FY2024, anchored mainly by the contribution from the Group's investment in EWI. On the back of revenue of RM56.5 million (FY2023: RM27.1 million), the segment recorded a PBT of RM11.3 million compared to a loss before tax (**LBT**) of RM11.8 million.

The coworking segment achieved 80% increase in revenue to RM23.5 million (included inter-segment revenue of RM5.2 million) while PBT was lower at RM0.7 million (FY2023: RM2.0 million) mainly due to the absence of the reversal of impairment loss related to the Naza Tower space that was recognised in FY2023.

As of 31 December 2024, Paramount recorded total assets of RM3.1 billion, minimally higher from RM3.0 billion the year before while total liabilities increased to RM1.6 billion from RM1.3 billion.

On the back of improved financial performance, Paramount has increased the total dividends for FY2024 to 7.5 sen per share (FY2023: 7.0 sen) through three interim dividends declared for FY2024 representing a 46% payout of the Group's profit attributable to shareholders for the year. Over the years, Paramount has been consistent in paying dividend well above its dividend policy rate of 20% as its commitment to reward shareholders while balancing growth.

Since February 2024, the Board of Directors has adopted the practice of declaring interim dividends, instead of proposing final dividends, for quicker and more balanced dividend distribution throughout the year instead of having distributions clustered in the second half.

Capital Structure and Capital Resources

The Group is committed to maintaining an optimal capital structure to support its business operations while maximising shareholder value. To effectively monitor our capital structure, we employ the widely accepted financial metric of the debt-to-equity ratio, which indicates the relative proportion of debt and equity used to finance the Group's assets. As of 31 December 2024, the Group's gross and net gearing ratios were recorded at 0.67 times and 0.52 times respectively, higher compared to the previous year's ratios of 0.50 times and 0.37 times.

The elevation in these ratios can primarily be attributed to increased borrowings undertaken to partially finance the acquisition of shares in EWI in May 2024 and the refinancing of private debt securities in August and October of the same year. The increases were mitigated by the repayment of property development-related borrowings facilitated through progressive billings.

Cash and bank balances stood at RM217.0 million, as at 31 December 2024, higher than RM203.2 million a year ago.

Share capital increased marginally to RM335.3 billion as at 31 December 2024, a small rise of RM80,000 from the previous year, the result of the issuance of new shares from the conversion of warrants.

REVIEW OF OPERATING ACTIVITIES

Property

Paramount Property achieved an unprecedented milestone with the highest value of property launches in our history, totalling RM2.2 billion of GDV in 2024, in part due to The Ashwood's launch in Kuala Lumpur of RM780.7 million that was deferred from the year before. The remaining RM1.4 billion GDV of launches comprise six projects at our existing project locations in Selangor, Kedah and Penang.

Setting the stage for sustained revenue growth in the future, the division finished strong in FY2024 with record property sales of RM1.4 billion (FY2023: RM1.1 billion) as sales is converted to revenue when property is constructed, typically ranging from two to four years. The largest contributors to 2024 sales were The Ashwood in Kuala Lumpur, followed by The Atera in Petaling Jaya and Bukit Banyan in Sungai Petani.

2024 also saw a record completion of 2,702 properties (with certificates of completion), marking the successful completion of over RM2 billion GDV worth of properties at seven locations, including the two Grade A office towers at Pusat Perdagangan Dataran Atwater, and 241 units of condominium at The Atrium, Paramount's debut project in Kuala Lumpur.

The property segment recorded a slight drop in revenue to RM965.3 million, due to lower revenue in the first half of year resulting from deferred launches. Nonetheless, this was made up by significant improvement in sales with the launch of The Ashwood in May 2024 along with the contribution of ongoing projects. The largest revenue contributors were Sejati Lakeside 2 development in Selangor, Utropolis Batu Kawan development in Penang and Bukit Banyan in Kedah. The property segment's PBT was 4% higher at RM145.0 million (FY2023: RM140.1 million) mainly due to the change in product mix with more commercial and industrial products in the contribution along with benefits enjoyed from cost savings.

As at end FY2024, Paramount had 10 ongoing projects with a combined GDV of RM3.7 billion, the majority of which are residential products. Of the 10 ongoing projects, six are already more than 70% sold. The average take-up rate of 58%, as at 31 December 2024, was impacted by the large base of new products launched during the year coupled with shorter sales periods as some projects were launched in the second half of the year.

The inventory of completed properties stood at RM208.3 million as at end FY2024, a significant rise from RM60.6 million the year before largely due to the completion of commercial properties. Ninety percent of the completed properties are commercial while the remaining 10% are residential products.

The Ashwood enjoys stunning panoramic views of the Kuala Lumpur city skyline and the Royal Selangor Golf Course

Property Launches in FY2024

In 2024, Paramount launched a record-breaking RM2.2 billion worth of properties across seven locations, comprising 2,255 units. The sharp increase from RM886 million in 2023 was partly due to the deferment of The Ashwood to 2024. Of the total RM2.2 billion GDV, 27% consisted of landed properties, while 72% were high-rise developments, and the remaining 1% were commercial products.

Seiras Avenue at Utropolis Batu Kawan in Penang is ideal for cafes, convenience stores, wellness studios and other essential amenities

- **The Ashwood, Kuala Lumpur**
  With a GDV of RM780.7 million, The Ashwood, launched in May 2024, was a key contributor to our achievements in terms of launch value and sales. The development features two 49-storey towers with 302 condominium units and 40 duplexes, and 12 exclusive villas. Located at the prestigious U-Thant area of Kuala Lumpur, The Ashwood offers spacious layouts, large balconies, and smart home features, blending functionality with comfort. Its embedded green features ensure that the tranquil haven with stunning city views enjoys sustainability without compromising on luxury.

- **The Atera, Petaling Jaya**
  The Atera offers residents unparalleled connectivity. With an LRT station at its doorstep, residents enjoy hassle-free commute to various parts of the city for work and leisure. The mixed development is also well-connected to multiple highways, providing easy access to lifestyle amenities and essential services. Phase 2 with a GDV of RM633.9 million launched in June comprises 788 semi-furnished serviced apartments with smart home feature, and five retail units. The apartments range in sizes from 775 sq ft to 1,420 sq ft and are designed for GreenRE certification, reflecting our commitment to sustainability.

- **Sejati Residences, Cyberjaya**
  Sejati Residences Phase 4 in Cyberjaya marks the final installment of our award-winning residential development, seamlessly blending modern living with nature. This exclusive phase, with a GDV of RM208.1 million, features 170 units of thoughtfully designed three-storey park homes, crafted to foster multigenerational living and family togetherness.

- **Bukit Banyan, Sungai Petani**
  Renowned for its modern house designs as much as for its 25-acre hillpark and lakes in the development, Bukit Banyan launched 328 new homes with a total GDV of RM124.9 million on the new land that Paramount bought in 2020, adjacent to the original plot, to expand the township. The launch comprises 137 units of single-storey terrace homes (Cassia), 111 double-storey terrace homes (Aspera) and 80 units of double-storey terrace homes (Aspera Elite), meeting varying lifestyle needs, preferences and price points.

- **Utropolis Batu Kawan, Penang**
  The launch of 10 units of Seiras Avenue shops with a GDV of RM23.3 million marks the start of Utropolis Batu Kawan's fifth phase. These commercial units are ideal for cafes, convenience stores, wellness studios and other essential amenities to serve the future residents of the 411 dual- and triple-key serviced apartments that will be launched in 2025.

- **Berkeley Uptown, Klang**
  Uptown Residences 2 features 232 units of family-friendly serviced apartments across three blocks, with a GDV of RM162.8 million. Sitting in the heart of Klang, this urban oasis offers a three-tier security system and multiple recreational spaces, including a central park. Adding to its appeal is the Sri KDU International School that was purpose built as part of the development right at the doorstep. Residents also enjoy proximity to schools, shopping centres, and medical facilities, and major highways, making it a desirable place to live.

- **Greenwoods Salak Perdana, Sepang**
  Nestled on 18 acres of freehold land, Greenwoods Senna offers a collection of 368 units of semi-detached townhouses with a total GDV of RM250.4 million. Its open concept layouts range from 34′ x 65′ to 44′ x 75′. Each unit in the gated and guarded enclave enjoys a side terrace, with certain units also having a back terrace, providing the perfect space for family gatherings and outdoor dining.

Land Replenishment

As at 31 December 2024, the Group has 369.4 acres of undeveloped land and a potential GDV of RM5.5 billion, with developments planned through to 2031.

Following the success of The Ashwood and The Atrium in Kuala Lumpur, Paramount signed a sales and purchase agreement for a 4.5-acre piece of leasehold land in their vicinity in December 2024. As the transaction has yet to be completed as at 31 December 2024, it is not included as land bank in the table below.

	Project/Location	Status	Remaining Gross Undeveloped Land (Acres)	Remaining GDV* (RM'mil)	Development Period	
					Start	End
NORTHERN	Bukit Banyan, Sungai Petani	On-going	25.9	227	2012	2027
	Bukit Banyan (Expansion), Sungai Petani	On-going	104.3	318	2024	2028
	Utropolis Batu Kawan, Penang	On-going	11.3	1,096	2016	2030
	Paramount Palmera, Penang	On-going	0	0	2023	2025
	Embun Hills, Penang	In the pipeline	69.2	461	2025	2029
	Bandar Laguna Merbok, Sungai Petani	Future	14.4	53	2026	2028
CENTRAL	Kemuning Utama, Shah Alam	On-going	19.6	341	2004	2028
	Sejati Residences, Cyberjaya	On-going	0	163	2013	2027
	Sekitar26, Shah Alam	Completed	0	20	2013	2021
	Greenwoods Salak Perdana, Sepang	On-going	50.6	681	2015	2027
	ATWATER, Section 13, Petaling Jaya	Completed	0	281	2018	2024
	Berkeley Uptown, Klang	On-going	7.7	714	2019	2028
	The Atrium, Kuala Lumpur	Completed	0	2	2021	2024
	The Atera, Petaling Jaya	On-going	2.1	790	2022	2031
	Sejati Lakeside 2, Cyberjaya	On-going	0	4	2022	2025
	The Ashwood, Kuala Lumpur	On-going	0	150	2024	2028
	Greenwoods 2 Salak Perdana, Sepang	Future	64.3	226	2027	2029
	Total		**369.4**	**5,527**		

	Ongoing Development by Joint-Venture Company	Remaining Gross Undeveloped Land (Acres)	Remaining GDV# (RM'mil)	Development Period	
				Start	End
INTERNATIONAL	Na Reva, Bangkok	0	44	2020	2024

* *Comprising potential GDV from undeveloped lands and GDV from properties launched but remained unsold as at 31 Dec 2024*

Paramount's share of potential GDV from properties launched but remained unsold as at 31 Dec 2024

Overseas Ventures

In February 2020, Paramount acquired a 49% equity interest in a Bangkok-based property development company that developed Na Reva Charoenakkhon, a 29-storey luxury condominium along the Chao Phraya River. The project with a GDV of 1.2 billion Thai Baht was completed in April 2024. Unlike the off-the-plan sales model in Malaysia, Thailand employs the build-and-sell approach, where revenue is recorded only when the development is completed and ownership has been transferred to the buyers. As at 31 December 2024, the ownership of 73 units out of the total available units of 227 (32%) have been transferred. In January 2025, Paramount launched Na Reva in Kuala Lumpur, offering a limited number of units with special discounts, full furnishing, rental guarantees up to two years and limited-period waiver of common fees and sinking funds.

In May 2024, Paramount acquired a 21.5% equity interest in EWI for RM170.6 million in cash, whose primary business involves real estate development in the UK and Australia.

The contributions of these investments to the Group are reflected in the section on Investment and Others.

Coworking

In 2024, Co-labs Coworking expanded its space under management by 17,000 sq ft with the opening of a 15,000 sq ft space at The Five in Damansara Heights, and an additional 2,000 sq ft added to its Ken TTDI space, both in Kuala Lumpur. This was on the heel of an expansion of 37,000 sq ft in November 2023 whereby Co-labs Coworking opened a 30,000 sq ft space at Ken TTDI and expanded its space at the IOI Mall Damansara in Petaling Jaya (formerly known as Tropicana Gardens mall) by another 7,000 sq ft.

Aside from Co-labs Coworking, Scalable Malaysia, a one-stop workspace solutions provider, also contributed to the Coworking segment's financial performance. Scalable Malaysia had expanded its portfolio beyond office spaces to include sales galleries, retail, F&B and sports facilities.

For FY2024, the coworking segment showed an 80% increase in revenue to RM23.5 million (FY2023: 13.1 million). The main contributor to the segment's revenue was Co-labs Coworking, which reported a 35% increase in revenue mainly from the expanded spaces taken up at the end of 2023 and 2024. Aside from this, Scalable Malaysia also saw a 252% increase in its design and build revenue.

However, the coworking segment recorded a lower PBT of RM0.7 million in FY2024 (FY2023: RM2.0 million), primarily without the reversal of impairment loss related to the Naza Tower space that was recognised in FY2023.

As at 31 December 2024, Co-labs Coworking was managing seven coworking spaces in Kuala Lumpur, Petaling Jaya, and Shah Alam, with a total footprint of 169,000 sq ft. The overall average occupancy rate was 80% as at 31 December 2024. Co-labs Coworking bagged two awards, Best Work Space Development and Innovative Developer Award in the ASEAN Property Developer Awards 2023/2024. Meanwhile, Scalable Malaysia won two awards at the ATAP Design Awards 2024.

Investment and Others

The businesses covered in this segment are the operations of Mercure Kuala Lumpur Glenmarie, a four-star hotel in Shah Alam, and Dewakan, a fine dining restaurant with two MICHELIN Stars in Kuala Lumpur.

The other contributors to the division's financial performance are Paramount's investment in EWI, its education investment properties, as well as the contributions from associates and a property joint-venture in Bangkok. The segment also includes the financial performance of Paramount (company level).

In FY2024, the Investment and Others segment recorded a 108% increase in revenue to RM56.5 million from RM27.1 million the year before, mainly due to dividend income from EWI as well as higher revenue from Mercure Kuala Lumpur Glenmarie and Dewakan.

The segment recorded a PBT of RM11.3 million compared to a LBT of RM11.8 million in FY2023. Among the key contributors to the significant turnaround was the net contribution of RM54.5 million from the Group's investment in EWI. This positive impact was however partially offset by the RM21.7 million impairment losses on an amount due from the Group's property development joint venture in Bangkok, and on our investments in associates in the tertiary education business.

Mercure Kuala Lumpur Glenmarie

Super Ace Resources Sdn Bhd, proprietor of the Mercure Kuala Lumpur Glenmarie, has demonstrated commendable improvements in the hotel's financial performance. The company reported a revenue of RM14.2 million (FY2023: RM12.4 million) while its LBT declined to RM4.2 million (FY2023: RM4.9 million). The hotel achieved an average occupancy rate of 60% in FY2024, an improvement from 53% in FY2023.

Dewakan

Paramount FoodPrint Sdn Bhd, which owns Dewakan, the Group's fine-dining restaurant achieved a 25% increase in revenue to RM7.9 million in FY2024 (FY2023: RM6.3 million) and a PBT of RM935,000 (FY2023: PBT: RM418,000), its second year of profitability. Dewakan which celebrates its 10th anniversary in 2025 continues to be an asset to the Group's brand reputation. Dewakan, cemented its status by retaining its two MICHELIN Stars – still the only restaurant in Malaysia to hold this

The team behind Dewakan, Malaysia's only restaurant with two MICHELIN Stars and one MICHELIN Green Star prestigious accolade – and was the sole recipient of the MICHELIN Green Star in Malaysia for sustainable gastronomy.

Eco World International Berhad
On 10 May 2024, the Group acquired 517,000,000 shares (21.5%) in EWI and since then, the Group has benefitted from a total dividend of 11 sen that was declared by EWI up to 31 December 2024. The EWI investment has brought about a RM54.5 million net positive impact on the Group's financial performance. This amount includes a gain of RM38.0 million arising from the change in accounting treatment to account for EWI as a simple investment instead of an associate investment following the cessation of Paramount's representation on EWI's board on 16 December 2024, and RM25.9 million of dividend income from EWI that was recognised as revenue in the Investment & Others segment.

Education investment properties
The rental income generated from the Group's educational investment properties remained stable at RM8.5 million for FY2024, mirroring the figure recorded in FY2023. However, LBT rose to RM12.1 million in FY2024 compared to RM11.3 million in FY2023, which included gains from the disposal of certain investment properties.

TRENDS AND RISKS

Slow Demand for Properties

While demand for residential properties is still robust, that for office space is more competitive post COVID-19. Some 1.8 million sq ft was added to the market in FY2024, according to Knight Frank, but the absorption rate for the first half of 2024 was only 0.5 million sq ft leaving a surplus.

This is a concern as the Group's newly completed ATWATER office towers are still on the market, with our current strategy being en bloc sale for Tower A and strata sales or lease for Tower B. With surplus office spaces in the market, there is often flight to quality. As such, Paramount is at an advantage as our office towers are Grade A, MSC-compliant, and GreenRE-certified buildings at a prime location in Petaling Jaya. We believe there will be demand for modern, well-located office spaces, especially those that meet sustainability standards and offer quality amenities, which describes ATWATER well. Moreover, Paramount's headquarters, located at Tower B, also serves as a showcase of how space can be transformed into a well-designed corporate office.

Our other concern is Thailand's property market has been hit hard by the highest household debt level in Southeast Asia with banks becoming more cautious about lending amidst an increase in non-performing loans. Bangkok which makes up 50% of the housing market has been badly hit. This has affected the take-up rate of Na Reva Charoennakhon, our joint venture project in Bangkok, despite its excellent location, Chao Phraya view and proximity to amenities. To mitigate this, we have launched Na Reva in Kuala Lumpur to broaden the potential customer pool.

In 2024, Paramount gained access to the UK and Australian property markets through its purchase of 21.5% equity interest in EWI. However, the residential property markets in both countries were challenging with high interest rates dampening investor sentiments, and construction costs rising faster than house prices in the UK. As such, EWI decided to focus on selling its completed stocks in 2024, and stated in its Annual Report 2024 that it would consider launching new projects only when market conditions improve. EWI, however, maintained that the undersupply of housing in the UK continues to present opportunities in the long run and it would be monitoring the situation closely. Paramount, on its part, would also monitor this investment closely.

Rising Construction Costs

Rising costs pose a risk for every business. Paramount leverages its reputation as a reliable paymaster for stable supply and competitive pricing. Also, bulk buying is also practised for greater efficiency and better pricing.

We continue to use IBS that improves efficiency, reduces cost and maintains quality consistency. Prioritising local vendors cuts down on foreign exchange risks while supporting the local economy.

On top of value engineering and a disciplined approach to cost management, we can also adjust our sales pricing to mitigate higher construction costs. These buffer the Group against inflationary pressures and ensure that the business remains competitive and sustainable.

Disruption to Construction Progress

Timely construction is critical for revenue recognition and avoiding financial and reputational risks. Delays can lead to higher construction costs and liquidated damages, and harm the Group's industry standing, potentially affecting future opportunities and stakeholder trust.

The Group employs a multifaceted project management approach to mitigate such risks. This includes engaging contractors with proven track records, employing rigorous project timeline oversight, and adopting less labour-intensive construction methods such as the IBS. Maintaining a select list of pre-approved subcontractors further ensures quality and expedites procurement. These strategies enhance operational resilience, minimising the risks of project delays and related financial impact.

OUTLOOK AND PROSPECTS

Malaysia's economy is projected to grow between 4.5% and 5.5% in 2025 according to the Economic Outlook 2025, Ministry of Finance. The growth is driven by a resilient external sector, benefitting from improved global trade, alongside robust domestic demand by strong private sector expenditure. Key national master plans and ongoing initiatives will further support economic growth. The Government-linked Enterprises Activation and Reform Programme will align efforts across government-linked entities to accelerate growth in high growth sectors.

With the national economy expected to expand by 4.5% to 5.5% in 2025, the property market is anticipated to sustain its growth momentum, driven by sustained transaction activity. The implementation of the Ekonomi MADANI framework, complemented by strategic initiatives such as the National Energy Transition Roadmap and New Industrial Master Plan 2030, will strengthen Malaysia's economy and further stimulate the property sector. Ongoing government support, coupled with Malaysia's strong economic performance, is expected to sustain positive growth in the property market.

Property Segment

We believe that is much more room for growth for residential property, particularly in the Klang Valley with migration for study, and better job and pay opportunities.

With this, Paramount raises its sales target to RM1.5 billion (FY2024 sales: RM1.4 billion) for FY2025, supported by new launches of RM1.4 billion across eight locations, and RM1.8 billion worth of properties already launched or completed as at 31 December 2024. See the list of proposed launches on the next page.

Co-labs Coworking's eighth space at Nu Sentral Kuala Lumpur

The Group's record high unbilled sales of RM1.6 billion as at 31 December 2024 will provide near-term visibility on the Group's cashflow in the near term. However, its conversion into billings would depend largely on the projects' work progress.

Coworking Segment

Co-labs Coworking is set to expand with two new outlets in 2025, one at Nu Sentral, Kuala Lumpur, opening in the second quarter of 2025, and another in Johor Bahru later. The Nu Sentral space, at 17,000 sq ft, will be the eighth for Co-labs Coworking, with easy access to public transport and retail outlets.

The coworking business aims to expand to 300,000 sq ft within two years, creating community-oriented workspaces that prioritise flexibility and collaboration.

Investment & Others Segment

The segment's financial performance will be enhanced if dividends are declared by EWI, in which Paramount has a 21.5% stake. Additionally, the continuous growth of the Malaysian economy and the anticipated growth in tourism activities ahead of Visit Malaysia 2026 bodes well for the Mercure Kuala Lumpur Glenmarie hotel, Dewakan, and Bidou, a new restaurant to be launched by Paramount FoodPrint in 2025.

Bidou will be a 60-seater restaurant at Damansara Heights, Kuala Lumpur, expected to open in the second quarter of 2025. A fresh departure from the two-MICHELIN starred Dewakan and inspired by the French Grande Cuisine of the 1950s-60s, Bidou will bring a contemporary perspective to timeless French culinary traditions, with a refined yet relaxed approach. Bidou is expected to reimagine the iconic dishes of French chef Paul Bocuse and the Troisgros family of chefs and restaurateurs for today's diners.

Conclusion

The Group targets RM1.5 billion in property sales in 2025 and along with the expected contribution from on-going projects, the Group is optimistic of its prospects for the financial year ending 31 December 2025 but will remain cautious in navigating through the challenging global environment.

Launches in FY2025

Embun Hills, Penang

Embun Hills is a new mixed-use development along Jalan Kulim, Bukit Mertajam (3km from the Minor Basilica of St Anne in Bukit Mertajam) combining the charm of a small town with modern strata living set against scenic hillside.

The 69.2 acres of freehold development will be executed in multiple phases, combining commercial shop offices and gated residential units, complemented by comprehensive clubhouse facilities.

Embun Hill's boutique commercial development, The Shoppes, was launched in the first quarter of 2025, setting the stage for a dynamic township. In the second quarter, Paramount will launch 187 units of double-storey terrace houses as well as cluster homes. Upon completion, Embun Hills will feature a mix of landed homes, shop offices, and low-cost apartments.

The development meets the broader trend towards suburban living, where families increasingly seek environments that balance accessibility to amenities, with tranquil surroundings.

Utropolis Batu Kawan, Penang

Seiras Residences marks the fifth phase of Utropolis Batu Kawan, a distinguished landmark in Bandar Cassia, visible from the Second Penang Bridge. This mixed-use development features 411 units of dual- and triple-key serviced apartments, designed to offer flexibility, privacy, and community engagement while optimising rental potential. The designs also include private balconies for every key, extending space into the outdoors.

With its strategic location and adaptable living spaces, Seiras Residences is expected to attract young professionals, digital nomads, and property entrepreneurs seeking a modern and dynamic lifestyle.

Bukit Banyan, Sungai Petani

In 2025, Bukit Banyan will launch a total of 222 homes comprising 160 units of double-storey terrace houses (Aspera 2 and Aspera Elite 2) and 62 units of double-storey semi-detached homes (Meera Grand).

Greenwoods Salak Perdana, Sepang

Greenwoods Salak Perdana will launch 320 units of creatively-designed townhouses with side and back terraces in a township of green hills and parks, yet close to schools, retail options and major highways. Greenwoods' new pride is Laman Rimba, a hiking trail that attracts young and old from nearby communities.

Rumah Idaman Phase 2, Kemuning Utama

Kemuning Utama in Shah Alam will also see the rollout of Rumah Idaman Phase 2, comprising 510 units of affordable homes. This phase aims to fulfill demand for housing in the area, particularly those seeking budget-friendly yet quality living environments.

The Atera, Petaling Jaya

The Atera is set to launch another 88 affordable homes to its existing portfolio, reinforcing Paramount's commitment to making home ownership attainable for a broader demographic. The development which sits next to the Asia Jaya LRT station is one of the choiciest locations in Petaling Jaya with public transport at the doorstep, and amenities, ranging from schools to colleges and universities, and malls nearby.

Berkeley Uptown, Klang

Nestled on 7.37 acres of land in Klang city centre, Uptown Residences 2 continues on the success of Berkeley Uptown. Uptown Residences 2, comprising 269 units of serviced apartments and 55 units of affordable homes, is targeted for launch in the first half of 2025. This follows the December 2024 launch of 232 units serviced apartments and villas. Berkeley Uptown's strategic location appeals to young professionals and families seeking urban conveniences.

Redevelopment of Brunsfield Residence

Brunsfield Residence is located at the affluent U-Thant area, also known as the Embassy Row in Kuala Lumpur, surrounded by foreign embassies, high commissions, high-end residences, international schools, medical centres, eateries and premium grocers.

While the current plan is to refurbish the 93 units of low-rise condominium units over six blocks, we are also exploring the option of demolishing the existing structures and building new homes that meet the needs of the evolving market while creating a higher potential development value. The acquisition of the Brunsfield Residence is targeted to be completed in 2025. Development plan will be submitted for authorities' approval after the completion of the acquisition.

Embun Hills is an upcoming 69.2-acre mixed development in Bukit Mertajam featuring landed homes, shop offices and low-cost apartments

FIVE-YEAR GROUP **FINANCIAL HIGHLIGHTS**

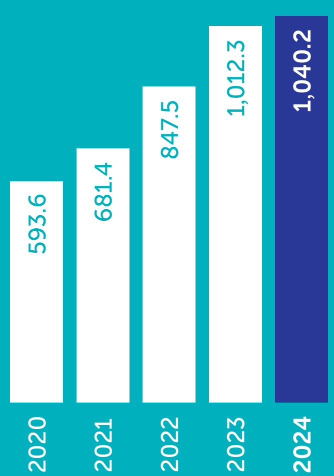
FINANCIAL YEAR ENDED 31 DECEMBER

	Year 31 Dec 2024 RM'000	Year 31 Dec 2023 RM'000	Year 31 Dec 2022 RM'000	Year 31 Dec 2021 RM'000	Year 31 Dec 2020 RM'000 (Restated)
Continuing Operations					
Revenue	**1,040,161**	1,012,252	847,464	681,351	593,562
Profit before tax	**156,906**	130,223	105,123	70,316	51,474
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**220,289**	179,176	194,334	113,928	89,147
Profit after tax	**114,943**	95,076	75,138	42,711	31,337
Discontinued Operations					
Profit after tax	**-**	-	-	-	471,126
Profit for the period	**114,943**	95,076	75,138	42,711	502,463
Profit attributable to ordinary equity holders of the Company	**102,447**	82,837	60,200	28,534	486,390
Total assets	**3,064,854**	2,977,090	3,125,145	2,952,606	2,964,574
Total liabilities	**1,582,471**	1,346,603	1,460,171	1,262,086	1,285,266
Total borrowings	**988,658**	814,264	1,015,238	963,100	954,210
Shareholders' equity	**1,431,045**	1,429,661	1,465,090	1,440,962	1,429,653
Total equity	**1,482,383**	1,630,487	1,664,974	1,690,520	1,679,308
FINANCIAL INDICATORS					
Interest cover (times)	**5**	5	5	4	3
Earnings per share (sen)	**16.45**	13.31	9.69	4.61	79.33
Net assets per share (RM)	**2.30**	2.30	2.36	2.33	2.33
Gross dividend per share (sen)	**7.5**	7.0	18.0	3.0	31.5
Dividend yield (%)	**7.1**	7.5	23.7	4.3	38.0
Return on equity (%)	**7.2**	5.7	4.2	2.0	42.7
Return on total assets (%)	**3.3**	2.8	1.9	1.0	16.4
Gross gearing ratio (%)	**67**	50	61	57	57
Net gearing ratio (%)	**52**	37	41	46	45

FIVE-YEAR GROUP **FINANCIAL HIGHLIGHTS**

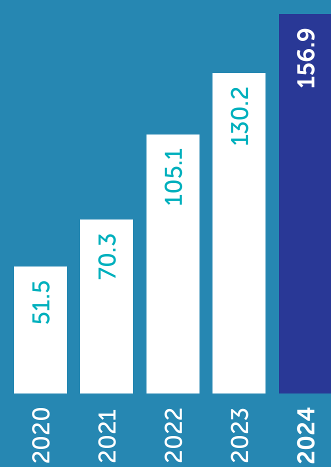
REVENUE

1,040.2
(RM million)



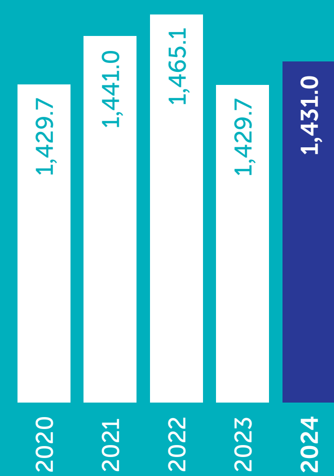
PROFIT BEFORE TAX

156.9
(RM million)



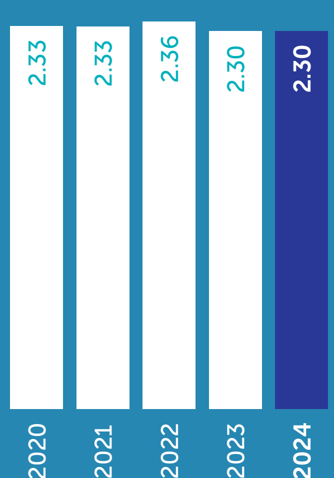
SHAREHOLDERS' EQUITY

1,431.0
(RM million)



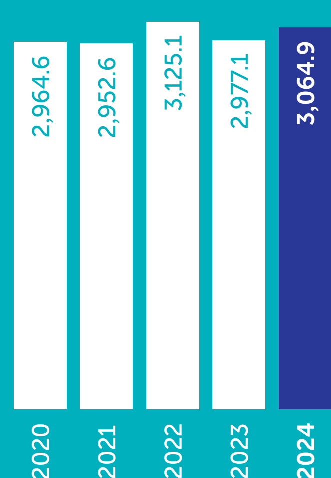
NET ASSETS PER SHARE

2.30
(RM)



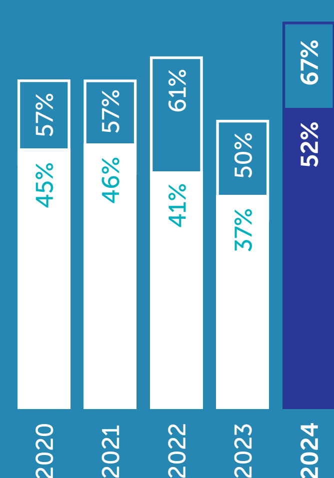
TOTAL ASSETS

3,064.9
(RM million)

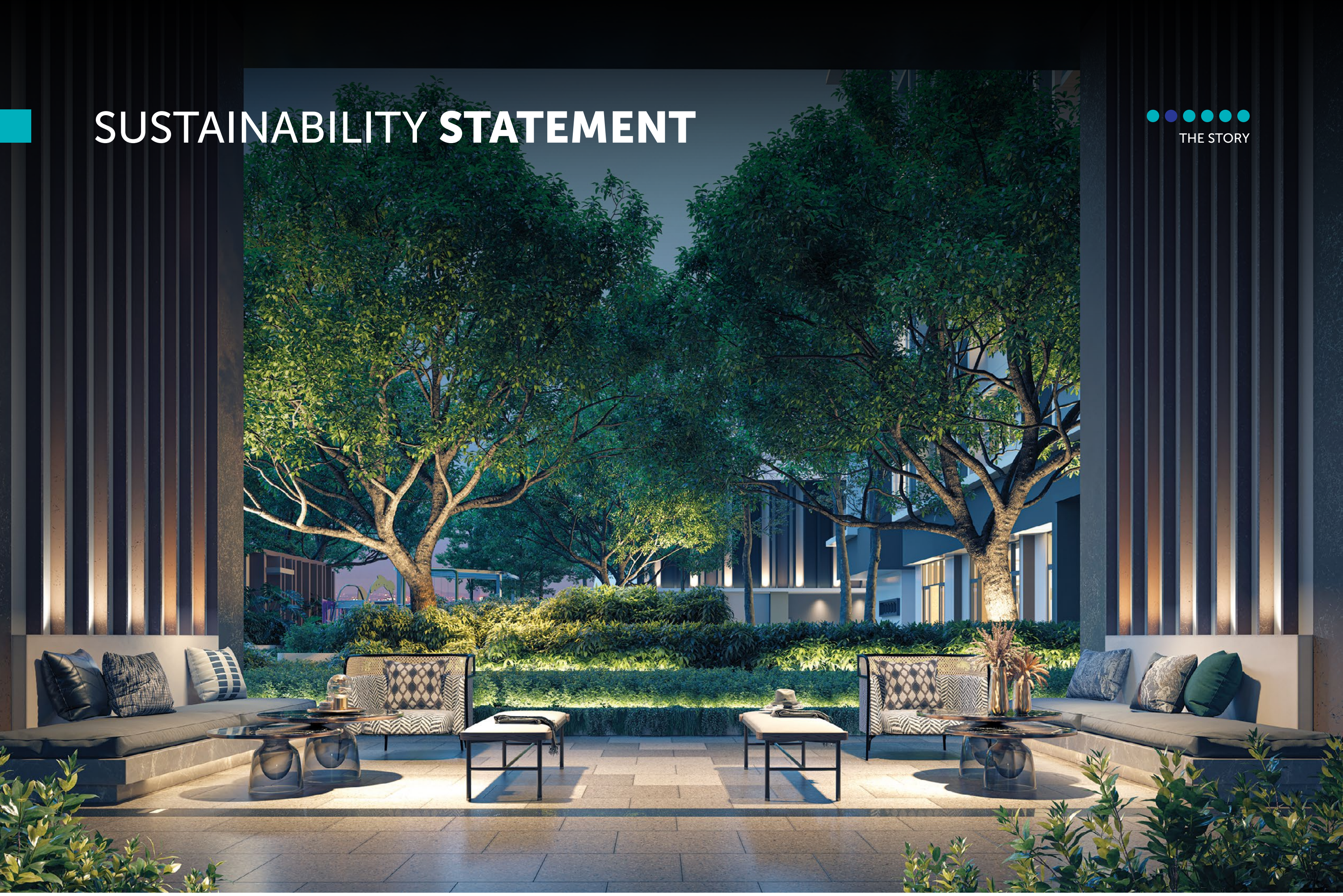


GROSS/NET GEARING RATIO

67% (gross) **52%** (net)



SUSTAINABILITY **STATEMENT**



CREATING SUSTAINABLE VALUE FOR THE FUTURE

At Paramount Corporation Berhad (**Paramount** or **the Company**), we believe in building a sustainable future by creating lasting value for our businesses, stakeholders, community and the environment.

Throughout our journey of over 50 years, our vision of "Changing Lives and Enriching Communities for a Better World" has remained our guiding light as we strive to create long term value in everything we do. Our core values are embodied in the acronym T.R.I.B.E. which calls for all employees to do what is right while respecting and caring for others, and to be bold while operating in the spirit of innovation and entrepreneurship.

Our sustainability aspirations of "Creating Sustainable Value for the Future" involves taking actions today that will have a positive impact on future generations. This means Paramount will continue to embrace change, transform our businesses and explore innovative solutions to future-proof our business and create value with tomorrow in mind. All this, while maintaining a strong focus on corporate governance, business ethics and integrity.

This Sustainability Statement provides a summary of the key sustainability highlights of Paramount and our subsidiaries (**the Group**) for the reporting period from 1 January 2024 to 31 December 2024. It is to be read jointly with the standalone Sustainability Report which can be accessed via the QR code on this page.

Scan the QR code to view or download a soft copy of the Sustainability Report 2024

SUSTAINABILITY HIGHLIGHTS **& ACHIEVEMENTS 2024**

BUILDING ECONOMIC RESILIENCE

Green Financing

1st Sustainability-Linked Sukuk Wakalah issued with **Gold Impact Assessment** by MARC Ratings Berhad

ESG Ratings

Constituent of **FTSE4Good Index Series** with **3-star** rating

FTSE4Good

Product Quality

9 new projects
with QLASSIC* scoring of **average 79%**
(2023:80%)

Awards

15 awards
across property, coworking and F&B divisions

Dewakan
receives Malaysia's first and only MICHELIN Green Star award

Green Certification

Provisional certification for
6 buildings

Final certification for
1 project

Customer Satisfaction

Average Customer Satisfaction Index (**CSI**) score of
84% across 14 projects
under Property Division (2023: 83%)

PRIORITISING ETHICS AND GOOD GOVERNANCE

Anti-Bribery and Corruption

Zero
reported cases
(2023: Zero)

Data Privacy & Security

Zero
cybersecurity breaches
(2023: Zero)

Supply Chain Management

100%
direct dealings with local suppliers (2023: 99%)

**QLASSIC - Quality Assessment System in Construction*

RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Energy Management

Average of Building Energy Intensity (**BEI**) of **127 kWh/m²/year** across Paramount's reported entities excluding construction sites (2023: 136 kWh/m²/year)

Water Management

Average Water Intensity (**WI**) of **0.604 m³/m²/year** across Paramount's reported entities excluding construction sites (2023: 1.056 m³/m²/year)

Emissions Management

5,713.58 tCO_2e carbon emissions across Paramount's reported entities from Scope 1 and 2 emissions (2023: 5,640.99 tCO_2e)

Compliance

Zero
environmental compounds/fines (2023: Zero)

Waste Management

Generated **6,278 mT of construction waste** (2023: 10,135 mT)

Biodiversity

1,866 trees planted (2023: 2,445 trees planted)

125 IUCN ** Red List of Threatened Species planted (2023: 239 IUCN)

EMPOWERING PEOPLE AND COMMUNITIES

Training and Development

Average **39** training hours per employee across Paramount's operations (2023: 37 hours)

40 Health and Safety training attended by **77 employees at construction sites**

Labour and Human Rights

Zero
human rights violations or complaints (2023: Zero)

Diversity

Workforce by gender

Male: 52% **Female: 48%**

Community Investment

RM571,635
benefitting **51** organisations and communities (2023: RM626,000 benefitting 45 organisations)

Health and Safety

Zero injuries and fatalities across construction sites

Five projects received SHASSIC* 5-star ratings
(out of a total of six projects assessed)
(2023: three projects received 5-star)

**SHASSIC - Safety and Health Assessment System in Construction*
***IUCN - International Union for Conservation of Nature*

OUR SUSTAINABILITY **APPROACH**

SUSTAINABILITY STRATEGY

Our sustainability approach is anchored on four key priorities: Building Economic Resilience, Responsible Environmental Management, and Empowering People and Communities, all while ensuring that Prioritising Ethics and Good Governance remain at the core of our practices.

These priorities guide our sustainability strategies, ensuring that our actions create lasting value for our stakeholders, society, and the environment.

SUSTAINABILITY ASPIRATIONS

CREATING SUSTAINABLE VALUE FOR THE FUTURE

SUSTAINABILITY PRIORITIES

Governance

PRIORITISING ETHICS AND GOOD GOVERNANCE

Economic	Environment	Social
BUILDING ECONOMIC RESILIENCE	**RESPONSIBLE ENVIRONMENTAL MANAGEMENT**	**EMPOWERING PEOPLE AND COMMUNITIES**

PURSUING A GREENER FUTURE

Energy Optimisation	Efficient Resource Use	Sustainable Design	Nature-based Solutions

CREATING SOCIAL VALUE

Health and Well-being	Training and Development	Community Inclusion

IN ALIGNMENT WITH

SUSTAINABLE DEVELOPMENT GOALS

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

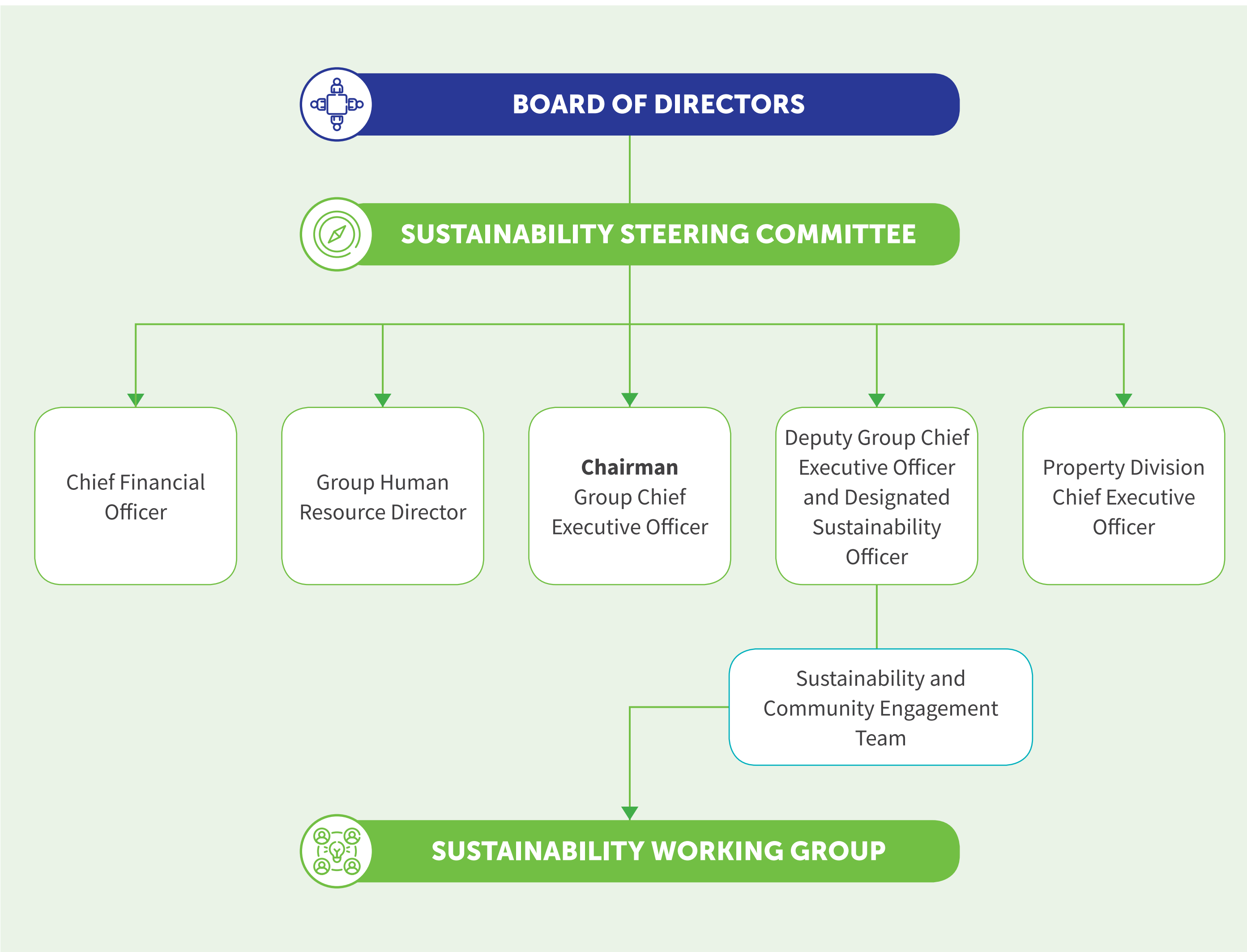
15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

The Board undertakes an oversight role of the Group's sustainability efforts, setting the tone from the top to lead the sustainability growth and long-term value creation at Paramount. The Board's leadership is essential towards building a corporate culture that adopts and integrates a sustainable approach in our operations. The responsibility of the Board includes approving the sustainability strategies and priorities to set a clear direction in the Group's sustainability journey.

A two-tiered sustainability governance structure governs sustainability within the Group. The first tier consists of the Sustainability Steering Committee (**SSC**) chaired by the Group CEO, followed by the Sustainability Working Group (**SWG**). The SWG reports to the SSC, which is accountable to the Board. Paramount's sustainability governance structure is integrated into the overall corporate governance of the Company.

A dedicated Sustainability and Community Engagement team reporting to the Deputy Group CEO who is the Designated Sustainability Officer (**DSO**) facilitates and monitors the progress of all sustainability-related tasks and initiatives on a day-to-day basis.



COMMON SUSTAINABILITY MATTERS AND **SUMMARY OF PERFORMANCE DATA**

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Senior Management	Percentage	100.00	71.00
Management	Percentage	99.00	99.00
Executive	Percentage	97.00	94.00
Non-executive	Percentage	89.00	88.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	626,000.00	571,635.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	45	51
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Senior Management Under 30	Percentage	0.00	0.00
Senior Management Between 30-50	Percentage	13.00	14.00
Senior Management Above 50	Percentage	87.00	86.00
Management Under 30	Percentage	1.00	1.00
Management Between 30-50	Percentage	72.00	72.00
Management Above 50	Percentage	27.00	27.00
Executive Under 30	Percentage	33.00	32.00
Executive Between 30-50	Percentage	58.00	58.00
Executive Above 50	Percentage	10.00	10.00
Non-executive Under 30	Percentage	16.00	24.00
Non-executive Between 30-50	Percentage	32.00	31.00
Non-executive Above 50	Percentage	51.00	45.00
Gender Group by Employee Category			
Senior Management Male	Percentage	87.00	86.00
Senior Management Female	Percentage	13.00	14.00
Management Male	Percentage	47.00	47.00
Management Female	Percentage	53.00	53.00
Executive Male	Percentage	47.00	46.00
Executive Female	Percentage	53.00	54.00
Non-executive Male	Percentage	80.00	76.00
Non-executive Female	Percentage	20.00	24.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	75.00	75.00
Female	Percentage	25.00	25.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	13.00	12.00
Above 50	Percentage	87.00	88.00

Notes:
1. *Under Bursa C2(b), the total number of beneficiaries pertain to organisations, not individuals*
2. *Under Bursa C5(c), Paramount has restructured the calculation methodology to separate the number of employees trained on health and safety standards from contract and site workers. Hence, the significant reduction compared to the previous year*

Internal assurance | External assurance | No assurance | (*)Restated

Indicator	Measurement Unit	2023	2024
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	6,734.00	7,310.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,656	77
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Senior Management	Hours	259	264
Management	Hours	9,477	8,818
Executive	Hours	7,690	9,185
Non-executive	Hours	244	575
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	13.00	10.00
Bursa C6(c) Total number of employee turnover by employee category			
Senior Management	Number	0	1
Management	Number	8	13
Executive	Number	31	33
Non-Executive	Number	15	11
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00	100.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	230.250000	247.766000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	6,278.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	3,913.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	2,365.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	245.89
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	5,467.84
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	562.77

INTERNAL REVIEW STATEMENT

In compliance with Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Internal Audit Department conducted a review of the Group's sustainability reporting process. This review focused on assessing material sustainability matters and verifying the sustainability data collected that is related to common material sustainability matters across subsidiaries in Malaysia. All relevant recommendations identified during this review have been carefully considered and incorporated in the preparation of this report. Nothing has come to our attention that cause us to believe there is any material misstatement of the reviewed data.

Notes:
1. *Under Bursa C2(b), the total number of beneficiaries pertain to organisations, not individuals*
2. *Under Bursa C5(c), Paramount has restructured the calculation methodology to separate the number of employees trained on health and safety standards from contract and site workers. Hence, the significant reduction compared to the previous year*

Internal assurance External assurance No assurance (*)Restated

03

HOW WE ARE GOVERNED

BOARD OF **DIRECTORS**

1 **FOONG PIK YEE**
Independent Non-Executive Director

2 **ONG KENG SIEW**
Senior Independent Non-Executive Director

3 **BENJAMIN TEO JONG HIAN**
Deputy Group Chief Executive Officer & Executive Director

4 **QUAH CHEK TIN**
Chairman & Independent Non-Executive Director

5 **JEFFREY CHEW SUN TEONG**
Group Chief Executive Officer & Executive Director

6 **QUAH POH KEAT**
Independent Non-Executive Director

7 **DATO' ONG ENG BIN**
Independent Non-Executive Director

1 2 3 4 5 6 7

PROFILE OF BOARD OF DIRECTORS

QUAH CHEK TIN

Chairman & Independent Non-Executive Director

AGE 73 **GENDER** Male **NATIONALITY** Malaysian

Mr Quah Chek Tin joined the Board of Directors (**the Board**) of Paramount Corporation Berhad (**Paramount**) on 27 August 2021 and was appointed as Chairman of the Board on 1 September 2021.

Mr CT Quah began his career with Coopers & Lybrand, London in 1974 before returning to Malaysia in 1977. He then joined the Genting Group, and had a long and distinguished career in Genting from his early position as Treasurer to Director of Corporate Affairs and then as Executive Director and Chief Operating Officer of Genting Malaysia Berhad as well as Executive Director of Genting Berhad before retiring in 2006.

After his retirement, he remained active in the corporate world as an independent non-executive director of several public listed companies, including Paramount from 2007 to 2019, during which time he had served as Chairman of the Audit Committee and the Remuneration Committee.

Mr CT Quah has, through his long career, accumulated a wealth of knowledge, experience and skills in corporate affairs and financial matters.

COMMITTEE
- Nil

QUALIFICATION
- B.Sc. (Hons) Economics, the London School of Economics & Political Science, University of London
- Fellow of the Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed
- Genting Malaysia Berhad

Non-listed
- Nil

JEFFREY CHEW SUN TEONG

Group Chief Executive Officer & Executive Director

AGE 59 **GENDER** Male **NATIONALITY** Malaysian

Mr Jeffrey Chew joined Paramount on 1 July 2014 as its Group Chief Executive Officer (**CEO**) and was appointed to the Board on 8 June 2015.

Before joining Paramount, Mr Chew had a distinguished career in banking, notably as the CEO of OCBC Bank (Malaysia) Berhad.

His tenure in banking equipped him with deep financial acumen, strong risk management skills, and a sharp eye for opportunities and market trends. Under his management, Paramount has consistently shown growth and profitability.

Since 2015, Paramount has launched 19 property projects comprising multiple phases, including a joint-venture in Bangkok in 2020. To diversify the company's investment portfolio and expand into international markets, Paramount ventured into the property sectors of the United Kingdom and Australia by making an equity investment in another Malaysian-listed property development company in 2024. Locally, under his stewardship, Paramount expanded into Penang in 2016 and Kuala Lumpur in 2021, both of which are now key drivers to Paramount's success.

Mr Chew also led the corporate exercise to transform Paramount's single-campus school education business into the largest pre-tertiary education group in Malaysia in 2017, subsequently unlocking its value in 2019 and completely exiting the business in 2022. In 2018, Paramount divested the majority stake of its home-grown KDU tertiary education institutions to the University of Wollongong, an Australian public university.

Paramount issued its first sustainability-linked sukuk in 2024, showcasing the company's commitment to integrate business practices with environmental stewardship. The same year, Paramount's Sustainability-Linked Financing Framework received a Gold Impact Assessment from MARC Ratings Berhad.

In 2024, Paramount and its businesses won numerous awards, including being top placed in the Malaysia Developer Awards 2024, in the category of market capitalisation of under RM1 billion.

Mr Chew began his career at PricewaterhouseCoopers in 1987 and thereafter, joined Citibank Berhad in 1991, leaving as General Manager of Commercial Banking.

In 2003, he joined OCBC Bank (Malaysia) Berhad (**OCBC**) as Head of SME Businesses, and was subsequently promoted to Head of Business Banking. He was then appointed Director and CEO of OCBC in August 2008, a position that he helmed for six years. During his tenure at OCBC, he also served as a Director of Credit Bureau Malaysia Sdn Bhd (**CBM**), Credit Guarantee Corporation Malaysia Berhad (**CGC**) and OCBC Al-Amin Bank Berhad.

Mr Chew was on the Advisory Committee of ACCA Malaysia up to 2017 and a member of the Small Debt Resolution Committee of Bank Negara Malaysia up to December 2023. He is currently an Independent Director and Chairman of the Audit Committee of the Asian Banking School.

COMMITTEE

- Nil

QUALIFICATION

- Fellow of the Association of Chartered Certified Accountants (**ACCA**), United Kingdom
- Fellow of the Asian Institute of Chartered Bankers
- Member of the Malaysian Institute of Accountants

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed

- Nil

Non-listed

- Nil

BENJAMIN TEO JONG HIAN

Deputy Group Chief Executive Officer & Executive Director

AGE 36 **GENDER** Male **NATIONALITY** Malaysian

Mr Benjamin Teo joined the Board of Paramount as an Executive Director on 22 August 2019, and assumed the position of Deputy Group CEO on 1 September 2021.

Mr Teo started his career at Paramount as a management trainee in 2012. He rose through the ranks to the position as Director of Innovation at Paramount Property in 2015, and thereafter as CEO of Paramount Property Development Sdn Bhd until 31 August 2021.

In 2016, he created and launched Co-labs Coworking, which has expanded manifold from one space to eight today across various strategic locations in the Klang Valley. As at 31 December 2024, Co-labs Coworking has 169,000 sq ft under management with 80% occupancy. Under his leadership, Co-labs Coworking emerged as the proud recipient of the Best Work Space Development and the Innovative Developer Awards from the ASEAN Property Developer Awards 2023/2024.

Mr Teo also started Scalable Malaysia, a dynamic one-stop workspace solutions provider that specialises in location sourcing, consulting, and crafting strategic, innovative interiors that prioritise spatial experience. Under his leadership, Scalable Malaysia won the Best Public Space Design for The Ashwood gallery and Best Retail Design for a retail store in the ATAP Design Awards 2024.

Dewakan, which comes under Mr Teo's management oversight, has also accomplished several significant milestones. It was the first Malaysian restaurant to secure a spot in Asia's 50 Best Restaurants in 2019, which continued in 2022. In 2023, Dewakan became the first Malaysian restaurant to receive two MICHELIN Stars, rising from one MICHELIN Star in the previous year. It retained its two MICHELIN Stars and emerged as the first restaurant in Malaysia to receive a MICHELIN Green Star in 2024.

Mr Teo is also the designated officer within management to provide a dedicated focus to managing the Group's ESG (Environmental, Social and Governance) sustainability agenda.

COMMITTEE

- Nil

QUALIFICATION

- Bachelor of Politics and Sociology (Hons), University of Nottingham, United Kingdom

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed

- Nil

Non-listed

- Nil

ONG KENG SIEW

Senior Independent Non-Executive Director

AGE 68 **GENDER** Male **NATIONALITY** Malaysian

Mr Ong Keng Siew joined the Board of Paramount on 14 November 1994 and was re-designated as an Independent Non-Executive Director on 14 August 2014. He assumed the role of Senior Independent Non-Executive Director of Paramount on 3 August 2022.

Mr Ong began his career with the Group as an Accountant in 1981 and was promoted to Finance and Administration Manager in 1984. He was subsequently appointed as General Manager to oversee the operations of the property development and construction divisions in 1989.

Mr Ong assumed the post of Deputy Group Managing Director and Deputy Group CEO in 1997 before succeeding the late Dato' Teo Chiang Quan as the Managing Director and CEO of Paramount on 1 December 2008.

On 18 June 2012, after serving the Group with distinction for more than 30 years and ensuring that it was on a strong footing, he retired as the Managing Director and CEO of Paramount.

Currently, in addition to his directorship in public listed companies, Mr Ong also serves as a director of Perbadanan Aset Keretapi (Railway Assets Corporation), a federal statutory body established under the Railway Act 1991.

COMMITTEE
- Nominating Committee (Chairman)
- Remuneration Committee (Member)
- Board Risk Management Committee (Member)

QUALIFICATION
- Fellow of the Association of Chartered Certified Accountants, United Kingdom
- Member of the Malaysian Institute of Accountants

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed
- Pekat Group Berhad
- United Malacca Berhad

Non-listed
- Nil

QUAH POH KEAT

Independent Non-Executive Director

AGE 72 **GENDER** Male **NATIONALITY** Malaysian

Mr Quah Poh Keat joined the Board of Paramount on 8 June 2016.

Mr PK Quah was a partner of KPMG Malaysia since 1 October 1982 before rising through the ranks to become the firm's Senior Partner (currently referred to as Managing Partner) on 1 October 2000.

Prior to taking up the position as Senior Partner, he led the Tax Practice and the Japanese Practice in KPMG Malaysia. He was also a member of the KPMG Japanese Practice Council, a governing body within KPMG International that oversees all Japanese Practices within KPMG. During his tenure as Senior Partner, he also served as a member of the KPMG Asia Pacific Board and KPMG International Council. Mr PK Quah retired from KPMG Malaysia on 31 December 2007.

After his retirement, he joined the board of Public Bank Berhad as an Independent Non-Executive Director from 30 July 2008 to 1 October 2013. He was then appointed as the Deputy CEO of the bank, a position that he held until 31 December 2015.

Thereafter, he remained active in the corporate world as an independent non-executive director of several listed and non-listed public companies.

COMMITTEE

- Audit Committee (Chairman)
- Nominating Committee (Member)

QUALIFICATION

- Fellow of the Chartered Tax Institute of Malaysia
- Fellow of the Association of Chartered Certified Accountants, United Kingdom
- Member of the Malaysian Institute of Accountants
- Member of the Malaysian Institute of Certified Public Accountants
- Member of the Chartered Institute of Management Accountants, United Kingdom

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed

- Kuala Lumpur Kepong Berhad
- Malayan Flour Mills Berhad

Non-listed

- Public Mutual Berhad

FOONG PIK YEE

Independent Non-Executive Director

AGE 65 **GENDER** Female **NATIONALITY** Malaysian

Ms Foong Pik Yee joined the Board of Paramount on 22 August 2019.

Ms Foong began her career as an auditor at KPMG Singapore and moved to Australia in 1983 to pursue her professional qualification and a Master of Business Administration degree. She stayed on in Australia for another nine years, acquiring skills at various organisations, including PricewaterhouseCoopers, JP Morgan, HSBC and ANZ Banking Group.

In 1993 after returning to Malaysia, she joined Standard Chartered Bank (**SCB**). In the course of her 19 years at SCB, Ms Foong took on various leadership roles and across many geographies, including as Group Head of Credit Operations, Head of Sales for Corporate Banking in Hong Kong, Chief Operating Officer for Wholesale Banking and Chief Financial Officer of SCB Malaysia. She also served as the CEO of SCB Lebanon from 2008 to 2012.

Ms Foong returned to Malaysia under the Talentcorp Returning Expert programme in 2013 and joined Hong Leong Bank Berhad as its Chief Financial Officer until her retirement in June 2019. Thereafter, she remained active in the corporate world as an independent non-executive director of several public companies, and she also serves on the Industry Advisory Board of Monash University Malaysia. She is also involved in the women in leadership mentoring programmes of the 30% Club, the Institute of Chartered Accountants in England and Wales and the Malaysia Australia Business Council. Ms Foong was a recipient of the 'Most Inspiring Woman' in the 'Great Women of Our Time' awards from the Malaysian Women's Weekly Magazine in 2007.

COMMITTEE

- Board Risk Management Committee (Chairman)
- Audit Committee (Member)

QUALIFICATION

- Bachelor of Commerce, University of Melbourne, Australia
- Member of the Institute of Chartered Accountants Australia and New Zealand
- Master of Business Administration, Monash University, Australia
- Chartered Banker, Asian Institute of Chartered Bankers

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed

- Nil

Non-listed

- AmBank (M) Berhad
- Prudential Assurance Malaysia Berhad
- QSR Brands (M) Holdings Berhad
- AmMortgage One Berhad

DATO' ONG ENG BIN

Independent Non-Executive Director

AGE 61 **GENDER** Male **NATIONALITY** Malaysian

Dato' Ong Eng Bin joined the Board of Paramount on 1 July 2023.

Dato' Ong began his career at Pricewaterhouse Malaysia (now known as PricewaterhouseCoopers Malaysia) in 1986. He had an impressive of 35-year career at OCBC where he rose through the ranks from a Corporate Banking Officer in 1988 to several leadership roles in different divisions of the bank, including as CEO of OCBC for eight years from August 2014 until his retirement in December 2022.

During his tenure as CEO of OCBC, he was also the Chairman of Pac Lease Berhad and e2 Power Sdn Bhd as well as a Council Member of the Association of Banks in Malaysia. He was an Adviser to the Chairman of OCBC until 30 June 2023 and was an Independent Non-Executive Director of CGC and CBM until 13 October 2023.

Currently, in addition to its directorship in public listed companies, Dato' Ong is also a Non-Executive Director of the Asian Banking School and a Council Member of the Asian Institute of Chartered Bankers.

COMMITTEE

- Remuneration Committee (Chairman)
- Nominating Committee (Member)
- Audit Committee (Member)

QUALIFICATION

- Bachelor of Arts (Hons) in Accounting and Finance, University of Manchester, United Kingdom

DIRECTORSHIP IN OTHER PUBLIC COMPANIES

Listed

- Oriental Holdings Berhad
- Inari Amertron Berhad
- Crescendo Corporation Berhad

Non-listed

- Nil

The Directors' record of attendance at the Company's Board meetings and Board Committee meetings held in the financial year ended 31 December 2024 are disclosed in the Corporate Governance Overview Statement on page 59 of this Annual Report.

None of the Directors:

- *has any family relationship with any other directors and/or any major shareholders of Paramount.*
- *has been convicted of any offences within the past five years nor has received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.*
- *has any conflict of interest (**COI**) or potential COI with Paramount and its subsidiaries.*

PROFILE OF **KEY SENIOR MANAGEMENT**

JEFFREY CHEW SUN TEONG

Group Chief Executive Officer & Executive Director

Kindly refer to Profile of the Board of Directors on page 48 for his profile.

BENJAMIN TEO JONG HIAN

Deputy Group Chief Executive Officer & Executive Director

Kindly refer to Profile of the Board of Directors on page 49 for his profile

FOONG POH SENG

Chief Financial Officer

AGE 59 **GENDER** Male **NATIONALITY** Malaysian

QUALIFICATION

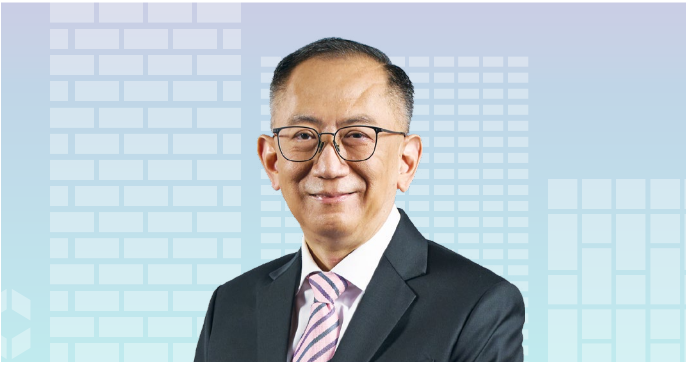
- Associate Member of the Chartered Institute of Management Accountants
- Member of the Malaysian Institute of Accountants

Mr Foong Poh Seng has some 30 years of experience in financial management, during which he formed sound relationships with the financial community.

Mr Foong joined Paramount in 1989 as an accounts trainee and rose through the ranks to become Finance Manager of the property division when the Group expanded into the Klang Valley. He returned to corporate office in 2007 as Financial Controller before assuming his present role of Chief Financial Officer on 1 January 2014 to head the Group Finance function. His mandate covers three core areas – controllership, which includes presenting and reporting accurate and timely historical financial information of the Group; treasury duties, encompassing recording, tracking and presenting the Group's current financial condition, taking into consideration risk and liquidity as well as the capital structure of the Group; and financial strategy and forecasting, including identifying and reporting on financial efficiency and opportunities.

He oversees all finance initiatives to ensure that growth objectives are aligned with the Group's strategic financial objectives and its long-term financial sustainability through the effective fiscal functions of the Group, namely financial risk management, financial planning and budgeting, fundraising and record keeping, forecasting, reporting, deal analysis and negotiations, and investor relations.

PROFILE OF **KEY SENIOR MANAGEMENT**



JEFFREY QUAH CHUAN TATT

Group Human Resource Director

AGE 59 **GENDER** Male **NATIONALITY** Malaysian

QUALIFICATION

- B. Arts in Government, Franklin and Marshall College, Lancaster, Pennsylvania, USA

Mr Jeffrey Quah Chuan Tatt has about 30 years of experience in the field of human resource (**HR**) management. He has extensive exposure in various industries, including property development, construction, hospitality, logistics, retail, and manufacturing. Regarded as a generalist, he is familiar with strategic HR initiatives, organisational improvement, learning and development, performance management, business process improvement, compensation and benefits, talent management and recruitment. Prior to his current role, he has served in senior leadership roles in several public listed companies, a US-based multinational company, and a government agency.

Mr Quah joined Paramount as the Group Human Resource Director on 1 September 2014.

He has since reshaped and transformed the human resource functions across all businesses within the Group. His main responsibilities include the Group's HR strategies on succession planning, talent retention and development, compensation, and policy and compliance issues. He has played a key role in enhancing the overall talent acquisition, talent management, compensation and benefits, and learning and development in the organisation, including driving the Group's talent management: Leading with Energy and Passion (LEAP), Emerging Leader in Transition (ELITe) and Strategic Talent Enhancement Programme (STEP). He is currently focused on three main strategies – digitalisation; developing, integrating, and inculcating the right culture; and employee health and wellness, with the ultimate aim of creating a healthy and balanced lifestyle.

CHEE SIEW PIN

Chief Executive Officer of Paramount Property

AGE 55 **GENDER** Male **NATIONALITY** Malaysian

QUALIFICATION

- Bachelor of Civil Engineering (Honours), University of Technology Malaysia
- Member of BEM (Board of Engineer Malaysia)
- Member of REHDA & SHEDA

Mr Chee Siew Pin is a seasoned professional engineer with over 31 years of expertise in property development and construction. With a career spanning Malaysia, Thailand, and Indonesia, he has played a pivotal role in shaping large-scale, master-planned developments.

Over the past 15 years, Mr Chee has held key leadership positions, overseeing and managing complex, high-value projects. His portfolio includes urban mixed-use developments featuring high-rise residential and commercial properties, retail malls, luxury hotels, resorts, and entertainment complexes.

On 3 January 2022, Mr Chee was appointed CEO of Paramount Property, where he leads the company's strategic direction, overseeing investments, portfolio development, joint ventures, and partnerships. Under his leadership, the company remains committed to aligning business objectives with its core values and shareholders' interests while creating meaningful value for stakeholders and uplifting communities.

A firm believer in the power of teamwork and collective effort, Mr Chee fosters a collaborative work culture that emphasises problem-solving, innovation, and conflict resolution. By cultivating a supportive and dynamic environment, he empowers teams to drive results, overcome challenges, and achieve the company's long-term vision.

None of the Key Senior Management:

- *has any other directorship in listed and non-listed public companies.*
- *has any family relationship with any other directors and/any major shareholders of Paramount.*
- *has been convicted of any offences within the past five years, nor has received any public sanction or penalty imposed by relevant regulatory bodies during the financial year.*
- *has any conflict of interest (**COI**) or potential COI with Paramount and its subsidiaries.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (**Board**) of Paramount Corporation Berhad (**Paramount** or **the Company**) presents this statement to provide shareholders and investors with an overview of the corporate governance framework of Paramount and its subsidiaries (**the Group**). It encapsulates Paramount's commitment to maintaining high standards of corporate governance in line with the three key corporate governance principles set out in the Malaysian Code on Corporate Governance 2021 (**MCCG**).

This statement is prepared in compliance with the Main Market Listing Requirements (**MMLR**) of Bursa Malaysia Securities Berhad (**Bursa Securities**), and it should be read together with Paramount's Corporate Governance Report 2024 (**CG Report 2024**) that is available on the Company's website at www.pcb.my. The CG Report 2024 provides a more detailed account of Paramount's corporate governance processes and activities in the financial year ended 31 December 2024 (**FY2024**) and during the period from 1 January 2025 up to the last practical date for the printing of this statement (being the date of signing of the Directors' Report for the Company's audited financial statements for FY2024).

PRINCIPLE A
BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board is collectively responsible for the overall corporate governance of the Company and the strategic direction of the Group. Although the Board confers some of its authorities to the Board Committees and delegates the day-to-day management of the Group's business operations to the management team, it reserves its decision for significant matters, such as the following, to ensure that the direction and control of the Group is firmly in its hand:

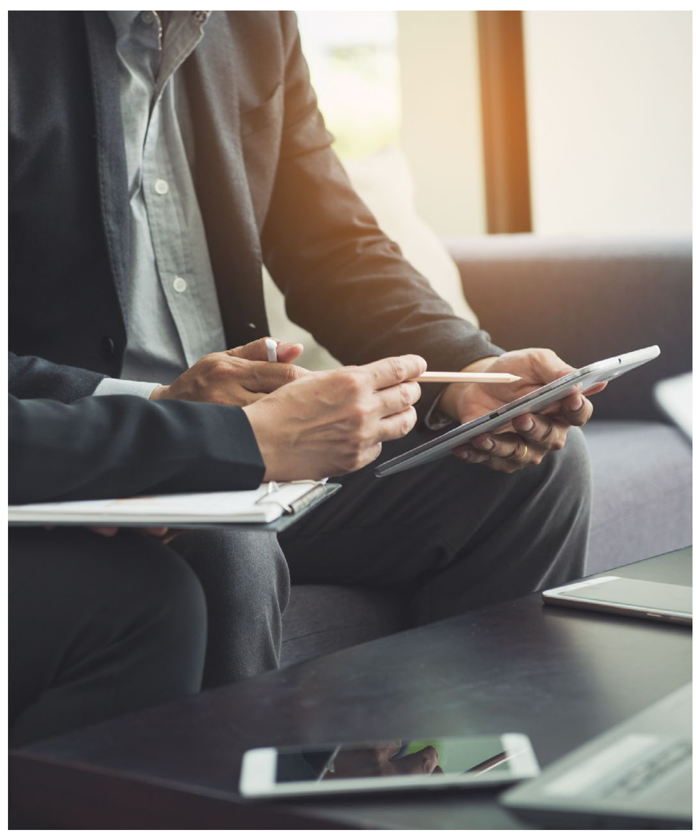
- Strategic planning
- Annual budgets and performance reviews
- Financial reporting
- Material acquisition and disposal of assets
- Major capital expenditure and material investments
- Fund raising activities
- Corporate governance policies
- Announcements to Bursa Securities
- Dividend payments
- Changes in the Board composition and principal officers
- Board remuneration and succession plan

Board Composition and Diversity

Currently, the Board of Paramount has seven members, of whom two are Executive Directors (**EDs**), one Senior Independent Non-Executive Director (**INED**) and four INEDs reflects diversity in expertise, experience and background, and this provides objectivity in the Board's decision-making process. The wealth of experience of the Board members in property development, finance, banking, marketing, and management allows for effective oversight of the Group's businesses based on diverse perspectives and insights.

There was a change in the composition of INEDs and female Directors in Paramount following the resignation of Puan Fatimah Binti Merican as an INED on 12 March 2025, and this has resulted in an adjustment of the Board's composition to 71% INEDs and 14% female representation.

The Board is led by Mr Quah Chek Tin, an Independent Non-Executive Chairman who is not a member of any of the four Board Committees, namely, the Audit Committee, Nominating Committee, Remuneration Committee and Board Risk Management Committee nor is he involved in the decision-making process of these Committees.



Corporate Governance Framework

The Board has put in place a corporate governance framework, as presented below, to ensure effective demarcation and discharge of duties amongst the Directors and the management team:

Chairman

Responsible for the effective leadership, operation and governance of the Board.

Senior INED

As a sounding board for the Chairman, an intermediary for other Directors, and the point of contact for shareholders and other stakeholders.

Board

Responsible for providing stewardship and oversight of the Group's businesses and affairs that are underpinned by strategic sustainability considerations through regular engagement with the management team.

Secretary

Supports the Board by monitoring the status of conformance with corporate governance best practices.

Board Committees

Audit Committee (AC)

Assists the Board in the effective discharge of its fiduciary responsibilities for timely and accurate financial reporting and the development of sound internal controls.

Nominating Committee (NC)

Assesses nominations for appointment to the Board. Conducts yearly assessment of the performance of the Directors, the Board, the Board Committees, the Chairman and the Group Chief Executive Officer, and assesses the eligibility of Directors for re-election.

Remuneration Committee (RC)

Assesses the remuneration of Executive and Non-Executive Directors as well as C-Suite executives to ensure that their remuneration commensurate with their responsibilities and contribution to the Group's performance and future growth.

Board Risk Management Committee (BRMC)

Ensures that adequate measures are put in place to address and manage the principal risks and internal controls of the Group.

EDs

Group Chief Executive Officer (GCEO)

Responsible for the management of the Group's businesses, formulating strategy proposals including annual and medium-term plans on the delivery of such strategies for the Board's consideration. Leads the management team in ensuring that the Group's businesses deliver shareholders value and support the Group's environmental, social and governance (**ESG**) sustainability agenda.

Deputy GCEO

Responsible for the planning, implementation, management and administration of the business activities of Paramount Property, Co-labs Coworking and Dewakan, and the operational as well as financial performance of these businesses. Is the designated officer within management to provide dedicated focus to drive and manage the Group's ESG sustainability agenda.

Management Committees

Executive Risk Management Committee (ERMC)

Monitors adherence to the Group's risk management and internal control framework.

Finance Committee

Monitors management's progress in meeting the Group's financial targets and business plans.

Sustainability Steering Committee (SSC)

Evaluates the Group's sustainability risks and opportunities, and monitors the progress of the Group's sustainability commitments and initiatives.

Tender Committee

Evaluates and decides on the award of tenders, and develops tender processes, procedures and guidelines for the Group.

IT Committee

Oversees the establishment of appropriate governance to ensure that the application, management and review of the Group's IT strategies are consistent with the goals and objectives of the Group.

A more detailed account of the roles and responsibilities of each of the above governing bodies and positions are provided in the CG Report 2024 that is available on the Company's website.

Promotion of Good Business Conduct

- Code of Business Conduct & Ethics

  Paramount had adopted a Directors' Code of Ethics and a Code of Business Conduct & Ethics since 2013 to ensure that high standards of governance, ethical, prudent and professional behaviour are embedded in the Board's activities and management practices across the Group. To reinforce Paramount's zero tolerance approach to bribery and corruption, the Board had adopted an Anti-Bribery & Corruption Policy in 2020. A set of Anti-Bribery & Corruption Guidelines has also been drawn up since then for all internal stakeholders, and training is provided across the Group via the Company's EAT (Employee Awareness Tool) platform on a yearly basis as a reminder of Paramount's stance on bribery and corruption.

  The Directors also adhere to the practice of declaring their interests, if any, in transactions that are submitted to the Board or Board Committees for approval, and abstaining from deliberation and voting on all transactions in which they have an interest.

- Related Party Transactions (**RPTs**)

  All RPTs are subject to the prior approval of the AC, and the Internal Audit Department (**IAD**) verifies whether the terms of the RPTs are fair and at arm's length before any submission thereof to the AC for its consideration. IAD is also required to highlight to the AC should there be any non-adherence to the procedure put in place to monitor RPTs. All on-going recurrent RPTs are submitted to the AC for its review on a quarterly basis.

  Except as disclosed in Note 38 to the audited financial statements of the Company for FY2024, there were no RPTs involving the Directors in FY2024 and during the period from 1 January 2025 up to the last practical date for the publication of this statement.

- Conflict of Interest (**COIs**)

  A comprehensive framework to identify, evaluate, approve, report and monitor COIs was established in August 2023 for better governance and accountability in relation to COI situations. All directors, key senior management as well as staff who are involved in the tender evaluation process of the Group are required to sign, at the beginning of each financial year, a confirmation on avoidance of COI and commitment to declare immediately to the Board if there are any COIs or potential COIs involving them. The IAD verifies the status of COIs and report to the AC on a quarterly basis. The AC had reviewed the joint report on COIs from the Secretary and IAD, and noted from the report that the Group had not come across any incidence of COI in FY2024.

  The NC also takes into account COI considerations when evaluating the eligibility of directors standing for election/re-election at annual general meetings as well as the nomination of new directors to the Board.

Insider Trading

In efforts to prevent insider trading in the listed securities of Paramount and to maintain the confidentiality of price sensitive information, the Board had, since 2013, adopted an Insider Dealing Policy, providing clarity to the definition of 'insider trading' and setting the steps that must be taken by all Directors and employees to ensure that full disclosure is made pre and post the act of trading during a closed period. The Board is not aware of any incidence of insider trading in FY2024 and during the period from 1 January 2025 up to the last practical date for the printing of this statement.

Whistleblowing Policy

In promoting a culture of high integrity and greater transparency, the Board had, since 2013, adopted a Whistleblowing Policy which provides employees of the Group and stakeholders an avenue to raise concerns regarding suspected fraud, wrongdoings and malpractices without being subject to victimisation, harassment or discriminatory treatment. The policy also sets out the mechanism by which employees and any member of the public can confidently and anonymously voice concerns to the Chairman of the AC at pkquah@pcb.my or the Head of Internal Audit at whistleblower@pcb.my. The whistleblowing channel did not receive any information on 'reportable activities' in FY2024 and during the period from 1 January 2025 up to the last practical date for the printing of this statement.

Board Operations

The Board's activities in FY2024 were mostly carried out at the quarterly meetings of the Board and Board Committees, and by way of circular resolutions in the intervals between the meetings. There were five Board meetings held in FY2024, and the Directors' attendance at the Board and Board Committee meetings held in FY2024 were as follows:

Director	Board	AC	NC	RC	BRMC
Quah Chek Tin	5/5	-	-	-	-
Jeffrey Chew Sun Teong	5/5#	-	-	-	-
Benjamin Teo Jong Hian	5/5#	-	-	-	-
Ong Keng Siew (1)	5/5	-	1/1	1/1	2/2
Quah Poh Keat	5/5	5/5	1/1	-	-
Fatimah Merican (2)	5/5	5/5	1/1	1/1	-
Foong Pik Yee (3)	5/5	5/5	-	-	2/2
Dato' Ong Eng Bin	5/5	-	-	1/1	2/2

The INEDs met amongst themselves separately without the presence of the two EDs, during one of the five Board meetings, to discuss strategic, governance and operational matters relating to the Group.

Notes:

(1) relinquished the position as chairman of BRMC on 1 March 2024 but remained as a member of BRMC

(2) resigned as an INED on 12 March 2025

(3) redesignated as the chairman of BRMC on 1 March 2024

excluding the separate meeting held among the INEDs without EDs

The composition of the four Board Committees and a more detailed report on the activities of the Board and the Board Committees in FY2024 and during the period from 1 January 2025 up to the last practical date for the printing of this statement are provided in the CG Report 2024 that is published on the Company's website.

Board Assessment

The Directors conducted their yearly Self and Peer Assessment in October 2024 and the results were reviewed by the NC in January 2025. The assessment was based on the performance of each of the Directors, the Board as a whole, the four Board Committees, the Chairman and the GCEO. In addition, a separate detailed assessment for the AC was drawn up to evaluate the effectiveness of the AC as a whole and individual AC members in carrying out their duties in accordance with the terms of reference.

Adequacy of the Board mix and composition, the quality of information and decision making, efficiency and integrity of the Board's operations based on the quality of information and decision-making, the Board's working relationship with management and the Board's efforts on ESG issues are key criteria in the assessment of the Board and Board Committees.

The individual Directors were assessed based on the fit and proper criteria, their contribution and performance as well as their calibre and personality.

The Chairman was assessed based on his leadership role and his impartiality in overseeing the deliberation and decision-making process of the Board.

The assessment of the GCEO was based on his integrity and co-related to the execution of the Group's strategic plans by management and the achievement of performance targets set by the Board including the development of a succession plan for key roles.

All Directors, the Board, the Board Committees, the Chairman and the GCEO attained above satisfactory ratings in the 2024 Directors' Self and Peer Assessment exercise. In addition to this assessment, all INEDs were required to sign a Declaration of Independence to re-confirm their status of independence.

Appointment of New Directors

The NC is entrusted with the role of identifying, assessing and nominating candidates to fill Board vacancies and for succession planning. The NC leverages on the Directors' wide network of professional and business contacts as well as talent consultants as the main sources for Board candidacies, and its recommendations are generally based on its assessment of the expertise, skills and attributes of the current Board members and the needs of the Board.

Apart from skills and experience, important criteria such as the candidate's character, integrity, competence and commitment to serve the Company with diligence, are highly regarded by the Board. In making its recommendations to the Board, the NC will also assess the Board structure, as a whole, to ensure that the necessary skill sets are relevant to the Group's strategic direction. A more detailed account of the selection criteria is provided in the CG Report 2024 that is published on the Company's website.

Since the adoption of the Directors' Fit and Proper Policy (**DFPP**) in June 2022, the Board had required that new Board candidates be subject to a fit and proper screening by an external service provider prior to any appointment to the Board.

Re-election of Directors

The Company's Constitution provides that at each annual general meeting (**AGM**), one-third of the Directors or if their number is not three or multiples of three, then the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall retire once in every three years , and are eligible for re-election. Retiring Directors are selected on the basis of those who have been longest in office since their last re-election. Additional Directors appointed during the interval between two AGMs are also subject to retirement, and are eligible for re-election at the second AGM. In the event of any vacancy in the Board, resulting in fewer than the required number of at least two Directors or one-third of INEDs, the Company shall fill the vacancy within three months, as required under the MMLR.

The NC had, in accordance with these provisions in the Company's Constitution, conducted its evaluation of the eligibility of three Directors, namely, Mr Quah Chek Tin, Mr Ong Keng Siew and Ms Foong Pik Yee, for re-election at the forthcoming 55th AGM. The NC had also conducted its evaluation of the eligibility of Mr Ong Keng Siew, who has served as an INED for a term of more than nine years, to continue to act as an INED of the Company until the conclusion of the next AGM. Mr Ong Keng Siew, being the Chairman of the NC, had abstained from deliberation and voting on his own evaluation.

The NC was satisfied with the evaluation results, and has recommended the abovementioned three Directors for re-election at the AGM, and for Mr Ong Keng Siew, the Senior INED, to continue to act as an INED of the Company until the conclusion of the next AGM.

The evaluation had taken into account (a) the Self and Peer Assessment results of the three Directors, namely, Mr Quah Chek Tin, Mr Ong Keng Siew and Ms Foong Pik Yee, who had attained above satisfactory ratings; and (b) the time commitment of all the three Directors to discharge their duties effectively on the Board and Board Committees on which they serve. In addition, all three INEDs had made declarations at the end of 2024 to re-confirm their status of independence. All three Directors had also declared their compliance with the Company's DFPP, as part of the assessment of their eligibility for re-election as a Director of the Company at the AGM.

Directors' Continuing Development Programme

The Board Charter requires all Directors to attend continuing development programmes to keep abreast of regulatory changes pertaining to the functions of the Board as well as to be updated on relevant technical and industry related matters. In FY2024, all Directors of Paramount have attended training programmes on a wide range of topics, as listed in the CG Report 2024 that is available on the Company's website.

Succession Planning

The Board takes a pivotal role in ensuring continuity in leadership at the board and senior management level. For board succession, the Board, through the NC, conducts a yearly analysis of the skills matrix of the Directors to ensure that the Board continues to be well-equipped with skills and expertise that are aligned with the Group's strategic directions. The procedural guide for this yearly succession planning exercise is disclosed in the CG Report 2024 that is available on the Company's website.

In addition, the Board had, since 2016 and through the Group Human Resource Department, developed a group-wide management succession plan which entails the identification of three different levels of successors at different levels of readiness for CEOs and senior management positions. The identified successors are required to participate in the STARS (Sustainable Talent Acceleration & Retention Strategy) and LEAP (Leading with Energy and Passion) programmes that are specifically designed to develop the management capabilities and leadership skills of the candidates, and to prepare them for CEOs and senior management roles.

Remuneration of Directors and Key Senior Management

The Board had, since 2014, adopted a Board Remuneration Policy that sets out the manner in which the remuneration of Directors is determined. The policy is reviewed by the RC and the Board once in every three years. An excerpt of the Remuneration Policy is available in the Board Policies section of the Company's website at www.pcb.my.

The Directors are entitled to Directors' fees and Board Committee fees (where applicable), which are benchmarked, once in every three years, against fees paid by comparable public listed companies in Malaysia.

In reviewing the benchmarking of fees for Directors and Board Committees and taking into consideration that the last fee increment was in 2021, the Board had, upon the recommendation of the RC, proposed a 20% fee increment for the Directors and Board Committees with effect from FY2024, which was within the aggregate amount of fees not exceeding RM1,500,000.00 approved by the Company's shareholders at the 54th AGM held on 6 June 2024.

Paramount has, since 2020, adopted the practice of seeking shareholders' prior approval, at the AGMs, for the payment of Directors and Board Committee fees up to a certain amount for a 12-month period after the AGM. An aggregate amount of fees not exceeding RM1,500,000.00 for the 12-month period from 1 July 2025 to 30 June 2026 had been proposed for shareholders' approval at the forthcoming 55th AGM.

A detailed disclosure of the Directors' remuneration on a named basis is presented in the CG Report 2024 that is available on the Company's website.

The Group also has in place an established procedure to determine and approve the remuneration of EDs and C-suite executives. This procedure includes the Board's approval of salary increments and incentive payments to the EDs as well as the overall average salary increments and bonus payments to all other employees of the Group based on the recommendation of the RC, which is tasked to review management's proposals on increments, incentives and bonuses. The Group's performance, prevailing market conditions, the level of responsibility, performance and contribution of the employees to the Group's performance and long-term objectives are key considerations in the determination of salary increments, incentives and bonuses.

Governance of Sustainability

The Board acknowledges the importance of integrating sustainability considerations into the development of the Group's strategic business plans, and had adopted a Sustainability Policy on 31 March 2023, which is published on the Company's website, to give more guidance on its expectations of management's performance in advancing the Company's sustainability agenda.

The Board had also identified Mr Benjamin Teo Jong Hian, the Deputy GCEO, as the designated officer within management to provide dedicated focus to manage the Group's ESG sustainability agenda including the integration of sustainability considerations into the day-to-day operations of the Group.

The Company has established an unrated Islamic medium term notes programme of up to RM1.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (**Sukuk Wakalah Programme**) in FY2024. Paramount issued its first Sustainability-Linked Sukuk Wakalah (**SLS**) from the Sukuk Wakalah Programme on 13 August 2024 pursuant to its Sustainability-Linked Financing Framework that had received a Gold Impact Assessment by MARC Ratings Berhad. The SLS issuance linking to three sustainability key performance indicators, namely, (1) Green building certification; (2) Safety and Health Assessment System in Construction (SHASSIC) certification, and (3) Reduction of greenhouse gas emission intensity marked a significant milestone in Paramount's journey towards fulfilling its sustainable development agenda and ensuring that the Company's financial activities support its business goals while contributing positively to environmental and social objectives.

The Company's Sustainability Statement for FY2024 was reviewed by the IAD, and submitted to the SSC for endorsement prior to publication in the Company's Annual Report 2024. A more detailed Sustainability Report is available on the Company's website at www.pcb.my.

For effective and timely communication of the Group's progress in advancing its sustainability agenda to all internal and external stakeholders, a dedicated Sustainability section has been created on the Company's website where all sustainability statements issued by the Company, including updates, are posted.

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

Independence and Effectiveness of the AC

The AC of Paramount comprises entirely INEDs, and it is led by an INED who is not a Chairman of the Board or any other Board Committees. This composition reinforces the independence of the AC. A majority of the members of the AC are members of professional accounting bodies such as the Malaysian Institute of Accountants, the Malaysian Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, and the Institute of Chartered Accountants, Australia. Their qualifications and extensive experience in the area of financial reporting and management of internal controls provide assurance to the Board that the AC is well equipped with the necessary expertise and skills to oversee the financial reporting processes of the Company and the internal control governance of the Group. Puan Fatimah Merican, the former member (whose key competency was in IT) who has resigned as a Director on 12 March 2025, provided diversity of views to strengthen the quality of deliberation at the AC meetings.

In the discharge of its duties, the AC has adopted sound practices for its review of all financial reporting and dividend proposals by management before tabling to the Board for approval. Embedded within the Company's internal control framework are also sound practices for the AC's evaluation of RPTs, COIs as well as the performance and suitability of the external and internal auditors. A more detailed description of such practices is presented in the CG Report 2024 that is published on the Company's website.

Risk Management and Internal Control Framework

During FY2024, the Board, though the BRMC, continued to monitor the Group's risk exposure, and was regularly updated on the implementation progress of the risk management plans to mitigate those risks based on the ISO 31000 Enterprise Risk Management methodology. The reporting process involves monthly monitoring of the risk status by the risk owners in the strategic business units who submit their findings to the ERMC on a quarterly basis. The ERMC, in turn, submits its report to the BRMC on a half-yearly basis.

The identified key risks were grouped into eight categories, namely strategic, operational, finance-related, compliance, reputational, cyber security, bribery and corruption, and sustainability.

The Statement on Risk Management and Internal Control, which has been reviewed by the external auditors and presented in this Annual Report, provides a detailed report on the Group's level of risk management and internal control for the year under review.

To further strengthen the Group's system of internal controls, the Board had, since 2019, based on the recommendation of the AC, upgraded the Group's internal control framework by adopting the methodologies prescribed in the COSO Internal Control Integrated Framework. The reporting process involves annual monitoring of the implementation progress of the framework by the ERMC which, in turn, submits its report to the BRMC.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Company is committed to maintaining on-going communication across its entire shareholder base, whether institutional investors, private or employee shareholders. This is achieved principally through annual and quarterly reports to Bursa Securities, the Company's AGM and timely dissemination of information on significant company developments and price sensitive information in accordance with the MMLR.

All general announcements and quarterly results released to Bursa Securities, and presentation slides presented at Investor Relations (**IR**) and Media Briefing sessions are also available on the Company's website. The Company's website is constantly updated with information pertaining to the Group's business activities and corporate affairs for dissemination to all stakeholders in a timely manner.

Additionally, the Company holds scheduled IR and Media Briefings, coinciding with the release of the half-year and full-year results of the Group to Bursa Securities, to investment analysts, fund managers and the media. A media briefing is held upon the conclusion of the Company's AGM for the benefit of potential investors as well as shareholders who are unable to attend the meeting. The Company also obliges the requests of analysts, fund managers and the media for company visits, briefings and interviews. More details on the Company's IR activities and briefing schedules are available on the Company's website.

Stakeholders are welcomed to provide their views, feedback or complaints to the IR Department at ir@pcb.my.

Conduct of General Meetings

The Company's AGM, in addition to dealing with the formal business of the Company, represents the principal forum for dialogue and interaction with shareholders, providing an opportunity for the Board to communicate directly with shareholders and vice versa. Furthermore, barring any unforeseen circumstances, notice of 28 clear days is given to all shareholders for the convening of all AGMs.

An overview of the Group's performance for the financial year ended 31 December 2023 was presented to shareholders at the 54th AGM that was held at the Company's hotel, Mercure Kuala Lumpur Glenmarie, on 6 June 2024. Shareholders were invited to raise queries, and in this respect, the Board is pleased to report that all questions raised by shareholders at the 54th AGM were adequately attended to by the Board. All resolutions proposed were duly approved by the shareholders present at the meeting, and the minutes of the said AGM was available on the Company's website within 30 business days after conclusion of the AGM.

Voting on all resolutions proposed in the Notice of the forthcoming 55th AGM to be held at Mercure Kuala Lumpur Glenmarie will be by poll, and Paramount has appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator whilst Asia Securities Sdn Bhd shall be the Scrutineer to validate the votes cast at the meeting.

The Company encourages voting in absentia by providing shareholders with an online platform to submit their proxy forms with voting instructions to the Company's Share Registrar 24 hours prior to the meetings.

COMPLIANCE STATEMENT

The Company has, as at the last practical date for the printing of this statement, adopted all material aspects of the principles and recommendations of the MCCG save for the following:

- Limiting the tenure of INEDs to nine years or re-designating INEDs who have served for more than nine years as Non-Independent Directors and subject to annual shareholders' approval through two-tier voting process. Nevertheless, the Board has adopted the alternative approach of seeking shareholders' approval at the Company's AGM for such Directors to remain in office as INEDs on an annual basis up to the 12^{th} year, after which time, they will not be eligible for re-election and their tenure shall expire at the nearest AGM.

- The Board comprises at least 30% women directors. The Company had 33.3% women directors from 1 July 2020 to 31 August 2022, but the percentage had reduced to 14% after the departure of two women directors during the period from 1 September 2022 to 12 March 2025. The Board will continue its efforts to identify suitable female candidates to reinstate the representation to 30%.

- Disclosing in the annual report the detailed remuneration of the Company's Key Senior Management (**KSM**) on a named basis. Nevertheless, the Board has adopted the alternative approach of making the disclosure on an aggregate basis due to the commercially sensitive nature of a full disclosure. The detailed remuneration of KSM who are EDs are, nevertheless, disclosed on a named basis in the CG Report 2024.

Note:

The Anti-Bribery and Corruption Policy, Board Charter, Boardroom Diversity Policy, Code of Business Conduct & Ethics, Directors' Code of Ethics, DFPP, Insider Dealing Policy, Succession Planning Policy, Sustainability Policy, and Whistleblowing Policy, and excerpts of the following policies are available on the Company's website at www.pcb.my:

Board Remuneration Policy
Directors' Assessment Policy
Dividend Policy
Investor Relations Policy
Related Party Transaction Policy

INTERNAL POLICIES, FRAMEWORKS AND GUIDELINES

Paramount Corporation Berhad (**Paramount** or **the Company**) has, over the years, put in place an extensive range of policies, frameworks and guidelines to govern its day-to-day business operations. Paramount also recognises the need to ensure that its policies, frameworks and guidelines remain relevant to the evolving corporate and business environment. Hence, in 2019, Paramount adopted the COSO Internal Control Integrated Framework to better manage and monitor its policies, frameworks and guidelines, which is essential in strengthening its internal control and governance structure.

Some of the key policies, frameworks and guidelines of Paramount and its subsidiaries (**the Group**) are listed below in alphabetical order:

No.	Title	Content
1	Anti-Bribery & Corruption Policy*	Outlines Paramount's stance of negative tolerance to bribery and corruption.
2	Anti-Bribery & Corruption Guidelines	Provide guidance to the directors and employees in the Group on compliance with the Anti-Bribery & Corruption Policy.
3	Board Charter*	Sets out the role, functions, duties and responsibilities of the Company's Directors, Board of Directors, Board Committees, Chairman and Group Chief Executive Officer (**CEO**).
4	Board Remuneration Policy	Provides guidance and clarity to the Remuneration Committee for its determination and recommendation of the remuneration of the Company's Directors.
5	Boardroom Diversity Policy*	Sets out Paramount's commitment to boardroom diversity which entails balancing the different skills and industry experience, background and gender of its Directors.
6	Code of Business Conduct and Ethics*	Sets out Paramount's commitment to upholding the highest standards of honesty, integrity, ethical and legal behaviour in the conduct of the Group's business operations.
7	Conflict of Interest (**COI**) Framework	Provides a framework to identify, evaluate, approve, report and monitor COIs.
8	Crisis Communications Guidelines	Outline processes, roles and responsibilities in communicating with stakeholders in the event of a crisis.
9	Crisis Management and Business Continuity Guidelines	Sets out the procedures to stabilise the effects of a potentially disruptive event, and to ensure the Group's businesses return to normalcy with full recovery as soon as possible.
10	Directors' Assessment Policy	Provides guidance and criteria for the yearly assessment of Paramount's Directors, Board of Directors, Board Committees, Chairman, and Group CEO.
11	Directors' Code of Ethics	Sets out the accountability standards required of Directors.
12	Directors' Fit and Proper Policy*	Sets out the criteria for assessment of new board candidates and existing Directors for re-election.
13	Digital Policy	Sets out the parameters, roles, and responsibilities of those who manage or use applications, data and information that belongs to the Group.
14	Dividend Policy	Sets out the parameters and procedures for the distribution of dividends by Paramount.
15	Financial Authority Limits and Payment Policies	Sets out the financial authority limits across the Group for the approval of transactions and authorisation for payments within the Group's ordinary course of business.
16	Fixed Asset Management Policy	Provides guidance for proper and consistent application of the relevant accounting standards and policies on acquisition, disposal and transfer of assets, both tangible and intangible.
17	Group Internal Control Framework based on COSO principles	Sets out the principles of internal controls to be instituted across the Group and provides clarity on the responsibilities of management at different levels of authority.

No.	Title	Content
18	Human Resource Policies	Provide guidance to employees and management concerning employment terms and conditions, covering recruitment, training and development, leave management, employee relation, promotion, performance management, and termination.
19	Insider Dealing Policy	Sets out clear definition for "securities", "information", "insider", and prohibitions on insider dealing under the Capital Markets and Services Act, 2007 to prevent insider dealing of securities.
20	Internal Audit Charter	Sets out the mission, authority, independence, objectivity, scope and responsibility of the Company's internal audit function based on applicable international standards for internal audit.
21	Internal Audit Policies and Procedures	Provide a framework that guides the activities and functionality of the Company's internal audit function, as mandated in the Audit Charter.
22	Investor Relations Policy	Sets out the manner in which the Company's Investor Relations programmes will be executed to ensure integrity and transparency in the disclosure of accurate, high quality and timely information.
23	ISO Related Policies	An array of policies for the Group's property development operations, which include but are not limited to those set out in ISO 9001, 14001 and 45001.
24	Land Banking Guidelines	Sets out the salient legal parameters for the Group's land banking (both acquisition and disposal) transactions.
25	Media Engagement Policy	Sets out principles, roles and responsibilities of employees in relation to media engagement and communications.
26	Privacy Policy	Provides clear definition on ownership, responsibility and effective management of information assets, and sets out information handling rules.
27	Related Party Transaction Policy	Sets out requirements and procedures for evaluating potential conflicts of interest and disclosure obligations in all related party transactions.
28	Risk Management Policy and Framework	Sets out the processes, roles and responsibilities of risk identification, assessment and management of risks.
29	Succession Planning Policy*	Sets out the roles, responsibilities and processes for board and senior management succession planning.
30	Succession Planning Framework	Identifies internal talents to key and critical positions, as well as areas for development, to ensure continuity in the Group's business operations.
31	Sustainability Policy*	Sets out the roles and responsibilities of the Board and management, and the core pillars upon which the Group's environmental, social and governance (**ESG**) sustainability agenda is anchored.
32	Tender Procedures	Provide detailed steps for compliance at four stages of the Group's tender process – (1) pre-tender, (2) tender, (3) evaluation, and (4) approval of award, and sets out authority limits at different stages of tender process, and the key selection criteria.
33	Whistleblowing Policy*	Sets out the mechanism for whistleblowers to voice concerns regarding suspected fraud, wrongdoings and malpractices to the Chairman of the Audit Committee at pkquah@pcb.my or the Head of Internal Audit at whistleblower@pcb.my.

* Available on Paramount's website at **www.pcb.my**

AUDIT COMMITTEE REPORT

The Board of Directors (**the Board**) of Paramount Corporation Berhad (**Paramount** or **the Company**) is pleased to present the Audit Committee Report for the financial year ended 31 December 2024 (**FY2024**).

In performing its duties and discharging its responsibilities, the Audit Committee (**the Committee**) is guided by its Terms of Reference which are available in the Corporate Governance section of the Company's website at www.pcb.my.

COMPOSITION AND MEETINGS

The Committee consists of entirely Independent Non-Executive Directors (**INED**) and are appointed by the Board. The Board, through the Nominating Committee, reviews the terms of office and performance of the Committee and each of its members annually to determine whether the Committee and its members have carried out their functions, duties and responsibilities in accordance with the Committee's Terms of Reference.

The Committee convened five (5) meetings during FY2024 and the attendance of the members of the Committee at the meetings were as follows:

Name of Directors	Number of Meetings	
	Held	Attended
Quah Poh Keat (Chairman)	5	5
Foong Pik Yee	5	5
Fatimah Binti Merican*	5	5
Dato' Ong Eng Bin**	-	-

* *Ceased to be a member of the Committee following her resignation as an Independent Non-Executive Director of the Company on 12 March 2025.*

** *Appointed as a member of the Committee on 13 March 2025.*

The Chairman of the Committee reported the activities and concerns, if any, of the Committee to the Board at the nearest Board meeting after each Committee meeting for the information and attention of the Board.

SUMMARY OF ACTIVITIES OF THE COMMITTEE

During the financial year under review, the Committee had carried out the following activities in the discharge of its functions and duties:

1. Financial Reporting

a. Reviewed the unaudited quarterly financial results and the consolidated financial statements of the Company and recommended to the Board for approval.

b. Reviewed and highlighted to the Board significant matters raised by the external auditors including financial reporting issues, significant judgements made by management, significant events or transactions, and received updates from management on actions taken for improvement.

c. Deliberated significant changes in relevant regulatory requirements, accounting and auditing standards that would affect the Group, and the adoption of such changes by management.

2. External Audit

a. Reviewed the external auditors' audit plan, which included the scope and timeline of their annual audit, prior to the commencement of audit.

b. Deliberated and reported the results of the annual statutory audit to the Board.

c. Reviewed the external auditors' report to the Committee.

d. Reviewed the written assurance from the external auditors to the Committee that, they had been independent throughout the audit engagement for FY2024 in accordance with the terms of engagement, and all relevant professional and regulatory requirements.

e. Undertook an annual assessment of the performance of the external auditors which encompassed the quality of communications with the Committee and the Group, their independence, objectivity and professionalism. Assessment questionnaires were used as a tool to obtain input from Paramount personnel who had substantial contact with the external audit team.

The Committee was satisfied with the suitability of the external auditors based on the quality of audit service and adequacy of resources they provided to the Paramount Group in relation to the year-end audit. The Committee took note of the openness in communication and interaction with the lead audit engagement partner and the engagement team, which demonstrated their independence, objectivity and professionalism.

The results of the performance assessment of the external auditors for FY2024 supports the Committee's recommendation to the Board for the re-appointment of Ernst & Young PLT as the external auditors of the Group.

f. Reviewed the non-audit related services by the external auditors. The amount of the external audit fees and non-audit fees incurred for FY2024 are disclosed on page 132 Note 8, and page 196.

g. Met with the external auditors on 25 March 2024 and 25 November 2024 without the presence of executive board members and management to review and discuss key issues within their duties and responsibilities. There were no major concerns raised by the external auditors at these meetings.

3. Internal Audit

a. Reviewed and approved the Internal Audit Department's (**IAD**) staffing requirements, budget and annual internal audit (**IA**) plan to ensure adequacy of resources, competencies and coverage.

b. Reviewed IA reports on subsidiaries and key functional units issued by IAD covering the adequacy and effectiveness of governance, risk management, operational and compliance processes.

c. Reviewed the adequacy of corrective actions taken by management on all significant audit issues raised including status of completion achieved.

d. Assessed IAD's quarterly audit progress report to ensure the IA plan remained relevant amidst changes in the business environment.

e. Met with the Head of IA on 27 May 2024 and 25 November 2024 without the presence of the executive board members and management.

f. Reviewed and approved the amendments to IA Charter of the Company.

g. Reviewed and approved the amendments to the IA Policy of the IAD.

h. Reviewed and approved the report on the overall effectiveness of risk management and internal control of the Company.

i. Reviewed the quarterly status update of activities on the whistleblowing channel.

j. Evaluated the performance of IAD and was satisfied with the performance, which has been free from any relationship or conflict of interest that could impair their objectivity and independence.

4. Related Party Transactions

a. Reviewed the related party transactions (**RPTs**) entered into by the Group, including the review and monitoring of recurrent RPTs to ensure:

(i) that such transactions were carried out on normal commercial terms and were not detrimental to the interest of the Company or its minority shareholders; and

(ii) adequate oversight over the internal control procedures with regard to such transactions.

b. Reviewed the processes and procedures in the policy on RPTs to ensure that related parties are appropriately identified and RPTs are appropriately declared, evaluated, approved, reported and monitored.

5. Conflict of Interest Situations (COI)

a. Reviewed the report on conflict of interest situations of the Group.

6. Annual Reporting

a. Reviewed the Committee's Report, summary of activities of the IA Function before submission to the Board for approval and for inclusion in the 2024 Annual Report.

7. **Others**

   a. Reviewed the solvency assessments performed by management for the declaration of dividends.

   b. Quarterly review of management's progress in meeting the financial key performance indicators.

SUMMARY OF ACTIVITIES OF THE IA FUNCTION

The Committee is assisted by IAD in the discharge of its duties and responsibilities. IAD is independent of operations and reports functionally to the Committee and administratively to the Group Chief Executive Officer. The team of four personnel in IAD as at the financial year-end was headed by Mr Wong Ket Keong who is a Certified Internal Auditor of the Institute of Internal Auditors (USA), a member of the Malaysia Institute of Accountants, and a Fellow of the Association of Chartered Certified Accountants (UK).

The primary responsibility of IAD is to provide reasonable assurances to the Committee on the effectiveness of the governance, risk management and internal control processes within the Company and the Group.

All IA activities of the Group are guided by the International Professional Practices Framework issued by the Institute of Internal Auditors, the IA Charter as well as policies and procedures of the Group. An annual risk-based IA plan, after having reviewed the adequacy of the scope, functions and resources of IAD as well as the competency of the internal auditors, was presented by IAD to the Committee for approval. IAD adopts a risk-based approach, focusing on high risk impact areas and prepares its plan based on the risk profiles of the auditable units in alignment with the strategic objectives of the Group.

During the financial year under review, IAD conducted assurance engagements in accordance with its approved IA plan and conducted follow-up audits on management remedial actions on a quarterly basis. Evaluations were made to assess the adequacy and effectiveness of key controls in responding to risks within the Group's governance, operations and information systems, in terms of:

- Achievement of the Group's strategic objectives;
- Reliability and integrity of financial and operational information;
- Effectiveness and efficiency of operations and programmes;
- Safeguarding of assets;
- Compliance with laws, regulations, policies, procedures, and material contracts; and
- Potential occurrence of fraud.

IA reports which contained key strategic, operational analysis, insights, improvement opportunities, audit findings, management response, corrective and preventive actions as well as the targeted date of completion of those actions were issued to management. Issues that required significant improvement were highlighted to the Committee for deliberation. The IAD provided quarterly updates to management and the Committee on the progress and status of the corrective actions.

The IAD verified/reviewed:

1. The terms of the RPTs from the perspective of fairness and at arms' length before submission thereof to the Committee for consideration;
2. The declarations of directors and key senior management pertaining to COI; and
3. The Sustainability Report for FY2024.

All IAD's staff are members of relevant professional bodies. The internal auditors are encouraged to continuously enhance their knowledge, skills and competencies through a combination of external and in-house training.

The total costs incurred for the IA function was RM851,806.00 for FY2024 (RM796,468.00 for FY2023).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

This Statement on Risk Management and Internal Control for the financial year ended 31 December 2024 (**FY2024**) is made pursuant to the Main Market Listing Requirements (**MMLR**) of Bursa Malaysia Securities Berhad (**Bursa Securities**). It is drawn up with reference to the Principles set out in the Malaysian Code on Corporate Governance 2021 (**MCCG**) and the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers issued by Bursa Securities.

BOARD RESPONSIBILITY

The Board of Directors (**the Board**) of Paramount Corporation Berhad (**Paramount** or **the Company**) acknowledges its overall responsibility in maintaining an adequate and sound framework for risk management and internal control to safeguard shareholders' investment in the Company as well as the assets of the Company and its subsidiaries (**the Group**).

The Board continuously reviews the adequacy and integrity of the Group's risk management and internal control system, which has been embedded in all aspects of the Group's activities, and its alignment with the Group's business objectives. In view of the limitations inherent in any system of risk management and internal control, the Board recognises that such a system can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Board has established an ongoing process for identifying, evaluating, monitoring and managing the significant risks faced by the Group in achieving its business objectives. This process has been in practice for the year under review up to the date of approval of this statement. The Board has also evaluated the risks associated with new businesses undertaken and major investments made during the year.

The disclosures in this statement, however, do not cover associate companies which the Group does not have any direct operational control. Nevertheless, board representation in the associate companies and key financial data made available periodically to the Group by those companies at their board meetings do provide vital information necessary for decisions on the investment and safeguarding of the Group's interests in those companies.

RISK MANAGEMENT

Part II of Principle B in the MCCG states that the Board should establish an effective risk management and internal control framework to manage risks. In fulfilling this responsibility, the Board has put in place a well-defined risk management structure with clearly delineated lines of accountability, authority and responsibility, as explained in the following paragraphs:

- ***Board Risk Management Committee (BRMC)***

  The BRMC is the main governing body authorised by the Board to ensure that adequate measures are put in place to address and manage the key risk exposure of the Group. It is set out in the terms of reference of the BRMC that the BRMC shall consist of at least two (2) directors, a majority of whom shall be Independent Non-Executive Directors (**INEDs**). Currently, the BRMC has three (3) members, all of whom are INEDs. The BRMC functions within its terms of reference, and it meets on a half-yearly basis to review and deliberate all key risks identified by management. Further details on the BRMC and its activities during the year under review are reported in the Corporate Governance Overview Statement.

- ***Executive Risk Management Committee (ERMC)***

  The ERMC supports the BRMC in its oversight on the implementation of the Company's risk management strategies and policies, as well as to coordinate the Group's risk management activities and provide recommendations to the BRMC, if there is any improvement required.

The ERMC comprises the Group's key senior management including Chief Executive Officers (**CEOs**) of Strategic Business Units. It is chaired by the Group Chief Executive Officer (**GCEO**), and meets quarterly to monitor the Group's risk exposure, discuss the appropriateness of the key risk management plans (**KRMPs**), and ensure that the KRMPs are implemented consistently. It also monitors the post-implementation effectiveness of the KRMPs. The ERMC reports to the BRMC on the top risks faced by the Group and the implementation progress of the KRMPs.

- ***Corporate Risk Management (CRM) Department***

The CRM Department assists the ERMC in the discharge of its functions by conducting research and updating the ERMC based on the latest requirements and best practices with regard to risk management. It also assists the ERMC by reviewing and recommending key risks to the ERMC for consideration and highlighting whether the Group's risks have been correctly identified and are being appropriately managed.

- ***Strategic Business Units (SBUs) and Corporate Functions***

All SBUs within the Group and the corporate functions of the Company participate actively in the Group's Enterprise-Wide Risk Management activities, and they report their key risks to the ERMC on a quarterly basis. The CEOs of the SBUs and heads of the corporate functions, being risk owners, are responsible for the effective management of their respective risk profiles. Such responsibilities include identifying potential risks and the impact thereof to the SBUs or the Group as a whole and implementing KRMPs to mitigate those risks. Regular review of the identified risks and KRMPs are also conducted in tandem with changes in the business or operating environment of the Group. Risks that may have a material impact on the Group's corporate objectives and financial position will be highlighted to the attention of the ERMC and the BRMC.

- ***Audit Committee (AC)***

The AC is assisted by the Internal Audit Department (**IAD**) to conduct periodic audit of the Group's risk management processes and to evaluate the adequacy and effectiveness of the risk management framework that has been adopted by the Group.

The Board regards risk management as an important component that underpins the Group's strategic planning process and business operations. It is on this premise that the Board has included in the Group's risk management framework the following guiding principles to instill a culture of robust risk management across the Group:

- ***Risk Management Policy***

The Risk Management Policy outlines the risk management philosophy, framework and processes of the Group. This policy is subject to periodic review once in every three years by the Board to ensure that it remains relevant and effective in driving the Group's risk management practices under different economic and business environment.

- ***Enterprise-Wide Risk Management (EWRM) Framework***

The Group's EWRM framework that mirrors the ISO31000 Risk Management – Principles and Guidelines sets out the risk management practices adopted by the Group with some revisions to cater to the specific needs of the Group and to align with the best practices promulgated in the MCCG.

- ***Risk Appetite Statement and Risk Tolerance***

A statement on the risk appetite and risk tolerance of the Group, based on measurable parameters that may impact the achievement of corporate objectives, has also been established. The objective is to ensure consistent understanding of the risk exposures which are acceptable or unacceptable to the Group.

Management, through the ERMC, continuously review, communicate and reinforce the Group's risk appetite to ensure that the Group's business activities are conducted within the acceptable risk appetite and risk tolerance levels.

- ***Risk assessment reviews***

  Under the EWRM framework, all key risks identified by the SBUs and corporate functions are categorised according to the nature of the Group's business activities, and the rating of such risks are assessed based on the likelihood of occurrence via a self-assessment approach. All SBUs and corporate functions are required to report their key risk profiles and KRMPs to the ERMC on a quarterly basis. All key risks that are deemed to have a significant impact to the Group are then reported to the BRMC on a half-yearly basis. The BRMC will, in turn, highlight such risks to the Board for its attention. A database on all key risks, key controls and KRMPs as well as the status of implementation of the KRMPs is maintained by the respective SBUs and corporate functions.

  The Group's key risks are identified based on the following eight (8) categories:

  1) Strategic risks

  Strategic risks are risks that may arise due to potential market uncertainties and in the course of executing the Group's strategies in arriving at certain business decisions and/or participation in strategic investment opportunities. The Group may have exposure to potential negative impact that can inhibit or prevent the Group from achieving its strategic objectives. They include market volatility risk, equity investment risk, project investment risk including land acquisition, product development risk, business sustainability risk, and human capital risk. To manage these risks, the Group has implemented the following measures:

  - Putting in place robust strategic planning processes
  - Closely monitoring the marketplace for any signs of threats to the achievement of the strategic objectives
  - Tracking the expected deliverables identified under the Group's 5-Year Plan, annual business plans and budgets
  - Conducting feasibility studies and due diligence exercises to ensure that investment decisions are made based on the viability of the projects and their ability to fulfil the objectives and goals of the Group
  - Actively source for joint venture opportunities with appropriate partners to gain access to overseas markets for expansion of the Group's businesses and revenue stream
  - Continue to explore and introduce new and innovative products, services and sales packages to meet the evolving needs of customers
  - Closely engaging with the boards and management of companies where the Group holds minority stakes to offer guidance and advice, where appropriate

  2) Operational risks

  Operational risks are risks that may be encountered in the Group's day-to-day business operations in the event of a breakdown in internal control processes and systems or a change in the people structure of the Group.

  Given that the Group's Property Division is a major contributor to the Group's revenue and profits, the risks faced by this division, such as escalation in material costs, shortage of skilled site workers, quality risk and the risk of delay in the receipt of approvals from the authorities for project launches, may have a significant impact to the Group's performance.

  To manage the risk of escalating material costs, the Group practises bulk purchasing of key materials and continues to maintain good relationship with vendors and keeps abreast of the price movements of such key materials. In addition, the Group continues to review and enhance its internal policies and procedures to ensure robustness, and devise ways to increase operational efficiency and productivity. In this regard, contractors who are found to be non-performing will be barred from further participation in tenders called by the Group.

3) Finance-related risks

The Group is exposed to finance-related risks, such as liquidity, interest rate and foreign exchange movements, as well as credit and investment risks. To address these risks, prudent funding and treasury policies with regard to the Group's business operations are adopted to minimise the potential adverse impact that such risks could have on the financial performance of the Group. A liquidity stress test is also carried out to assess the financial impact of these risks to the Group, whenever applicable. The Group continues to maintain an optimal liquidity position and capital structure against volatilities in the global and local economies and fluctuations in interest rates.

4) Compliance risks

The Group's businesses are governed by various relevant legislations, regulations, industry codes, standards as well as internal policies and corporate governance principles. The Group constantly reviews its operational processes to ensure that there are no breaches of applicable laws, regulations, government policies or contractual obligations that may have a material and adverse impact on the financial prospects of the Group. The Board is leveraging on the expertise of the management team to ensure that these risks are identified, monitored and managed effectively. Regular communication on compliance matters is conducted to bring a higher degree of awareness to the employees involved. Employees receive trainings to keep abreast of the latest applicable requirements and regulations.

5) Reputational risks

The reputation of the Group and its brand are important assets, and they form the basis upon which the long-term business success of the Group is anchored. To this end, the Group continues to ensure the delivery of high-quality products and services and creating better customer experience to meet the evolving expectations of customers. The Group also engages with other stakeholders, such as employees, the media, investors and bankers in a constant and constructive manner to preserve the Group's reputation.

6) Cyber security risks

The Group leverages on websites and social media to better serve its existing customers and to widen its market reach to new customers. As such, cyber security risks, such as defacement of the Group's websites, phishing emails and ransomware attack could cause disruption to the Group's operations. In view of the heightened threat of cyber-attacks in recent years, the Group has put in place the following cyber security control measures to mitigate this risk:

- Establishing Information Technology (**IT**) security policies and procedures based on relevant data security standards and industry best practices
- Strengthening access management to all systems under the purview of the Group
- Deploying cyber security monitoring tools to trace potential intrusion by unauthorised users
- Installing a robust firewall and intrusion prevention mechanism to the Group's IT infrastructure

The Group will continue to review and assess the adequacy of such measures and will keep abreast of the latest IT security landscape to enhance the KRMPs to mitigate this risk. Continuous education is also provided to the Group's employees on cybersecurity risks, threats, and trends.

Disaster Recovery Management is a part of managing the Group's Cyber Security Risk. Having a resilient IT eco-system is crucial for the Group's business continuity of key operations in the event of a natural disaster or technology breakdown such as fires, floods, earthquakes, major equipment failures, cyber-attacks and virus outbreaks.

7) ***Bribery and corruption risks***

The Group's Anti-Bribery and Corruption (**ABC**) Policy was adopted in 2020 and published on Paramount's website. Under this ABC Policy, the Group adopts a zero-tolerance stance against bribery and corruption and a set of ABC Guidelines had also been put in place since 2020 to guide employees on compliance with the ABC Policy.

The BRMC and ERMC will also continue to evaluate the effectiveness of the existing controls to mitigate the risk of non-compliance by associated persons with the Group's ABC Policy.

8) ***Sustainability risks***

Sustainability risks refer to uncertain social or environmental events or conditions that, if occurred, could have a material negative impact on the Group.

In managing these risks, the Group has a dedicated Sustainability Steering Committee to review, monitor and ensure that the Group's sustainability commitments are aligned with the Company's vision and mission. Further details on these risks and the Group's key risk management plans are provided in the Company's Sustainability report, published on Paramount's website.

- ***Key risk indicators***

  Key risk indicators have been applied for better tracking of the effectiveness of the control measures and the KRMPs to mitigate all top key risks of the Group.

- ***Continuous education***

  Although the Group has achieved a reasonably high level of robustness in managing a wide range of risks, continuous education takes place at the knowledge sharing sessions between the CRM Department and risk owners across the Group to reinforce the best practices.

INTERNAL CONTROL

The Board, through the AC, reviews and monitors the adequacy and integrity of the Group's internal controls. The internal control system covers policies, procedures, day-to-day activities and the overall governance of the Group.

In the year under review, the Group has benchmarked the internal control system against an internal control framework based on the principles set out in the Internal Control Integrated Framework prescribed by the Committee of the Sponsoring Organisations of the Treadway Commission (**COSO Framework**). The results of the benchmarking exercise and the implementation status of the framework were reported to the ERMC and the BRMC accordingly.

The salient features of the internal control system are as follows:

- The Board has adopted a Code of Business Conduct and Ethics (**Code of Conduct**) with the objective of upholding the highest standards of honesty, integrity, ethical, and legal behavior in the conduct of all business operations of the Group. All employees are required to adhere to the principles set out in the Code of Conduct whilst carrying out their duties and responsibilities. The Code of Conduct is also made available to employees of the Group via the Employee Awareness Tool and to the public via the Company's website. The Code of Conduct covers areas such as conflict of interest, business conduct in the workplace, confidentiality, fair dealing, gift and entertainment.

- The Group has clearly defined areas of responsibilities for all committees of the Board and clear lines of authority and accountability for various levels of management. It has an appropriate organisational structure which facilitates the segregation of duties and accountability.

- Selection and recruitment of new employees are based on both the business requirements and the individual's competency assessment. The Human Resource Department has in place processes for performance management and human resource development to ensure that employees of the Group are equipped with the necessary skills that enable them to deliver high quality performance.

- Succession planning is designed to ensure that the Group identifies and develops a talent pool of staff through mentoring and training for high-level management positions. This is to ensure continuity in leadership of the Group's key positions.

- Well-established and documented policies and procedures which are aligned with business objectives and goals within the Group are continuously reviewed and updated.

- Various reports on key financial data, key performance indicators, and status updates on business plans, are submitted by the SBUs on a quarterly basis. The reporting mechanism is to enable matters that require the Board's and management's attention are highlighted for review, deliberation and timely decision making. All members of the Board have unrestricted access to information.

- A whistleblowing policy is established to provide appropriate communication and feedback channels which facilitate whistleblowing in a transparent and confidential manner and to enable staff and stakeholders to raise genuine concerns about possible improprieties, improper conduct or other malpractices within the Group in an appropriate manner.

- Insurance coverage and physical safeguards on major assets are in place to ensure that the Group's assets are adequately insured against any mishap or incidents that could result in a material loss to the Group.

- Information system that supports the financial and operational requirements of the Group is established. The integrity, adequacy, timeliness and security of the information system are consistently monitored by management.

- Business plans which include a 5-year strategic plan, an annual business plan and annual budgets are prepared by the SBUs. The plans are presented and approved by the Board.

- Management holds Finance Committee meetings on a quarterly basis where comprehensive financial results are reviewed by comparing actual performance against the approved budget and that of prior periods. The quarterly financial results and management reviews are then summarised for presentation to the Board during their quarterly meetings.

- An effective management tender committee ensures that a proper procurement process for material purchases of goods and services is in place.

These internal control processes are reviewed and revised from time to time to ensure that they are relevant and effective in responding to changing business and operational needs, whenever practical.

INTERNAL AUDIT FUNCTION

The AC endorses and approves the scope of work and the resource budget of the internal audit function through a review of IAD's Internal Audit Plan (**IAP**) on a yearly basis. The Board places emphasis on the independence and integrity of the internal audit function and ensures that IAD has adequate resources to effectively carry out its work and report to the AC. Quarterly progress reports on the IAP and on the key activities undertaken by IAD are submitted to the AC for review at the quarterly meetings of the AC. Details on the activities of the internal audit function are disclosed in the Audit Committee Report.

IAD submits regular internal audit reports to the AC for review at the AC's quarterly meetings, which are also attended by members of the management team and the external auditors on the invitation of the AC. IAD also conducts follow-up audit with management on the audit recommendations and matters highlighted by the AC. The status of corrective actions taken by management to address IAD's audit findings are also reported to the AC to enable the AC to have an overview of the state of internal controls within the Group.

SBUs that are accredited with ISO certifications are audited as scheduled by auditors of the relevant certification bodies, and the audit results are reported to management for improvement purposes.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors, Ernst & Young PLT have performed limited assurance procedures on this Statement on Risk Management and Internal Control. The review was performed in accordance with the Malaysian Approved Standard on Assurance Engagements, International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (**AAPG 3**), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report.

Based on their review, they have reported to the Board that nothing has come to their attention that causes them to believe that this statement intended to be included in the annual report is not prepared, in all material respects, in accordance with disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or that the statement is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon.

CONCLUSION

The Board has received assurances from both the GCEO and the Chief Financial Officer of the Company that the risk management and internal control system is operating adequately and effectively in all material aspects for FY2024 and up to the date of this statement.

For the financial year under review, the Board is satisfied with the adequacy and effectiveness of the Group's risk management, and the review and monitoring of the internal control system gives reasonable assurance that the internal controls in place are adequate. There were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

Where exceptions were noted, they were not material in the context of this statement and corrective actions have been taken.

04

THE FINANCIALS

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 18 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit after tax	114,943	79,595
Attributable to:		
Ordinary equity holders of the Company	102,447	67,388
Holders of private debt securities ("PDS")	12,207	12,207
Non-controlling interests	289	-
	114,943	79,595

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, other than as disclosed in the financial statements.

DIVIDENDS

The amounts of dividends declared by the Company since 31 December 2023 were as follows:

	RM'000
In respect of the financial year ended 31 December 2023:	
Single-tier second interim dividend of 4.00 sen on 622,726,366 ordinary shares, paid on 27 March 2024	24,909
In respect of the financial year ended 31 December 2024:	
Single-tier interim dividend of 3.00 sen on 622,771,028 ordinary shares, paid on 26 September 2024	18,683
Single-tier second interim dividend of 3.00 sen on 622,771,028 ordinary shares, paid on 26 December 2024	18,683
	62,275

DIVIDENDS (CONT'D.)

On 21 February 2025, the Company has declared a single-tier third interim dividend of 1.5 sen per share in respect of the financial year ended 31 December 2024 on 622,771,028 ordinary shares, amounting to a dividend payable of RM9,342,000 which was paid on 21 March 2025.

The financial statements for the current financial year do not reflect the declared third interim dividend. The third interim dividend will be accounted for in equity as appropriation of retained earnings in the financial year ending 31 December 2025.

DIRECTORS OF THE COMPANY

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Quah Chek Tin	
Chew Sun Teong *	
Benjamin Teo Jong Hian *	
Ong Keng Siew	
Quah Poh Keat	
Foong Pik Yee	
Dato' Ong Eng Bin	
Fatimah Binti Merican	(Resigned on 12 March 2025)

* These directors are also directors of the Company's subsidiaries.

DIRECTORS OF THE SUBSIDIARIES

The names of the directors of the Company's subsidiaries since the beginning of the financial year to the date of this report, excluding those who are already listed above, are:

Datuk Seri Dr Yam Kong Choy	
Foong Poh Seng	
Jeffrey Quah Chuan Tatt	
Chee Siew Pin	
Wang Chong Hwa	
Dion Tan Yong Chien	
Datuk Wong Baan Chun	
Aidan Hamidon	
Terence Chun Kiat Tan	
Ooi Ee Sze	(Appointed on 26 April 2024)
Ooi Hun Peng	(Resigned on 25 April 2024)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 38(b) to the financial statements.

	Group and Company RM'000
Directors of the Company	
Executive:	
Salaries	2,492
Fees	202
Bonus and other benefits	3,745
Defined contribution plan	743
Executive directors' remuneration excluding benefits-in-kind	7,182
Estimated monetary value of benefits-in-kind	247
	7,429
Non-executive:	
Fees	933
Other emoluments (meeting allowances)	69
	1,002
Total	8,431

DIRECTORS' INDEMNITY

As at the date of this report, the Company has maintained a Directors' and Officers' Liability Insurance ("D&O Insurance") of RM15.0 million in respect of liabilities arising from civil claims against the directors and officers for alleged wrongful acts committed in their capacity as directors and officers while holding office for the Group and the Company. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1 January 2024	Transferred	Sold	At 31 December 2024
The Company				
Direct Interest				
Ong Keng Siew	5,582,780	-	-	5,582,780
Chew Sun Teong	9,076,040	-	-	9,076,040
Benjamin Teo Jong Hian	1,457,780	7,854,700	-	9,312,480
Deemed Interest				
Quah Poh Keat	1,339,520	-	-	1,339,520
Benjamin Teo Jong Hian	178,322,900	(7,854,700)	-	170,468,200

	Number of warrants			
	At 1 January 2024	Transferred	Sold	Expired on 28 July 2024
The Company				
Direct Interest				
Ong Keng Siew	80	-	-	80
Benjamin Teo Jong Hian	342,480	2,244,200	(342,400)	2,244,280
Deemed Interest				
Benjamin Teo Jong Hian	48,705,200	-	-	48,705,200

Benjamin Teo Jong Hian by virtue of his interest in shares in the Company is also deemed interested in the shares in all the Company's subsidiaries to the extent that the Company has an interest.

The other directors in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

ISSUANCE OF SHARES

On 19 July 2024, the Company's issued share capital increased from 622,726,366 to 622,771,028 following the conversion of 44,662 warrants at an issue price of RM1.79 per share.

OTHER STATUTORY INFORMATION

(a) Before the income statement, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts have been written off and that adequate provision had been made for doubtful debts; and

  (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

  (i) the amount written off for any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

  (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

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

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

  (i) 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 will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

  (ii) 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 the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Significant events during the financial year are disclosed in Note 44 to the financial statements.

SUBSEQUENT EVENTS

Significant events subsequent to the end of financial year are disclosed in Note 45 to the financial statements.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follow:

	Group RM'000	Company RM'000
Statutory audit	756	248
Non-audit fee	42	5

There was no payment made or insurance effected to indemnify the auditors during the financial year and the period from 1 January 2024 to the date of this report.

Signed on behalf of the Board in accordance with a resolution of the directors dated 4 April 2025.

Chew Sun Teong

Benjamin Teo Jong Hian

STATEMENT BY **DIRECTORS**

Pursuant to Section 251(2) of the Companies Act 2016

We, Chew Sun Teong and Benjamin Teo Jong Hian, being two of the directors of Paramount Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 89 to 193 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 4 April 2025.

Chew Sun Teong

Benjamin Teo Jong Hian

STATUTORY **DECLARATION**

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Foong Poh Seng, being the officer primarily responsible for the financial management of Paramount Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 89 to 193 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 Declaration Act, 1960.

Subscribed and solemnly declared by
the abovenamed Foong Poh Seng at
Petaling Jaya in Selangor Darul Ehsan
on 4 April 2025

Foong Poh Seng
MIA 7519

Before me,

Commissioner for Oaths

Ng Say Hung
B185
No. 71-1, Jalan SS21/37
Damansara Utama (Uptown)
47400 Petaling Jaya
Selangor

INDEPENDENT **AUDITORS' REPORT**

to the members of Paramount Corporation Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Paramount Corporation Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and income statements and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 89 to 193.

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 MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matter for the audit of the financial statements of the Group is described below. This matter was 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 this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Recognition of revenue and cost on property development projects

The revenue on property development projects contributed approximately 92% of the Group's revenue. The revenue and costs on property development projects were mainly computed based on the stage of completion method. Stage of completion is determined by the proportion of property development cost incurred for work performed to date bear to the estimated/budgeted total property development cost. We focused on this area because management made significant judgement in determining the stage of completion, the extent of the property development cost incurred and the estimated/budgeted total property development cost.

Recognition of revenue and cost on property development projects (cont'd.)

To address these area of audit focus, we performed, amongst others, the following procedures:
- We assessed and tested the design and operating effectiveness of the management's budgeting process.
- We reviewed management's workings on the computation of revenue and cost.
- We reviewed the gross development value by agreeing the estimated sales to the signed sales and purchase agreements for sold units and the approved selling prices for the remaining unsold units.
- We determined the completeness of cost components in the budget through discussion with the project managers and agreeing the estimated construction cost to the awarded contracts.
- We assessed the completeness of the cost incurred by vouching to the latest progress claims from the contractors, re-computed the stage of completion and observed the progress of the projects by performing site visits.
- For cost of work performed internally by the Group, we obtained and evaluated the estimates by interviewing project managers and benchmarked these budgeted costs against similar completed projects.

The Group's disclosures on property development activities are included in Notes 2.18(a), 3.2, 4, 14(b) and 15 to the financial statements.

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 Company's Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the information included in the annual report, which is expected to be made available to us after the date of this auditors' report.

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.

When we read the information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the 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.

The directors are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 financial statements of the Group. 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.

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

INDEPENDENT **AUDITORS' REPORT**

to the members of Paramount Corporation Berhad (Incorporated in Malaysia) (cont'd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 18 to the financial statements.

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

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Hoh Yoon Hoong
No. 02990/08/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
4 April 2025

CONSOLIDATED **INCOME STATEMENT**

For the financial year ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Revenue	4	1,040,161	1,012,252
Other income		45,904	21,047
Property development costs		(698,674)	(721,376)
Employee benefits expenses	5	(62,238)	(57,537)
Depreciation and amortisation		(26,296)	(23,324)
Other expenses		(95,214)	(66,467)
Finance costs	7	(40,951)	(31,847)
Share of results of associates and a joint venture		(5,786)	(2,525)
Profit before tax	8	156,906	130,223
Taxation	9	(41,963)	(35,147)
Profit for the financial year		114,943	95,076
Profit attributable to:			
Ordinary equity holders of the Company		102,447	82,837
Holders of private debt securities ("PDS") of the Company		12,207	12,212
Non-controlling interests		289	27
		114,943	95,076
Earnings per share ("EPS") attributable to ordinary equity holders of the Company (sen)			
- Basic	10	16.45	13.31

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	2024 RM'000	2023 RM'000
Profit for the financial year	114,943	95,076
Other comprehensive income:		
Item that will not be reclassified to profit or loss		
Net loss on investment in quoted shares designated at fair value through other comprehensive income	(33,745)	(408)
Net loss on investment in unquoted shares designated at fair value through other comprehensive income	(5,187)	-
Item that may be reclassified subsequently to profit or loss		
Foreign currency translation	64	179
Total comprehensive income	76,075	94,847
Total comprehensive income attributable to:		
Ordinary equity holders of the Company	63,579	82,608
Holders of PDS of the Company	12,207	12,212
Non-controlling interests	289	27
	76,075	94,847

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	2024 RM'000	2023 RM'000
Non-current assets			
Property, plant and equipment	12	117,087	117,197
Right-of-use assets	13	22,350	20,697
Inventories - land held for property development	14	455,358	812,235
Investment properties	16	469,203	530,156
Investments in associates and a joint venture	19	24,472	38,480
Other investments	20	148,234	8,331
Other receivables	22	16,562	23,966
Deferred tax assets	31	50,210	45,627
		1,303,476	1,596,689
Current assets			
Inventories - property development costs	14	327,066	219,758
Inventories - completed properties and other inventories	14	208,678	60,929
Contract cost assets	15	240,052	157,984
Trade receivables	21	142,291	82,420
Other receivables	22	80,117	34,723
Other current assets	23	12,535	9,098
Contract assets	24	509,938	596,176
Tax recoverable		18,435	16,125
Cash and bank balances	26	217,005	203,188
		1,756,117	1,380,401
Non-current assets held for sale	17	5,261	-
		1,761,378	1,380,401
Total assets		3,064,854	2,977,090
Current liabilities			
Borrowings	27	353,519	268,949
Lease liabilities	28	5,411	5,437
Trade payables	29	253,288	217,231
Other payables	30	267,339	241,857
Tax payable		6,972	1,435
Contract liabilities	24	306	252
		886,835	735,161
Net current assets		874,543	645,240

CONSOLIDATED STATEMENT **OF FINANCIAL POSITION**

As at 31 December 2024 (cont'd.)

	Note	2024 RM'000	2023 RM'000
Non-current liabilities			
Borrowings	27	635,139	545,315
Lease liabilities	28	18,074	16,143
Other payables	30	38,555	47,329
Deferred tax liabilities	31	3,868	2,655
		695,636	611,442
Total liabilities		1,582,471	1,346,603
Equity			
Share capital	32	335,261	335,181
Reserves		1,095,784	1,094,480
Private debt securities	33	49,958	199,609
Non-controlling interests		1,380	1,217
Total equity		1,482,383	1,630,487
Total equity and liabilities		3,064,854	2,977,090

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

CONSOLIDATED STATEMENT **OF CHANGES IN EQUITY**

For the financial year ended 31 December 2024

	← Non-distributable		→ Distributable				
	Share capital (Note 32) RM'000	Fair value reserve RM'000	Translation reserve RM'000	Retained earnings (Note 35) RM'000	Non-controlling interests RM'000	Private debt securities (Note 33) RM'000	Total equity RM'000
At 1 January 2024	335,181	(7,377)	(336)	1,102,193	1,217	199,609	1,630,487
Total comprehensive (loss)/income	-	(38,932)	64	102,447	289	12,207	76,075
Transactions with owners							
PDS distribution	-	-	-	-	-	(11,858)	(11,858)
Redemption of PDS	-	-	-	-	-	(150,000)	(150,000)
Conversion of warrants	80	-	-	-	-	-	80
Dividends (Note 11)	-	-	-	(62,275)	(126)	-	(62,401)
Total transactions with owners	80	-	-	(62,275)	(126)	(161,858)	(224,179)
At 31 December 2024	335,261	(46,309)	(272)	1,142,365	1,380	49,958	1,482,383

	← Non-distributable				→ Distributable			
	Share capital (Note 32) RM'000	Employee share reserve # (Note 34) RM'000	Fair value reserve RM'000	Translation reserve RM'000	Retained earnings (Note 35) RM'000	Non-controlling interests RM'000	Private debt securities (Note 33) RM'000	Total equity RM'000
At 1 January 2023	334,299	3,203	(6,969)	(515)	1,135,072	678	199,206	1,664,974
Total comprehensive (loss)/income	-	-	(408)	179	82,837	27	12,212	94,847
Transactions with owners								
Vesting of Long Term Incentive Plan ("LTIP") shares	882	(882)	-	-	-	-	-	-
Award of LTIP shares to employees	-	(2,321)	-	-	-	-	-	(2,321)
PDS distribution	-	-	-	-	-	-	(11,809)	(11,809)
Dividends (Note 11)	-	-	-	-	(115,204)	-	-	(115,204)
Acquisition of equity interest from non-controlling interests	-	-	-	-	(512)	512	-	-
Total transactions with owners	882	(3,203)	-	-	(115,716)	512	(11,809)	(129,334)
At 31 December 2023	335,181	-	(7,377)	(336)	1,102,193	1,217	199,609	1,630,487

\# This represents reserve relating to the fair valuation of restricted shares and performance-based shares under the LTIP.

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

CONSOLIDATED STATEMENT OF **CASH FLOWS**

For the financial year ended 31 December 2024

	2024 RM'000	2023 RM'000
Cash flows from operating activities		
Profit before tax	156,906	130,223
Adjustments for:		
Depreciation of property, plant and equipment	10,931	10,674
Depreciation of right-of-use assets	5,967	4,451
Depreciation of investment properties	9,398	8,199
Property, plant and equipment written off	60	382
Dividend income	(25,850)	-
Impairment of property, plant and equipment	1,070	-
Loss on remeasurement to fair value less cost to sell of non-current assets held for sale	2,448	-
Impairment of investments in associates	5,000	-
Inventories written down	1,870	-
Additions of allowance for impairment of trade and other receivables	14,796	356
Reversal of impairment of property, plant and equipment	-	(955)
Reversal of impairment of investment properties	-	(300)
Reversal of impairment of right-of-use assets	-	(407)
Reversal of allowance for impairment of receivables	-	(1)
Share-based payment	-	(2,321)
Bad debts written off	1,577	250
Gain on deemed disposal of investment in an associate	(38,031)	-
Gain on disposal of non-current assets held for sale	-	(1,689)
Gain on disposal of property, plant and equipment	(12)	(33)
Gain on disposal of investment properties	-	(5,535)
Gain on lease remeasurement	-	(115)
Gain on early lease termination	(48)	-
Net unrealised foreign exchange loss/(gain)	717	(923)
Net derivative (gain)/loss	(916)	1,100
Share of loss of associates and a joint venture	5,786	2,525
Interest expense	40,951	31,847
Interest income	(3,864)	(4,556)
Operating profit before working capital changes	188,756	173,172
Changes in working capital:		
Receivables	(623)	(35,005)
Inventories - property development costs, completed properties and other inventories	232,620	164,959
Payables	52,899	83,082
Cash generated from operations	473,652	386,208
Net taxes paid	(42,106)	(42,362)
Interest paid	(45,090)	(45,625)
Net cash generated from operating activities	386,456	298,221

CONSOLIDATED STATEMENT OF **CASH FLOWS**

For the financial year ended 31 December 2024 (cont'd.)

	2024 RM'000	2023 RM'000
Cash flows from investing activities		
Increase in land held for property development	(98,863)	(79,249)
Purchase of property, plant and equipment	(11,406)	(9,442)
Cost incurred for investment properties	(59,855)	(16,400)
Investment in real estate portfolio	(5,612)	-
Purchase of quoted investment	(170,610)	(9)
Investment in Peer-to-Peer ("P2P") notes	(4,931)	(6,472)
Proceeds from conversion of warrants	80	-
Proceeds from disposal of property, plant and equipment	40	50
Proceeds from disposal of investment properties	-	9,230
Proceeds from disposal of non-current assets held for sale	-	5,659
Interest received	3,864	4,556
Dividend received from an associate	31,020	-
Net cash used in investing activities	(316,273)	(92,077)
Cash flows from financing activities		
Dividends paid to shareholders	(62,275)	(115,204)
Dividends paid to non-controlling interest	(126)	-
Redemption of PDS	(150,000)	-
Payment of PDS distribution	(11,858)	(11,809)
Drawdown of borrowings	526,280	296,195
Repayment of borrowings	(384,085)	(506,876)
Placements in banks restricted for use	360	(17,371)
Principal portion of lease payments	(5,602)	(5,509)
Interest portion on lease payments	(899)	(510)
Net cash used in financing activities	(88,205)	(361,084)
Net decrease in cash and cash equivalents	(18,022)	(154,940)
Cash and cash equivalents at beginning of financial year	141,871	296,811
Cash and cash equivalents at end of financial year (Note 26)	123,849	141,871

CONSOLIDATED STATEMENT OF **CASH FLOWS**

For the financial year ended 31 December 2024 (cont'd.)

Note:

Reconciliation of liabilities arising from financing activities:

	2024 RM'000	2023 RM'000
Borrowings (excluding overdraft) (Note 27)		
At 1 January	792,824	1,003,505
Drawdown of borrowings	526,280	296,195
Repayment of borrowings	(384,085)	(506,876)
Net changes in financing cash flows	142,195	(210,681)
At 31 December	935,019	792,824
Lease liabilities (Note 28)		
At 1 January	21,580	11,001
Principal portion of lease payments	(5,602)	(5,509)
Interest portion on lease payments	(899)	(510)
Net changes in financing cash flows	(6,501)	(6,019)
Other changes:		
Interest expense (Note 7)	899	510
Additions	9,601	16,253
Lease remeasurement	(968)	(165)
Lease derecognition	(1,126)	-
	8,406	16,598
At 31 December	23,485	21,580

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

INCOME **STATEMENT**

For the financial year ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Revenue	4	86,620	87,074
Other income		52,241	46,924
Employee benefits expenses	5	(17,746)	(13,163)
Depreciation		(745)	(1,615)
Other expenses		(31,487)	(52,758)
Finance costs	7	(8,110)	(2,987)
Profit before tax	8	80,773	63,475
Taxation	9	(1,178)	(1,435)
Profit after tax, representing total comprehensive income for the financial year		79,595	62,040
Total comprehensive income attributable to:			
Ordinary equity holders of the Company		67,388	49,828
Holders of PDS of the Company		12,207	12,212
		79,595	62,040

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

STATEMENT OF **FINANCIAL POSITION**
As at 31 December 2024

	Note	2024 RM'000	2023 RM'000
Non-current assets			
Property, plant and equipment	12	2,636	892
Investments in subsidiaries	18	844,476	816,037
Investments in associates	19	7,430	16,394
Due from subsidiaries	25	2,722	2,722
Other investments	20	319,405	269,915
Other receivables	22	5,076	4,010
Deferred tax assets	31	257	30
		1,182,002	1,110,000
Current assets			
Other receivables	22	4,481	2,190
Other current assets	23	340	249
Due from subsidiaries	25	464,041	466,506
Tax recoverable		5,911	4,584
Cash and bank balances	26	1,179	1,161
		475,952	474,690
Non-current assets held for sale	17	5,261	-
		481,213	474,690
Total assets		1,663,215	1,584,690
Current liabilities			
Borrowings	27	162,463	90,178
Other payables	30	17,109	15,832
		179,572	106,010
Net current assets		301,641	368,680
Non-current liability			
Borrowings	27	149,421	-
Total liabilities		328,993	106,010
Equity			
Share capital	32	335,261	335,181
Reserves		949,003	943,890
Private debt securities	33	49,958	199,609
		1,334,222	1,478,680
Total equity and liabilities		1,663,215	1,584,690

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

STATEMENT OF **CHANGES IN EQUITY**

For the financial year ended 31 December 2024

	Share capital (Note 32) RM'000	Distributable Retained earnings (Note 35) RM'000	Private debt securities (Note 33) RM'000	Total equity RM'000
At 1 January 2024	335,181	943,890	199,609	1,478,680
Total comprehensive income	-	67,388	12,207	79,595
Transactions with owners				
PDS distribution	-	-	(11,858)	(11,858)
Redemption of PDS	-	-	(150,000)	(150,000)
Conversion of warrants	80	-	-	80
Dividends (Note 11)	-	(62,275)	-	(62,275)
Total transactions with owners	80	(62,275)	(161,858)	(224,053)
At 31 December 2024	335,261	949,003	49,958	1,334,222

	Share capital (Note 32) RM'000	Non-distributable Employee share reserve # (Note 34) RM'000	Distributable Retained earnings (Note 35) RM'000	Private debt securities (Note 33) RM'000	Total equity RM'000
At 1 January 2023	334,299	3,203	1,009,266	199,206	1,545,974
Total comprehensive income	-	-	49,828	12,212	62,040
Transactions with owners					
Vesting of LTIP shares	882	(882)	-	-	-
Award of LTIP shares to employees	-	(2,321)	-	-	(2,321)
PDS distribution	-	-	-	(11,809)	(11,809)
Dividends (Note 11)	-	-	(115,204)	-	(115,204)
Total transactions with owners	882	(3,203)	(115,204)	(11,809)	(129,334)
At 31 December 2023	335,181	-	943,890	199,609	1,478,680

\# This represents reserve relating to the fair valuation of restricted shares and performance-based shares under the LTIP.

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

STATEMENT OF **CASH FLOWS**

For the financial year ended 31 December 2024

	2024 RM'000	2023 RM'000
Cash flows from operating activities		
Profit before tax	80,773	63,475
Adjustments for:		
Depreciation of property, plant and equipment	745	865
Depreciation of right-of-use asset	-	744
Depreciation of investment property	-	6
Impairment of investments in subsidiaries	21,200	48,140
Loss on remeasurement to fair value less cost to sell of non-current assets held for sale	204	-
Impairment of investments in associates	3,499	-
Gain on disposal of property, plant and equipment	(4)	-
Gain on liquidation of a subsidiary	(1,189)	-
Gain on disposal of investment property	-	(1,351)
Gain on disposal of non-current assets held for sale	-	(2,927)
Loss on lease remeasurement	-	68
Property, plant and equipment written off	33	-
Additions of allowance for impairment of receivables	387	351
Share-based payment	-	(2,059)
Bad debts written off	1,577	222
Accretion of investment income	(49,490)	(41,820)
Dividend income	(51,000)	(50,000)
Interest expense	8,110	2,987
Interest income	(17,962)	(18,970)
Operating loss before working capital changes	(3,117)	(269)
Changes in working capital:		
Receivables	1,096	(55)
Payables	(300)	133
Subsidiaries balances	2,465	141,632
Cash generated from operations	144	141,441
Net tax paid	(1,375)	(1,766)
Tax loss payment	(1,357)	-
Interest paid	(8,110)	(2,970)
Net cash (used in)/generated from operating activities	(10,698)	136,705

STATEMENT OF **CASH FLOWS**

For the financial year ended 31 December 2024 (cont'd.)

	2024 RM'000	2023 RM'000
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	6	-
Proceeds from liquidation of a subsidiary	6,621	-
Proceeds from disposal of investment property	-	1,900
Proceeds from disposal of non-current assets held for sale	-	5,659
Proceeds from conversion of warrants	80	-
Interest received	17,962	18,970
Subscription of Non-Cumulative Redeemable Convertible Preference Shares ("NCRCPS") in subsidiaries	(55,071)	(57,490)
Dividends received	51,000	50,000
Investment in P2P notes	(4,931)	(6,472)
Subscription of ordinary shares in subsidiaries	-	(17,400)
Purchase of property, plant and equipment	(2,524)	(173)
Net cash generated from/(used in) investing activities	13,143	(5,006)
Cash flows from financing activities		
Drawdown of borrowings	255,000	130,000
Repayment of borrowings	(65,579)	(180,000)
Payment of PDS distribution	(11,858)	(11,809)
Redemption of PDS	(150,000)	-
Dividends paid	(62,275)	(115,204)
Principal portion of lease payments	-	(727)
Interest portion on lease payments	-	(17)
Placement in banks restricted for use	-	37
Net cash used in financing activities	(34,712)	(177,720)
Net decrease in cash and cash equivalents	(32,267)	(46,021)
Cash and cash equivalents at beginning of financial year	(19,050)	26,971
Cash and cash equivalents at end of financial year (Note 26)	(51,317)	(19,050)

STATEMENT OF **CASH FLOWS**

For the financial year ended 31 December 2024 (cont'd.)

Note:

Reconciliation of liabilities arising from financing activities:

	2024 RM'000	2023 RM'000
Borrowings (excluding overdraft) (Note 27)		
At 1 January	70,000	120,000
Drawdown of borrowings	255,000	130,000
Repayment of borrowings	(65,579)	(180,000)
Net changes in financing cash flows	189,421	(50,000)
At 31 December	259,421	70,000
Lease liabilities (Note 28)		
At 1 January	-	727
Principal portion of lease payments	-	(727)
Interest portion on lease payments	-	(17)
Net changes in financing cash flows	-	(744)
Other changes:		
Interest expense (Note 7)	-	17
At 31 December	-	-

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

NOTES TO THE **FINANCIAL STATEMENTS**

31 December 2024

1. CORPORATE INFORMATION

Paramount Corporation Berhad ("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 registered office and principal place of business of the Company is located at Level 12, Tower B, Pusat Perdagangan Dataran Atwater, Jalan Profesor Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 18. There have been no significant changes in the nature of the principal activities of the Group and of the Company during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 4 April 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared on a going concern basis and under the historical cost convention, except as disclosed in the notes to the financial statements.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ('000) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES

On 1 January 2024, the Group and the Company adopted the following pronouncements mandatory for annual financial periods beginning on or after 1 January 2024:

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

Adoption of the above amendments to MFRSs did not have any material effect on the financial performance or position of the Group and the Company.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.3 Standards issued but not yet effective

The standards and amendments to standards that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards and amendments to standards, if applicable, when they become effective.

	Effective for annual periods beginning on or after
Lack of Exchangeability (Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates)	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11 (Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10, MFRS 107 and MFRS 141)	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 and MFRS 7)	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Disclosures of Subsidiaries without Public Accountability	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

The new MFRSs and Amendments to MFRSs above are not expected to have a material impact on the financial statements of the Group and the Company upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of these Amendments to MFRSs as discussed below:

MFRS 18: Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101: Presentation of Financial Statements. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107: Statement of Cash Flows and some requirements of MFRS 101 have been moved to MFRS 108 Basis of Preparation of Financial Statements.

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.3 Standards issued but not yet effective (cont'd.)

MFRS 18: Presentation and Disclosure in Financial Statements (cont'd.)

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures ("MPMs")

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The Group and the Company are currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group and the Company are also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until that date such control ceases.

The cost of acquisition of a subsidiary consists of consideration transferred, and the amount of any non-controlling interests in the acquiree. The acquisition-related costs are recognised in profit or loss as incurred.

Any excess of the cost of business combination, as the case may be, over the net amount of the fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill. Any excess in the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed over the cost of business combination is recognised immediately in profit or loss.

Profit or loss and each component of other comprehensive income are attributed to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. Intragroup assets and liabilities, equity, income, expenses, unrealised gains and losses resulting from intra-group transactions are eliminated in full on consolidation.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Basis of consolidation (cont'd.)

Non-controlling interests represent the equity in subsidiary companies not attributable, direct or indirectly, to the Group which consist of the amount of those non-controlling interests at the date of original combination, and the non-controlling interests' share of changes in the equity since the date of the combination.

Non-controlling interests are presented separately in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

2.5 Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Investments in associates and joint ventures

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

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

On acquisition of an investment in associate or joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's or joint venture's profit or loss for the period in which the investment is acquired.

An associate or a joint venture is equity accounted for from the date on which the investee becomes an associate.

Under the equity method, on initial recognition, the investment in an associate or a joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture after the date of acquisition. When the Group's share of losses in the associate or joint venture equal or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate or joint venture are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.6 Investments in associates and joint ventures (cont'd.)

The financial statements of the associates and joint venture are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136: Impairment of Assets as a single asset, by comparing its recoverable amount (higher of value-in-use ("VIU") and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold buildings	50 years
Plant and equipment	3 - 10 years
Furniture and fittings	10 years
Motor vehicles	4 years
Renovation	3 - 6 years

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.8 Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). The cost of right-of-use assets are initially recognised as the amount of lease liabilities recognised adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset, as follows:

Building	2 - 50 years

The right-of-use assets are also subject to impairment as disclosed in Note 2.13.

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.8 Leases (cont'd.)

(a) As lessee (cont'd.)

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.18(f).

When the assets are leased out under an operating lease, the assets are included in the statement of financial position based on the nature of the assets. Lease income is recognised over the term of the lease on a straight-line basis.

2.9 Disposal groups and non-current assets held for sale

The Group classifies disposal groups and non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Disposal groups and non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the disposal group or asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.10 Inventories

(a) Property inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

Cost includes:
- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction;
- Borrowing costs, planning and design costs, costs of site, preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs; and
- Non-refundable commission cost.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sales.

Property inventories under construction are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once sold, the cost of these inventories is transferred to contract cost assets and recognised in profit or loss as and when control passes to the respective customers.

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.

Property inventories where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle are referred to as land held for development and classified within non-current assets. Generally no significant development work would have been undertaken on these lands other than infrastructure work, earth work and landscape work incurred to prepare the land for development and these inventory properties are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development. These property inventories are classified to current assets (i.e. property development costs) at the point when active development project activities have commenced and when it can be demonstrated that the development activities can be completed within the normal operating cycle.

(b) Other inventories

Other inventories are stated at lower of cost and net realisable value. Other inventories comprise purchase price and directly attributable costs of bringing the inventories to their present location and condition and the cost is determined by using the weighted average cost method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.11 Contract cost assets

(a) Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as contract cost assets when the Group expects those costs to be recoverable.

(b) Costs to fulfill a contract

The costs incurred in fulfilling a contract with a customer which are not within the scope of other MFRSs, such as MFRS 102: Inventories, MFRS 116: Property, Plant and Equipment or MFRS 138: Intangible Assets, are recognised as contract cost assets when all of the following criteria are met:

(i) the costs relate directly to a contract or to an anticipated contract that can be specifically identified;
(ii) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
(iii) the costs are expected to be recovered.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: Accounting Policies, Changes in Accounting Estimate and Errors.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost assets exceeds:

(i) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
(ii) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract cost assets, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with other MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract cost assets in the carrying amount of the cash-generating unit ("CGU") to which it belongs for the purpose of applying MFRS 136: Impairment of Assets to that CGU.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.12 Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the architect. Upon receipt of such certification from the architect, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of MFRS 9 as disclosed in Note 2.14(a).

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs its obligations under the contract (i.e. transfers control of the related goods or services to the customer).

Unlike the method used to recognise contract revenue related to sale of completed property, the amounts billed to the customer for the sale of a property under development are based on achievement of the various milestones established in the contract. The amounts recognised as revenue for a given period do not necessarily coincide with the amounts certified by the architect and billed to the customer. In the case of contracts in which the goods or services transferred to the customer exceed the related amount certified by the architect and billed to the customer, the difference is recognised as a contract asset, whereas in contracts in which the goods or services transferred are lower than the amount certified by the architect and billed to the customer (i.e., when a payment is due or a payment is received before the Group transfers the remaining goods or services), the difference is recognised as a contract liability.

2.13 Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows CGU.

In assessing VIU, the estimated future cash flows expected to be generated by the asset 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.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and measured at either amortised cost, fair value through other comprehensive income or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. The assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commit to purchase or sell the asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets of the Group and of the Company are classified in three categories:

(i) Financial assets at amortised cost

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.14 Financial instruments (cont'd.)

(a) Financial assets (cont'd.)

Subsequent measurement (cont'd.)

(i) Financial assets at amortised cost (cont'd.)

The Group's and Company's financial assets at amortised cost include other investment in cumulative redeemable non-convertible preference shares ("CRNCPS"), cash and bank balances, trade receivables, other receivables and amounts due from subsidiaries.

(ii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income ("OCI"), debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with the net changes in fair value recognised in the statements of profit or loss.

The Group's and the Company's financial assets at fair value through profit or loss include derivative instruments and investment in real estate portfolio.

(iii) Financial assets at fair value through other comprehensive income (no recycling)

Upon initial recognition, the Group elects to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to income statement. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.14 Financial instruments (cont'd.)

(a) Financial assets (cont'd.)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) and the Company's statement of financial position when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have transferred the rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables, contract assets and investment in P2P notes, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment (if any).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.14 Financial instruments (cont'd.)

(a) Financial assets (cont'd.)

Impairment of financial assets (cont'd.)

The Group and the Company consider a financial asset in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statements of profit or loss.

The Group's and the Company's financial liabilities carried at fair value through profit or loss include derivative liabilities.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.14 Financial instruments (cont'd.)

(b) Financial liabilities (cont'd.)

Subsequent measurement (cont'd.)

(ii) Financial liabilities at amortised cost

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs and 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The Group's and the Company's financial liabilities at amortised cost include trade and other payables (other than derivative liabilities and provisions), loans and borrowings including bank overdrafts.

Derecognition

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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statements of profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of the financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.15 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash at banks and on hand, deposits with licensed banks and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.16 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group or the Company incurred in connection with the borrowing of funds.

Finance costs comprise the interest expense on financial assets (including leases). Certain borrowing costs are capitalised as disclosed in Note 7.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.17 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.18 Revenue and other income recognition

(a) Revenue from property development

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

This is generally established when:

- The promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

- The Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

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 considerations to which it will be entitled to in exchange for the assets sold.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.18 Revenue and other income recognition (cont'd.)

(b) Revenue from construction contract

The Group recognises revenue from construction contract with customers.

The Group's contract with customers mainly contain one performance obligation where the Group is contracted to construct a specific asset for the customers.

The Group considers whether there are other promises in the contract with customers that are separate performance obligations. The Group typically only provides assurance type warranties to assure that the completed project complies with agreed-upon specifications of the contract and therefore, does not give rise to a separate performance obligation.

Where the outcome of a contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred, that is probable to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Transaction price comprises the initial amount of consideration agreed in the contract, variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group's construction contracts contain penalty clauses (i.e. liquidated and ascertained damages) for late delivery. When it is probable that the construction contract will not be fulfilled on time, the penalty will be deducted from the contract transaction price.

Revenue from construction contract is recognised progressively based on percentage of completion method determined based on either input or output method. Output method is measured by reference to the proportion of physical completion based on technical milestones defined under the contracts and taking into account the nature of activities and its associated risks. Input method is measured based on the ratio of costs incurred to date to total estimated costs.

In determining the appropriate method for measuring progress, the Group shall consider the method that best depicts the Group's performance in transferring control of goods or services promised to a customer.

Contract assets represent the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. Contract assets are subjected to impairment in accordance to MFRS 9: Financial Instruments. The contract assets of the Group comprise of amounts due from customers on contracts.

Contract liabilities represent the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. The contract liabilities of the Group comprise of amounts due to customers on contracts.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.18 Revenue and other income recognition (cont'd.)

(c) Sale of completed properties, food and beverages

Sales are recognised upon delivery of goods, net of returns and trade discount.

(d) Revenue from hotel operations

Revenue from room is recognised on a daily basis on customer-occupied rooms. Hotel revenue is recorded based on the published rates, net of discounts.

(e) Revenue from co-working space operations

Revenue from co-working space operations is recognised on a straight-line basis over the duration of the customer contract.

(f) Rental income

Rental income is recognised on a straight-line basis over the lease term.

(g) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(h) Dividend income

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

(i) Management fees

Management fees are recognised when services are rendered.

2.19 Taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.19 Taxes (cont'd.)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.19 Taxes (cont'd.)

(b) Deferred tax (cont'd.)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.20 Employee benefits

Defined contribution plans

The Group and the Company make contributions to the Employee Provident Fund ("EPF") in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

2.21 Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each company in the Group are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The consolidated financial statements are presented in RM which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.21 Foreign currencies (cont'd.)

(b) Foreign currency transactions (cont'd.)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

2.22 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2.23 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 43, including the factors used to identify the reportable segments and the measurement basis of segment information.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.24 Fair value measurement

The Group and the Company measure financial instruments such as derivative and certain non-financial assets such as other investments at fair value at each reporting date.

Fair value is 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset 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.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(a) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
(b) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
(c) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.24 Fair value measurement (cont'd.)

The Group's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities. Selection criteria of external valuers include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's and the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's external valuers, also compares each of the changes in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.25 Investment properties

Investment properties comprise completed properties and properties under construction which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, completed investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses while investment properties under construction are stated at cost less any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated whereas leasehold land is depreciated over the lease term of 99 years. Freehold and leasehold building are depreciated over the estimated useful lives of 50 years.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Investment properties under construction ("IPUC") are not depreciated as these assets are not yet available for use.

3. MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Critical judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

(a) Classification between property, plant and equipment ("PPE") and investment properties ("IP")

The Group and the Company have 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 and the Company 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 so significant that a property does not qualify as an investment property.

(b) Undiscounted potential future rental payments relating to extension options that are not included in the lease term

The Group has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Significant estimate is involved in determining whether these extension options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension options that are not included in the lease term.

	Within five years RM'000	More than five years RM'000	Total RM'000
2024			
Extension options expected not to be exercised	5,145	7,876	13,021
2023			
Extension options expected not to be exercised	7,393	9,324	16,717

3. MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that may have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Property development costs

The Group recognises property development revenue and costs in the income statement by using the stage of completion method. The stage of completion is determined by the proportion of property development costs incurred for work performed to date to the estimated total property development costs.

Significant estimates are required in determining the stage of completion, the extent of the construction or property development costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction or property development projects. In making the estimate, the Group evaluates based on past experience and by relying on the work of specialists.

4. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers				
Sale of completed properties	71,103	11,636	-	-
Sale of properties under construction	889,903	957,716	-	-
Revenue from co-working space operations	18,289	11,430	-	-
Revenue from hotel operations	10,607	9,114	-	-
Sale of food and beverages	11,569	9,598	-	-
Management fees from subsidiaries	-	-	17,838	18,446
	1,001,471	999,494	17,838	18,446
Revenue from other sources				
Rental income from investment properties	12,840	12,758	-	-
Interest income from advances to subsidiaries	-	-	17,782	18,628
Dividend from a subsidiary	-	-	51,000	50,000
Dividend from a quoted investment in Malaysia	25,850	-	-	-
	38,690	12,758	68,782	68,628
Total revenue	1,040,161	1,012,252	86,620	87,074
Timing of revenue recognition				
Goods transferred at a point in time	82,672	21,234	-	-
Goods and services transferred over time	918,796	978,260	17,838	18,446
	1,001,468	999,494	17,838	18,446

5. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages and salaries	53,319	50,805	14,184	12,333
Contributions to defined contribution plan	6,513	6,339	1,734	1,495
Share-based payment*	-	(2,321)	-	(2,059)
Other benefits	5,831	5,602	1,828	1,394
	65,663	60,425	17,746	13,163
Less: Amount capitalised in:				
- inventories - land held for property development	(315)	(616)	-	-
- inventories - property development costs	(1,344)	(592)	-	-
- contract cost assets	(1,766)	(1,530)	-	-
- investment properties	-	(150)	-	-
	62,238	57,537	17,746	13,163

* The credit balance is due to remeasurement of LTIP prior to settlement.

Included in employee benefits expenses of the Group and of the Company are executive directors' remuneration amounting to RM7,182,000 (2023: RM5,448,000) and RM7,182,000 (2023: RM5,448,000) respectively.

6. DIRECTORS' REMUNERATION

The details of the remuneration received/receivable by directors of the Group and of the Company during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of the Company				
Executive:				
Salaries	2,492	2,373	2,492	2,373
Fees	202	168	202	168
Bonus and other benefits	3,745	2,365	3,745	2,365
Defined contribution plan	743	542	743	542
Executive directors' remuneration excluding benefits-in-kind	7,182	5,448	7,182	5,448
Estimated monetary value of benefits-in-kind	247	247	247	247
	7,429	5,695	7,429	5,695

6. DIRECTORS' REMUNERATION (CONT'D.)

The details of the remuneration received/receivable by directors of the Group and of the Company during the financial year are as follows: (cont'd.)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-executive:				
Fees	933	726	933	726
Other emoluments (meeting allowances)	69	58	69	58
	1,002	784	1,002	784
Total directors' remuneration of the Company	8,431	6,479	8,431	6,479
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration excluding benefits-in-kind (Note 5)	7,182	5,448	7,182	5,448
Total non-executive directors' remuneration excluding benefits-in-kind (Note 8)	1,002	784	1,002	784
Total directors' remuneration excluding benefits-in-kind	8,184	6,232	8,184	6,232

The details of the remuneration paid by the Group and the Company to each director who served during the financial year ended 31 December 2024 are as follows:

	Salaries, bonus and EPF RM'000	Fees RM'000	Other emoluments* RM'000	Total RM'000
2024				
Directors of the Group				
Executive:				
Chew Sun Teong	4,664	101	263	5,028
Benjamin Teo Jong Hian	2,081	101	219	2,401
	6,745	202	482	7,429
Non-executive:				
Quah Chek Tin	-	202	7	209
Ong Keng Siew	-	152	11	163
Quah Poh Keat	-	148	13	161
Fatimah Binti Merican	-	158	14	172
Foong Pik Yee	-	143	14	157
Dato' Ong Eng Bin	-	130	10	140
	-	933	69	1,002

6. DIRECTORS' REMUNERATION (CONT'D.)

The details of the remuneration paid by the Group and the Company to each director who served during the financial year ended 31 December 2024 are as follows: (cont'd.)

	Salaries, bonus and EPF RM'000	Fees RM'000	Other emoluments* RM'000	Total RM'000
2024 (cont'd.)				
Directors of the Company				
Executive:				
Chew Sun Teong	4,664	101	263	5,028
Benjamin Teo Jong Hian	2,081	101	219	2,401
	6,745	202	482	7,429
Non-executive:				
Quah Chek Tin	-	202	7	209
Ong Keng Siew	-	152	11	163
Quah Poh Keat	-	148	13	161
Fatimah Binti Merican	-	158	14	172
Foong Pik Yee	-	143	14	157
Dato' Ong Eng Bin	-	130	10	140
	-	933	69	1,002

6. DIRECTORS' REMUNERATION (CONT'D.)

The details of the remuneration paid by the Group and the Company to each director who served during the financial year ended 31 December 2023 are as follows:

	Salaries, bonus and EPF RM'000	Fees RM'000	Other emoluments* RM'000	Total RM'000
2023				
Directors of the Group				
Executive:				
Chew Sun Teong	3,402	84	419	3,905
Benjamin Teo Jong Hian	1,462	84	244	1,790
	4,864	168	663	5,695
Non-executive:				
Quah Chek Tin	-	168	5	173
Ong Keng Siew	-	132	11	143
Quah Poh Keat	-	123	12	135
Fatimah Binti Merican	-	141	16	157
Foong Pik Yee	-	114	12	126
Dato' Ong Eng Bin	-	48	2	50
	-	726	58	784
Directors of the Company				
Executive:				
Chew Sun Teong	3,402	84	419	3,905
Benjamin Teo Jong Hian	1,462	84	244	1,790
	4,864	168	663	5,695
Non-executive:				
Quah Chek Tin	-	168	5	173
Ong Keng Siew	-	132	11	143
Quah Poh Keat	-	123	12	135
Fatimah Binti Merican	-	141	16	157
Foong Pik Yee	-	114	12	126
Dato' Ong Eng Bin	-	48	2	50
	-	726	58	784

* Included in other emoluments are allowances, share-based payments, gratuity and benefits-in-kind.

7. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expense on:				
- Term loans	18,609	21,429	-	-
- Islamic Medium Term Notes ("iMTN")	3,438	4,768	2,062	-
- Medium Term Notes ("MTN")	14,483	14,275	-	-
- Other borrowings	8,560	5,153	6,048	2,970
- Lease liabilities (Note 28)	899	510	-	17
	45,989	46,135	8,110	2,987
Less: Interest expense capitalised in:				
- Inventories	(544)	-	-	-
- Investment properties (Note 16)	(168)	(2,150)	-	-
- Land held for property development (Note 14(a))	(1,611)	(12,138)	-	-
- Property development costs (Note 14(b))	(2,715)	-	-	-
	40,951	31,847	8,110	2,987

8. PROFIT BEFORE TAX

Profit before tax are derived after charging/(crediting):

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-executive directors' remuneration (Note 6)	1,002	784	1,002	784
Auditors' remuneration				
- statutory audit	756	713	248	209
- non-audit fee	42	36	5	5
Lease expense relating to :				
- short-term leases	1,851	288	841	98
- low value assets	137	100	9	9
- variable lease payments	562	222	-	-
(Gain)/loss on lease remeasurement	-	(115)	-	68
Gain on early lease termination	(48)	-	-	-
Inventories written down	1,870	-	-	-

8. PROFIT BEFORE TAX (CONT'D.)

Profit before tax are derived after charging/(crediting): (cont'd.)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Direct operating expenses of investment properties	4,184	4,517	-	6
Loss on remeasurement to fair value less cost to sell of non-current assets held for sale (Note 19)	2,448	-	204	-
Impairment of investments in:				
- subsidiaries (Note 18)	-	-	21,200	48,140
- associates (Note 19)	5,000	-	3,499	-
Impairment of property, plant and equipment (Note 12)	1,070	-	-	-
Reversal of impairment of:				
- property, plant and equipment (Note 12)	-	(955)	-	-
- investment properties (Note 16)	-	(300)	-	-
- right-of-use assets (Note 13)	-	(407)	-	-
Depreciation of:				
- property, plant and equipment (Note 12)	10,931	10,674	745	865
- right-of-use assets (Note 13)	5,967	4,451	-	744
- investment properties (Note 16)	9,398	8,199	-	6
Property, plant and equipment written off (Note 12)	60	382	33	-
Gain on disposal of:				
- property, plant and equipment	(12)	(33)	(4)	-
- investment properties	-	(5,535)	-	(1,351)
- non-current assets held for sale	-	(1,689)	-	(2,927)
Gain on deemed disposal of investments in an associate	(38,031)	-	-	-
Additions of allowance for impairment of:				
- trade receivables (Note 21)	168	5	-	-
- other receivables (Note 22)				
- current	387	351	387	351
- non-current	14,241	-	-	-
Reversal of allowance for impairment of receivables	-	(1)	-	-
Bad debts written off	1,577	250	1,577	222
Accretion of investment income	-	-	(49,490)	(41,820)
Gain on liquidation of a subsidiary	-	-	(1,189)	-
Interest income from:				
- deposits with licensed banks	(3,864)	(4,556)	(180)	(342)
- advances to subsidiaries	-	-	(17,782)	(18,628)
Dividend income from a quoted investment	(25,850)	-	-	-
Rental income recognised in:				
- revenue	(12,840)	(12,758)	-	-
- other income	(2,270)	(2,032)	-	(17)
Net unrealised foreign exchange loss/(gain)	717	(923)	-	-
Net derivative (gain)/loss:				
Forward foreign exchange contract	(916)	1,100	-	-

9. TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax:				
Malaysian income tax	45,545	30,207	2,528	1,716
(Over)/underprovision in prior financial years	(212)	683	(1,123)	(30)
Real property gains tax ("RPGT")	-	160	-	108
	45,333	31,050	1,405	1,794
Deferred tax (Note 31):				
Relating to origination and reversal of temporary differences	(1,132)	792	(206)	(85)
(Over)/underprovision in prior financial years	(2,238)	3,305	(21)	(274)
	(3,370)	4,097	(227)	(359)
Taxation	41,963	35,147	1,178	1,435

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year.

A reconciliation of tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2024 and 31 December 2023 are as follows:

	2024 RM'000	2023 RM'000
Group		
Profit before tax	156,906	130,223
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	37,657	31,254
Effect of share of results of associates and a joint venture	1,389	606
Income not subject to tax	(16,311)	(8,034)
Effect of PDS's distribution deductible for tax purposes	(2,930)	(2,931)
RPGT	-	160
Expenses not deductible for tax purposes	25,885	8,340
Deferred tax assets not recognised during the financial year	1,551	1,850
Utilisation of previously unrecognised deferred tax assets	(2,828)	(86)
(Over)/underprovision of deferred tax in prior financial years	(2,238)	3,305
(Over)/underprovision of income tax in prior financial years	(212)	683
Taxation	41,963	35,147

9. TAXATION (CONT'D.)

	2024 RM'000	2023 RM'000
Company		
Profit before tax	80,773	63,475
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	19,386	15,234
Income not subject to tax	(24,152)	(23,098)
RPGT	-	108
Effect of PDS's distribution deductible for tax purposes	(2,930)	(2,931)
Expenses not deductible for tax purposes	10,018	12,426
Overprovision of deferred tax in prior financial years	(21)	(274)
Overprovision of income tax in prior financial years	(1,123)	(30)
Taxation	1,178	1,435

10. EARNINGS PER SHARE

Basic

	Group	
	2024	2023
Profit attributable to ordinary equity holders of the Company (RM'000)	102,447	82,837
Issued ordinary shares at beginning of the financial year ('000)	622,726	621,926
Effect of vesting of LTIP shares ('000)	-	667
Effect of conversion of warrants ('000)	19	-
Weighted average number of ordinary shares in issue ('000)	622,745	622,593
Basic earnings per share (sen)	16.45	13.31

The Group does not have any potential dilutive ordinary shares. Accordingly, the diluted earnings per share is not presented.

11. DIVIDENDS

	Amount		Net dividends paid per ordinary share	
	2024 RM'000	2023 RM'000	2024 Sen	2023 Sen
Recognised during the financial year:				
For the financial year ended 31 December 2024				
Single-tier interim dividend	18,683	-	3.00	-
Single-tier second interim dividend	18,683	-	3.00	-
For the financial year ended 31 December 2023				
Single-tier interim dividend	-	18,682	-	3.00
Single-tier second interim dividend	24,909	-	4.00	-
For the financial year ended 31 December 2022				
Single-tier special dividend	-	74,727	-	12.00
Single-tier final dividend	-	21,795	-	3.50
	62,275	115,204	10.00	18.50

On 21 February 2025, the Company has declared a single-tier third interim dividend of 1.5 sen per share in respect of the financial year ended 31 December 2024 on 622,771,028 ordinary shares, amounting to a dividend payable of RM9,342,000 which was paid on 21 March 2025.

The financial statements for the current financial year do not reflect the declared third interim dividend. The third interim dividend will be accounted for in equity as appropriation of retained earnings in the financial year ending 31 December 2025.

12. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings* RM'000	Plant, equipment, furniture, fixtures, fitting and motor vehicles RM'000	Total RM'000
Group			
Cost			
At 1 January 2023	92,594	64,536	157,130
Additions	2,276	7,166	9,442
Disposals	-	(1,053)	(1,053)
Write-off	-	(1,859)	(1,859)
Reclassification	(7,453)	7,453	-
Reclass from investment properties (Note 16)	-	114	114
Transfer to investment properties (Note 16)	(1,679)	-	(1,679)
At 31 December 2023/1 January 2024	85,738	76,357	162,095
Additions	3,047	8,359	11,406
Disposals	-	(601)	(601)
Write-off	-	(1,207)	(1,207)
Reclassification	(910)	910	-
Reclass from investment properties (Note 16)	-	741	741
At 31 December 2024	87,875	84,559	172,434
Accumulated depreciation			
At 1 January 2023	2,883	32,473	35,356
Depreciation charge for the financial year (Note 8)	1,563	9,111	10,674
Disposals	-	(1,036)	(1,036)
Write-off	-	(1,474)	(1,474)
Reclass from investment properties (Note 16)	-	19	19
Transfer to investment properties (Note 16)	(563)	-	(563)
At 31 December 2023/1 January 2024	3,883	39,093	42,976
Depreciation charge for the financial year (Note 8)	1,563	9,368	10,931
Disposals	-	(573)	(573)
Write-off	-	(1,146)	(1,146)
Reclass from investment properties (Note 16)	-	150	150
At 31 December 2024	5,446	46,892	52,338

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Land and buildings* RM'000	Plant, equipment, furniture, fixtures, fitting and motor vehicles RM'000	Total RM'000
Group (cont'd.)			
Accumulated impairment			
At 1 January 2023	-	2,877	2,877
Write-off	-	(3)	(3)
Reclass from investment properties (Note 16)	-	3	3
Reversal of impairment (Note 8)	-	(955)	(955)
At 31 December 2023/1 January 2024	-	1,922	1,922
Additions (Note 8)	1,070	-	1,070
Write-off	-	(1)	(1)
Reclass from investment properties (Note 16)	-	18	18
At 31 December 2024	1,070	1,939	3,009
Net carrying amount			
At 31 December 2024	81,359	35,728	117,087
At 31 December 2023	81,855	35,342	117,197

During the financial year, the Group recognised an impairment loss of RM1,070,000 on its capital work-in-progress which primarily relates to management's decision to postpone the design and development of a business hub, hence reducing the carrying amount of the capital work-in-progress to its recoverable amount. The impairment loss was included in "other expenses" of the consolidated income statement.

In previous financial years, the Group had conducted an impairment assessment on the property, plant and equipment and right-of-use assets of the subsidiary involved in the operation of coworking spaces. Each coworking outlet was identified as a separate CGU as they have their own independent cash inflows. Cash flows projections were prepared based on the remaining lease terms for the respective outlets and the recoverable amount of the respective coworking outlets are based on VIU approach. During the prior financial year, the review has brought about a reversal of previously recognised impairment losses of RM955,000, attributed to the improved financial performance of previously was impaired coworking outlets. The discount rate applied to the cash flow projections in determining the recoverable amounts was 10.00% to 11.00% per annum.

The property, plant and equipment of the Group with net carrying amount of RM80,049,000 (2023: RM82,948,000) has been pledged as security for borrowing as disclosed in Note 27.

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

* Land and buildings

	Freehold land RM'000	Freehold buildings RM'000	Capital work-in progress RM'000	Total RM'000
Group				
Cost				
At 1 January 2023	5,683	80,224	6,687	92,594
Additions	-	-	2,276	2,276
Reclassification	-	-	(7,453)	(7,453)
Transfer to investment properties (Note 16)	(321)	(1,358)	-	(1,679)
At 31 December 2023/1 January 2024	5,362	78,866	1,510	85,738
Additions	-	-	3,047	3,047
Reclassification	-	-	(910)	(910)
At 31 December 2024	5,362	78,866	3,647	87,875
Accumulated depreciation				
At 1 January 2023	-	2,883	-	2,883
Depreciation charge for the financial year	-	1,563	-	1,563
Transfer to investment properties (Note 16)	-	(563)	-	(563)
At 31 December 2023/1 January 2024	-	3,883	-	3,883
Depreciation charge for the financial year	-	1,563	-	1,563
At 31 December 2024	-	5,446	-	5,446
Accumulated impairment				
At 1 January 2023/31 December 2023/1 January 2024	-	-	-	-
Additions	-	-	1,070	1,070
At 31 December 2024	-	-	1,070	1,070
Net carrying amount				
At 31 December 2024	5,362	73,420	2,577	81,359
At 31 December 2023	5,362	74,983	1,510	81,855

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

	Plant, equipment, furniture, fixtures, fitting and motor vehicles RM'000	Capital work-in progress RM'000	Total RM'000
Company			
Cost			
At 1 January 2023	5,012	-	5,012
Additions	173	-	173
Write-off	(198)	-	(198)
At 31 December 2023/1 January 2024	4,987	-	4,987
Additions	244	2,280	2,524
Disposal	(252)	-	(252)
Write-off	(889)	-	(889)
At 31 December 2024	4,090	2,280	6,370
Accumulated depreciation			
At 1 January 2023	3,428	-	3,428
Depreciation charge for the financial year (Note 8)	865	-	865
Write-off	(198)	-	(198)
At 31 December 2023/1 January 2024	4,095	-	4,095
Depreciation charge for the financial year (Note 8)	745	-	745
Disposal	(250)	-	(250)
Write-off	(856)	-	(856)
At 31 December 2024	3,734	-	3,734
Net carrying amount			
At 31 December 2024	356	2,280	2,636
At 31 December 2023	892	-	892

13. RIGHT-OF-USE ASSETS

	Building RM'000
Group	
Cost	
At 1 January 2023	28,474
Additions during the financial year	16,253
Lease remeasurement	(50)
Derecognition	(3,887)
At 31 December 2023/1 January 2024	40,790
Additions during the financial year	9,666
Lease remeasurement	(968)
Derecognition	(3,375)
At 31 December 2024	46,113
Accumulated depreciation	
At 1 January 2023	17,491
Depreciation charge for the financial year (Note 8)	4,451
Derecognition	(3,887)
At 31 December 2023/1 January 2024	18,055
Depreciation charge for the financial year (Note 8)	5,967
Derecognition	(2,297)
At 31 December 2024	21,725
Accumulated impairment	
At 1 January 2023	2,445
Reversal of impairment (Note 8)	(407)
At 31 December 2023/1 January 2024/31 December 2024	2,038
Net carrying amount	
At 31 December 2024	22,350
At 31 December 2023	20,697

As disclosed in Note 12, the Group had reversed the impairment loss of RM407,000 in "other income" of the consolidated income statement during the previous financial year.

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

	Building RM'000
Company	
Cost	
At 1 January 2023	3,955
Lease remeasurement	(68)
Derecognition	(3,887)
At 31 December 2023/1 January 2024/31 December 2024	-
Accumulated depreciation	
At 1 January 2023	3,143
Depreciation charge for the financial year (Note 8)	744
Derecognition	(3,887)
At 31 December 2023/1 January 2024/31 December 2024	-
Net carrying amount	
At 31 December 2024	-
At 31 December 2023	-

14. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
Non-current		
At cost:		
Land held for property development (Note a)	455,358	812,235
Current		
At cost:		
Property development costs (Note b)	327,066	219,758
At cost:		
- Completed properties	208,339	60,637
- Food and beverages	179	217
- Consumables	160	75
	208,678	60,929
Total current inventories	535,744	280,687
Total inventories	991,102	1,092,922

14. INVENTORIES (CONT'D.)

During the financial year, the amount of inventories recognised as an expense in property development cost of the Group was RM88,868,000 (2023: RM5,966,000).

(a) Land held for property development

	Group	
	2024 RM'000	**2023 RM'000**
Freehold land		
At 1 January	486,913	585,947
Disposal	-	(175)
Reclassification	-	(4,093)
Transfer from investment properties (Note 16)	5,035	-
Transfer to property development costs (Note b)	(249,255)	(94,766)
At 31 December	242,693	486,913
Leasehold land		
At 1 January	86,259	86,858
Reclassification	(4,499)	-
Transfer to property development costs (Note b)	(52,953)	(599)
At 31 December	28,807	86,259
Development costs		
At 1 January	239,063	187,885
Costs incurred during the financial year	107,959	92,172
Disposal	(2,986)	(610)
Reclassification	-	4,093
Transfer from investment properties (Note 16)	1,232	-
Transfer to property development costs (Note b)	(161,410)	(44,477)
At 31 December	183,858	239,063
Carrying amount at 31 December	455,358	812,235

The land held for property development with net carrying amount of RM201,370,000 (2023: RM494,363,000) has been pledged as security for borrowings as disclosed in Note 27.

14. INVENTORIES (CONT'D.)

(a) Land held for property development (cont'd.)

The Group's land held for property development include borrowing costs arising from borrowings drawdown specifically for the purpose of the development and construction of the projects. The rates used to determine the amount of borrowing costs for capitalisation were ranging from 4.73% to 5.00% (2023: 4.19% to 4.96%) which are the effective interest rate of the specific borrowings. During the financial year, the borrowing costs capitalised under land held for property development amounted to RM1,611,000 (2023: RM12,138,000).

(b) Property development costs, at cost

	Group	
	2024 RM'000	2023 RM'000
Property development costs		
At 1 January:		
Freehold land	22,907	54,060
Leasehold land	36,190	63,943
Development costs	160,661	114,983
	219,758	232,986
Cost incurred during the financial year:		
Development costs	74,221	88,851
Transfer from land held for property development (Note a)		
Freehold land	249,255	94,766
Leasehold land	52,953	599
Development costs	161,410	44,477
At 31 December	463,618	139,842
To contract cost assets (Note 15(b))		
Freehold land	(173,051)	(123,679)
Leasehold land	(14,808)	(28,352)
Development costs	(109,085)	(81,702)
	(296,944)	(233,733)
To inventory - completed properties		
Freehold land	(21,843)	(2,240)
Leasehold land	(24)	-
Development costs	(111,720)	(5,948)
	(133,587)	(8,188)
Property development costs at 31 December	327,066	219,758

The Group's property development cost include borrowing costs arising from borrowings drawdown specifically for the purpose of the development and construction of the projects. The rates used to determine the amount of borrowing costs for capitalisation were ranging from 4.51% to 5.00% (2023: nil) which are the effective interest rate of the specific borrowings. During the financial year, the borrowing costs capitalised under property development cost amounted to RM2,715,000 (2023: RMnil).

15. CONTRACT COST ASSETS

	Group	
	2024 **RM'000**	**2023** **RM'000**
Costs to obtain contracts with customers (Note a)	40,190	26,987
Costs to fulfill contracts with customers (Note b)	199,862	130,997
	240,052	157,984

(a) Costs to obtain contracts with customers

	Group	
	2024 **RM'000**	**2023** **RM'000**
At 1 January	26,987	28,408
Additions	41,038	25,027
Amortisation	(27,835)	(26,448)
At 31 December	40,190	26,987

(b) Costs to fulfill contracts with customers

	Group	
	2024 **RM'000**	**2023** **RM'000**
Property development activities:		
At cost:		
At 1 January		
Freehold land	377,294	289,902
Leasehold land	111,730	83,378
Development costs	1,157,533	790,032
	1,646,557	1,163,312
Costs incurred during the financial year:		
Freehold land	1,158	-
Leasehold land	1,505	-
Development costs	432,559	488,541
	435,222	488,541
Transferred during the financial year from property development costs (Note 14(b))		
Freehold land	173,051	123,679
Leasehold land	14,808	28,352
Development costs	109,085	81,702
	296,944	233,733

15. CONTRACT COST ASSETS (CONT'D.)

(b) Costs to fulfill contracts with customers (cont'd.)

	Group 2024 RM'000	Group 2023 RM'000
Costs eliminated during the financial year due to completion of projects:		
Freehold land	(31,305)	(36,287)
Leasehold land	(70,465)	-
Development costs	(707,819)	(202,742)
	(809,589)	(239,029)
At 31 December	1,569,134	1,646,557
Costs recognised in profit or loss:		
At 1 January	(1,515,560)	(1,019,476)
Recognised during the financial year	(663,301)	(735,113)
Eliminated during the financial year due to completion of projects	809,589	239,029
At 31 December	(1,369,272)	(1,515,560)
Carrying amount at 31 December	199,862	130,997

16. INVESTMENT PROPERTIES

	Buildings * RM'000	Land * RM'000	Investment properties under construction RM'000	Total RM'000
Group				
Cost				
At 1 January 2023	434,627	46,464	105,976	587,067
Additions	-	-	18,550	18,550
Disposal	(2,638)	(1,948)	-	(4,586)
Reclass to property, plant and equipment (Note 12)	(114)	-	-	(114)
Transfer from property, plant and equipment (Note 12)	1,358	321	-	1,679
At 31 December 2023/1 January 2024	433,233	44,837	124,526	602,596
Additions	7,945	2,926	49,152	60,023
Reclass to property, plant and equipment (Note 12)	(741)	-	-	(741)
Reclassification	125,479	41,932	(167,411)	-
Transfer from inventories	15,773	3,332	-	19,105
Transfer to inventories	(88,445)	(35,398)	-	(123,843)
Transfer to land held for property development (Note 14(a))	-	-	(6,267)	(6,267)
At 31 December 2024	493,244	57,629	-	550,873
Accumulated depreciation				
At 1 January 2023	62,927	-	-	62,927
Depreciation charge for the financial year (Note 8)	8,199	-	-	8,199
Disposal	(891)	-	-	(891)
Reclass to property, plant and equipment (Note 12)	(19)	-	-	(19)
Transfer from property, plant and equipment (Note 12)	563	-	-	563
At 31 December 2023/1 January 2024	70,779	-	-	70,779
Depreciation charge for the financial year (Note 8)	9,372	26	-	9,398
Reclass to property, plant and equipment (Note 12)	(150)	-	-	(150)
At 31 December 2024	80,001	26	-	80,027

16. INVESTMENT PROPERTIES (CONT'D.)

	Buildings * RM'000	Land * RM'000	Investment properties under construction RM'000	Total RM'000
Group (cont'd.)				
Accumulated impairment				
At 1 January 2023	1,964	-	-	1,964
Reclass to property, plant and equipment (Note 12)	(3)	-	-	(3)
Reversal of impairment (Note 8)	(300)	-	-	(300)
At 31 December 2023/1 January 2024	1,661	-	-	1,661
Reclass to property, plant and equipment (Note 12)	(18)	-	-	(18)
At 31 December 2024	1,643	-	-	1,643
Net carrying amount				
At 31 December 2024	411,600	57,603	-	469,203
At 31 December 2023	360,793	44,837	124,526	530,156

*** Buildings**

	Freehold buildings RM'000	Leasehold buildings RM'000	Total RM'000
Group			
Cost			
At 1 January 2023	434,627	-	434,627
Disposal	(2,638)	-	(2,638)
Reclass to property, plant and equipment (Note 12)	(114)	-	(114)
Transfer from property, plant and equipment (Note 12)	1,358	-	1,358
At 31 December 2023/1 January 2024	433,233	-	433,233
Additions	-	7,945	7,945
Reclass to property, plant and equipment (Note 12)	(741)	-	(741)
Reclassification	(7,169)	132,648	125,479
Transfer from inventories	15,773	-	15,773
Transfer to inventories	-	(88,445)	(88,445)
At 31 December 2024	441,096	52,148	493,244

16. INVESTMENT PROPERTIES (CONT'D.)

*** Buildings (cont'd.)**

	Freehold buildings RM'000	Leasehold buildings RM'000	Total RM'000
Group (cont'd.)			
Accumulated depreciation			
At 1 January 2023	62,927	-	62,927
Depreciation charge for the financial year (Note 8)	8,199	-	8,199
Disposal	(891)	-	(891)
Reclass to property, plant and equipment (Note 12)	(19)	-	(19)
Transfer from property, plant and equipment (Note 12)	563	-	563
At 31 December 2023/1 January 2024	70,779	-	70,779
Depreciation charge for the financial year (Note 8)	8,976	396	9,372
Reclass to property, plant and equipment (Note 12)	(150)	-	(150)
At 31 December 2024	79,605	396	80,001
Accumulated impairment			
At 1 January 2023	1,964	-	1,964
Reclass to property, plant and equipment (Note 12)	(3)	-	(3)
Reversal of impairment (Note 8)	(300)	-	(300)
At 31 December 2023/1 January 2024	1,661	-	1,661
Reclass to property, plant and equipment (Note 12)	(18)	-	(18)
At 31 December 2024	1,643	-	1,643
Net carrying amount			
At 31 December 2024	359,848	51,752	411,600
At 31 December 2023	360,793	-	360,793

16. INVESTMENT PROPERTIES (CONT'D.)

*** Land**

	Freehold land RM'000	Leasehold land RM'000	Total RM'000
Group			
Cost			
At 1 January 2023	46,464	-	46,464
Disposal	(1,948)	-	(1,948)
Transfer from property, plant and equipment (Note 12)	321	-	321
At 31 December 2023/1 January 2024	44,837	-	44,837
Additions	-	2,926	2,926
Reclassification	-	41,932	41,932
Transfer from inventories	3,332	-	3,332
Transfer to inventories	-	(35,398)	(35,398)
At 31 December 2024	48,169	9,460	57,629
Accumulated depreciation			
At 1 January 2023/31 December 2023/1 January 2024	-	-	-
Depreciation charge for the financial year (Note 8)	-	26	26
At 31 December 2024	-	26	26
Net carrying amount			
At 31 December 2024	48,169	9,434	57,603
At 31 December 2023	44,837	-	44,837

16. INVESTMENT PROPERTIES (CONT'D.)

	Building RM'000
Company	
Cost	
At 1 January 2023	750
Disposal	(750)
At 31 December 2023/1 January 2024/31 December 2024	-
Accumulated depreciation	
At 1 January 2023	195
Depreciation charge for the financial year (Note 8)	6
Disposal	(201)
At 31 December 2023/1 January 2024/31 December 2024	-
Net carrying amount	
At 31 December 2024	-
At 31 December 2023	-

The freehold and leasehold lands and buildings of the Group with net carrying amount of RM327,960,000 (2023: RM432,904,000) have been pledged as security for borrowings as disclosed in Note 27.

The fair value of the investment properties of the Group and of the Company were estimated based on valuation performed by independent third party valuers. Details of the fair value, valuation techniques and inputs used are disclosed in Note 40.

The Group's investment properties under construction include borrowing costs arising from borrowings drawdown specifically for the purpose of the construction of the investment properties. The rate used to determine the amount of borrowing costs for capitalisation was 4.70% (2023: 4.30% to 4.70%) which is the effective interest rate of the specific borrowings. During the financial year, the borrowing costs capitalised amounted to RM168,000 (2023: RM2,150,000). The investment properties under construction was completed in August 2024 and subsequently transferred to investment properties and inventories.

17. NON-CURRENT ASSETS HELD FOR SALE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at fair value	5,261	-	5,261	-

Pursuant to the Share Purchase Agreement ("SPA") dated 19 November 2018 between the Company and UOWM Sdn. Bhd. ("UOWM"), UOWM exercised its call option to acquire 10% of the total issued ordinary shares of University of Wollongong Malaysia Sdn. Bhd. ("KDUUC") and UOW Malaysia KDU Penang University College Sdn. Bhd. ("KDUPG") from the Company for a total consideration of RM5,261,000 on 30 August 2024, being 5th anniversary of the completion date of the SPA. As at the reporting date, the transaction is pending approval from the Ministry of Higher Education.

Accordingly, the Group's and the Company's 10% interest in KDUUC and KDUPG have been classified as non-current assets held for sale in accordance with MFRS 5: Non-current Assets Held for Sale and Discontinued Operation.

18. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	**2023 RM'000**
Unquoted shares, at cost (Note a)	250,858	256,290
Investments in NCRCPS (Note b)	779,233	724,162
	1,030,091	980,452
Less: Accumulated impairment losses (Note c)	(185,615)	(164,415)
Investments in subsidiaries, net	844,476	816,037

(a) Cost of investments in subsidiaries

The movement of cost of investments in subsidiaries is as follows:

	Company	
	2024 RM'000	**2023 RM'000**
At 1 January	256,290	256,290
Liquidation of Paramount Engineering & Construction Sdn. Bhd. ("PEC")	(5,432)	-
At 31 December	250,858	256,290

On 28 October 2024, PEC, a wholly-owned subsidiary of the Company has been dissolved by member's voluntary liquidation.

(b) The salient terms of the NCRCPS subscribed by the Company are summarised below:

(i) Preferential non-cumulative dividends are payable at a rate to be mutually agreed and are payable on a date determined by the issuer subject to availability of profits.

(ii) The NCRCPS are redeemable at the issuer's option at any time out of profits or out of fresh issues of shares.

(iii) The NCRCPS are convertible at the issuer's option at any time into ordinary shares in the issuer at a conversion rate to be determined by the issuer.

(c) Impairment of investments in subsidiaries

The movement in accumulated impairment loss as follows:

	Company	
	2024 RM'000	**2023 RM'000**
At 1 January	164,415	116,275
Impairment loss recognised in income statement (Note 8)	21,200	48,140
At 31 December	185,615	164,415

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Impairment of investments in subsidiaries (cont'd.)

During the financial year, there were indication of impairment for certain investments in subsidiaries as they were continuously loss making and the cost of investment in these subsidiaries has exceeded its share of its net assets. The Company has determined the recoverable amount of these investments in subsidiaries using the higher of their VIU and fair value less costs to sell. Based on the assessment by the Company, an impairment loss of RM21,200,000 (2023: RM48,140,000) was recognised in "other expenses" of the income statement.

Details of the subsidiaries as at 31 December 2024 and 31 December 2023 are as follows:

Name of subsidiaries	Country of incorporation	Effective interest 2024 %	Effective interest 2023 %	Share capital '000	Principal activities
Subsidiaries of the Company					
Berkeley Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Berkeley Maju Sdn. Bhd.	Malaysia	100	100	RM5,000	Property investment
Paramount Engineering & Construction Sdn. Bhd.	Malaysia	-	100	RM5,000	Dissolved
Paramount Construction Sdn. Bhd.	Malaysia	100	100	RM5,000	Building and engineering contractor
Paramount Property Construction Sdn. Bhd.	Malaysia	100	100	RM5,000	Building and engineering contractor
Seleksi Megah Sdn. Bhd.	Malaysia	100	100	RM5,000	In the process of winding up
Paramount Property (Sekitar 26 Enterprise) Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Janahasil Sdn. Bhd.	Malaysia	100	100	RM5,000	Property investment
Paramount Property Holdings Sdn. Bhd.	Malaysia	100	100	RM10,000	Investment holding ^
Paramount Property (Utara) Sdn. Bhd.	Malaysia	100	100	RM5,001	Property development
Kelab Bandar Laguna Merbok Sdn. Bhd.	Malaysia	100	100	*	Operator of club house ^
Paramount Utropolis Retail Sdn. Bhd.	Malaysia	100	100	RM5,000	Property investment and management
Paramount Holdings Sdn. Bhd.	Malaysia	100	100	RM2,726	Property development
Paramount Property Development Sdn. Bhd.	Malaysia	100	100	RM5,002	Property development
Jasarim Bina Sdn. Bhd.	Malaysia	100	100	RM5,006	In the process of winding up
Broad Projects Sdn. Bhd.	Malaysia	100	100	RM5,004	Investment holding and car park operator
Paramount Property (Glenmarie) Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Paramount Property (Cjaya) Sdn. Bhd.	Malaysia	100	100	RM5,003	Property development
Utropolis Sdn. Bhd.	Malaysia	99	99	RM5,000	Property development
Paramount Property (PG) Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Carp Legacy Sdn. Bhd.	Malaysia	100	100	RM5,000	Investment holding and car park operator

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries as at 31 December 2024 and 31 December 2023 are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Effective interest 2024 %	Effective interest 2023 %	Share capital '000	Principal activities
Subsidiaries of the Company (cont'd.)					
Paramount Property (PW) Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development and investment holding
Paramount Construction (PG) Sdn. Bhd.	Malaysia	100	100	RM5,000	Building and engineering contractor ^
Paramount Property (Sepang) Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Paramount Coworking Sdn. Bhd.	Malaysia	100	100	RM24,000	Providing coworking spaces and incubator-related services
Paramount Property (Lakeside) Sdn. Bhd.	Malaysia	99	99	RM4,500	Property development
Aneka Sepakat Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Paramount Capital Resources Sdn. Bhd.	Malaysia	100	100	RM5,000	In house treasury management
Paramount Greencity Sdn. Bhd.	Malaysia	100	100	RM5,000	Property investment ^
Magna Intelligent Sdn. Bhd.	Malaysia	100	100	RM1,000	Investment holding
Paramount Property (Seaview) Sdn. Bhd.	Malaysia	100	100	****	Property development ^
Paramount Property (Cityview) Sdn. Bhd.	Malaysia	100	100	RM5,000	Property development
Paramount FoodPrint Sdn. Bhd.	Malaysia	100	100	RM5,000	Operation of restaurant
Paramount Global Sdn. Bhd.	Malaysia	100	100	RM5,000	Investment holding
Paramount Globalcom Sdn. Bhd.	Malaysia	100	100	***	Investment holding
Gardens of Hope Sdn. Bhd.	Malaysia	70	70	RM1,000	Providing coworking spaces and incubator-related services
Flexsis Sdn. Bhd.	Malaysia	100	100	***	Investment holding
Paramount Property (Lakeview) Sdn. Bhd.	Malaysia	100	100	***	Property development ^
Super Ace Resources Sdn. Bhd.	Malaysia	100	100	RM5,000	Property investment and hospitality-related services
Tanah Bayumas Sdn. Bhd.	Malaysia	100	-	****	Property development ^
Regal Residences Sdn. Bhd.	Malaysia	100	-	****	Investment holding ^
Paramount Scalable Sdn. Bhd.	Malaysia	100	-	***	Providing workspace ecosystem solutions
Paramount Global Investments Pty. Ltd. #	Australia	100	100	**	Investment holding
Paramount Investments & Properties Pty. Ltd. #	Australia	100	100	**	Investment holding

* Share capital of RM2
** Share capital of AUD2
*** Share capital of RM100
**** Share capital of RM1
AUD Represents currency denoted in Australian Dollars
Subsidiaries not audited in accordance with requirements of respective countries
^ Subsidiaries are inactive as of the reporting date

Summarised financial information (before inter-company elimination) of the subsidiaries which have non-controlling interests has not been presented as the non-controlling interests of the subsidiaries are individually not material to the Group.

19. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE

Investments in associates

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	20,831	28,540	10,929	16,394
Share of post-acquisition reserves	8,224	9,307	-	-
Less: Accumulated impairment losses (Note 8)	(5,000)	-	(3,499)	-
	24,055	37,847	7,430	16,394

During the financial year, the Group and the Company has conducted a review of the recoverable amounts of its investments in associates and the review has led to the recognition of impairment losses of RM5,000,000 and RM3,499,000, respectively which were included in "other expenses" of the income statement. The recoverable amounts are determined based on fair value less cost to sell.

Cost of investments in associates

The movement of cost of investments in associates is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	28,540	28,540	16,394	16,394
Reclass to asset held for sale (Note 17)	(5,261)	-	(5,261)	-
Less: Loss on remeasurement to fair value less cost to sell of non-current assets held for sale (Note 8)	(2,448)	-	(204)	-
At 31 December	20,831	28,540	10,929	16,394

During the financial year, UOWM has exercised its call option to acquire 10% equity interest in KDUUC and KDUPG as disclosed in Note 17. The Group's and the Company's interests in this asset held for sale has been valued at lower of carrying amount and fair value less cost to sell resulting in a loss on fair value adjustment of RM2,448,000 and RM204,000 respectively were recognised in the "other expenses" of the income statement.

The summarised financial information of material associates, KDUUC, KDUPG and Omegaxis Sdn. Bhd. ("OMGX"), not adjusted for the proportion of ownership interest held by the Group, are as follows:

	KDUUC RM'000	KDUPG RM'000	OMGX RM'000
Group			
2024			
Assets and liabilities			
Total assets	55,662	51,757	96,762
Total liabilities	(23,160)	(8,672)	(12,291)
Results			
Revenue	40,830	25,951	7,481
(Loss)/profit after tax, representing total comprehensive (loss)/income for the financial year	(2,073)	244	(1,797)

19. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D.)

Investments in associates (cont'd.)

The summarised financial information of material associates, KDUUC, KDUPG and Omegaxis Sdn. Bhd. ("OMGX"), not adjusted for the proportion of ownership interest held by the Group, are as follows: (cont'd.)

	KDUUC RM'000	KDUPG RM'000	OMGX RM'000
Group (cont'd.)			
2023			
Assets and liabilities			
Total assets	64,069	53,587	99,153
Total liabilities	(29,491)	(8,984)	(13,743)
Results			
Revenue	42,184	26,445	7,310
Profit/(loss) after tax, representing total comprehensive income/(loss) for the financial year	59	37	(2,368)

Reconciliation of net assets to carrying amount as at 31 December:

	KDUUC RM'000	KDUPG RM'000	OMGX RM'000	Total RM'000
Group				
2024				
Net assets	32,502	43,085	84,471	
Interest in associates	20.0%	20.0%	16.5%	
Group's share of net assets	6,500	8,617	13,938	
Accumulated impairment loss	(2,500)	(2,500)	-	
Carrying amount of investments in associates	4,000	6,117	13,938	24,055
2023				
Net assets	34,578	44,603	85,410	
Interest in associates	30.0%	30.0%	16.5%	
Group's share of net assets/ Carrying amount of investments in associates	10,373	13,381	14,093	37,847

19. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D.)

Investments in associates (cont'd.)

Details of the associates are as follows:

Name of associates	Country of incorporation	Effective interest 2024 %	Effective interest 2023 %	Share capital '000	Principal activities
University of Wollongong Malaysia Sdn. Bhd. (formerly known as UOW Malaysia KDU University College Sdn. Bhd.)	Malaysia	20	30	RM20,059	Educational services
UOW Malaysia KDU Penang University College Sdn. Bhd.	Malaysia	20	30	RM15,003	Educational services
Omegaxis Sdn. Bhd.	Malaysia	30	30	RM45,667	Investment holding
Subsidiaries of Omegaxis Sdn. Bhd.					
Peoplender Sdn. Bhd.	Malaysia	16.5	16.5	RM32,142	Peer-to-peer financing platform
Fundaztic SG Pte. Ltd.	Singapore	13.2	8.9	SGD3,627	Peer-to-peer financing platform

SGD Represents currency denoted in Singapore Dollars

Investment in a joint venture

	Group 2024 RM'000	Group 2023 RM'000
Unquoted shares, at cost	8,438	8,438
Share of post-acquisition reserves	(8,021)	(7,805)
	417	633

Name of joint venture	Country of incorporation	Effective interest 2024 %	Effective interest 2023 %	Share capital '000	Principal activity
Navarang Charoennakhon Company Limited ("NCCL")	Thailand	49	49	THB100,000	Property development

THB Represents currency denoted in Thailand Baht

19. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE (CONT'D.)

Investment in a joint venture (cont'd.)

The summarised financial information of the Group's share of a non-material joint venture as at 31 December is set out below:

	2024 RM'000	2023 RM'000
The Group's share of loss for the financial year	(277)	(2,277)
The Group's share of total comprehensive loss for the financial year	(216)	(2,275)
Carrying amount of the Group's interest in individually non-material joint venture	417	633

During the financial year, the share of post-acquisition reserves includes the effect of foreign currency translation gain of RM61,000 (2023: RM2,000).

20. OTHER INVESTMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:				
At fair value:				
Quoted investments:				
Ordinary shares outside of Malaysia	582	694	-	-
Ordinary shares in Malaysia	139,590	-	-	-
Unquoted investments:				
Ordinary shares in Malaysia	2,313	7,500	-	-
Investment in real estate portfolio	5,612	-	-	-
Club memberships	137	137	110	110
At amortised cost:				
Unquoted investment:				
CRNCPS	-	-	319,295	269,805
	148,234	8,331	319,405	269,915

20. OTHER INVESTMENTS (CONT'D.)

On 10 May 2024, the Company via its wholly owned subsidiary, Flexsis Sdn. Bhd. ("FLX") has acquired 517,000,000 ordinary shares in Eco World International Berhad ("EWI") representing approximately 21.54% equity interest in EWI via a direct business transaction from GLL EWI (HK) Limited for a total cash consideration of RM170,610,000. The investment was accordingly recognised as an investment in associate as the Group was able to demonstrate significant influence over the investee by virtue of its board representative in EWI. During this period, the Group recognised a share of loss amounting to RM4,426,000 and a share of other comprehensive loss of RM16,827,000.

On 16 December 2024, following the resignation of the Company's appointed director, the Group no longer retained the ability to participate in financial and operating policy decisions and obtain financial information of EWI. As a result, the investment in EWI no longer qualified for significant influence, leading to the discontinuation of the equity method of accounting on the same date. The investment was subsequently reclassified as a financial asset at fair value through other comprehensive income under MFRS 9, which resulted in a gain on deemed disposal of RM38,031,000.

Investment in real estate portfolio represents investment in real estate properties through the RealVantage platform, a digital investment platform that facilitates fractional ownership in commercial and residential real estate projects.

The CRNCPS has been pledged as securities for borrowings as disclosed in Note 27.

Details on the fair value for the other investments measured at fair value are disclosed in Note 40.

21. TRADE RECEIVABLES

	Group	
	2024 RM'000	2023 RM'000
Third parties	69,839	44,269
Stakeholders' sum	72,625	38,156
	142,464	82,425
Less: Allowance for impairment	(173)	(5)
Trade receivables, net	142,291	82,420

21. TRADE RECEIVABLES (CONT'D.)

Trade receivables are non-interest bearing and are generally on 14 to 30 days (2023: 14 to 30 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2024 RM'000	2023 RM'000
Neither past due nor impaired	123,596	69,172
1 to 30 days past due not impaired	3,919	6,798
31 to 60 days past due not impaired	6,356	2,411
61 to 90 days past due not impaired	6,071	580
91 to 120 days past due not impaired	1,650	2,711
More than 121 days past due not impaired	699	748
	18,695	13,248
Impaired	173	5
	142,464	82,425

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The receivables that are past due but not impaired amounted to RM18,695,000 (2023: RM13,248,000). There is no concern on the creditworthiness of the counter parties and the recoverability of these debts.

Receivables that are impaired

The Group's trade receivables that are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2024 RM'000	2023 RM'000
Trade receivables - nominal amount	173	5
Less: Allowance for impairment	(173)	(5)
	-	-

21. TRADE RECEIVABLES (CONT'D.)

Receivables that are impaired (cont'd.)

Movement in allowance accounts:

	Group	
	2024 RM'000	2023 RM'000
At 1 January	5	1
Additions during the financial year (Note 8)	168	5
Reversal for the financial year (Note 8)	-	(1)
At 31 December	173	5

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

22. OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Amount due from a joint venture	25,727	19,956	-	-
Investment in P2P notes	5,076	4,010	5,076	4,010
	30,803	23,966	5,076	4,010
Less: Allowance for impairment	(14,241)	-	-	-
	16,562	23,966	5,076	4,010
Current				
Deposits	34,188	20,220	657	266
Investment in P2P notes	4,528	2,240	4,528	2,240
Sundry receivables	42,139	12,614	34	35
	80,855	35,074	5,219	2,541
Less: Allowance for impairment	(738)	(351)	(738)	(351)
	80,117	34,723	4,481	2,190
Other receivables, net	96,679	58,689	9,557	6,200

Amount due from a joint venture bears interest rate of 7% (2023: 7%) per annum, unsecured and repayable on demand. The Group does not expect that the amount due from a joint venture will be realised within the next 12 months.

22. OTHER RECEIVABLES (CONT'D.)

Investment in P2P notes represents investment notes subscribed through a peer-to-peer financing platform which is operated by Peoplender Sdn. Bhd.. They are unsecured, repayable over 36-equated monthly installment and bear interest at rate ranging from 9.5% to 16.9% (2023: 9.2% to 15.0%) per annum.

Movement in allowance accounts:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	351	-	351	-
Additions during the financial year (Note 8)	14,628	351	387	351
At 31 December	14,979	351	738	351

23. OTHER CURRENT ASSET

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Prepaid expenses	12,535	9,098	340	249

24. CONTRACT ASSET/(LIABILITY)

	Group	
	2024 RM'000	2023 RM'000
Contract asset		
Accrued billings in respect of contract costs (Note a)	509,938	596,176
Contract liability		
Deferred income	(306)	(252)

Set out below is the amount of revenue recognised from:

	2024 RM'000	2023 RM'000
Amounts included in contract liabilities at the beginning of the financial year	(252)	(206)

24. CONTRACT ASSET/(LIABILITY) (CONT'D.)

(a) Revenue from property development

Revenue from property development activities are recognised over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The transaction price allocated to the unsatisfied performance obligations as at 31 December 2024 is RM1,115,548,000 (2023: RM874,683,000). The remaining performance obligations expected to be recognised over the years are as follows:

	2024 RM'000	2023 RM'000
Within one year	470,366	562,399
More than one year but not later than five years	645,182	312,284
	1,115,548	874,683

25. DUE FROM SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Non-current		
Due from subsidiaries	2,722	2,722
Current		
Due from subsidiaries	464,041	466,506
Total	466,763	469,228

The amounts due from subsidiaries are unsecured, repayable on demand and bear interest at rate ranging from of 2.18% to 6.35% (2023: 2.18% to 6.35%) per annum.

26. CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash on hand and at banks	176,978	162,826	943	699
Deposits with licensed banks	39,919	39,929	128	29
Cash held by non banking financial institution	108	433	108	433
Cash and bank balances	217,005	203,188	1,179	1,161
Cash and bank balances restricted from use	(28,970)	(29,820)	(4)	(4)
Deposits maturing more than 3 months from reporting date	(10,547)	(10,057)	(29)	(29)
Bank overdraft (Note 27)	(53,639)	(21,440)	(52,463)	(20,178)
Cash and cash equivalents	123,849	141,871	(51,317)	(19,050)

Included in cash and bank balances of the Group are amounts of RM101,589,000 (2023: RM116,408,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. Also, included in cash and bank balances of the Group is an amount of RM1,205,000 (2023: RM1,010,000) in relation to sinking fund held in trust until the formation of Joint Management Body ("JMB"), which is restricted in usage and does not form part of cash and cash equivalents.

Included in cash and bank balances restricted from use of the Group are amounts of RM27,087,000 (2023: RM26,992,000) in the Financial Service Reserve Account ("FSRA"), Debt Service Reserve Account ("DSRA"), Proceeds Account ("PA"), Profit Service Reserve Account ("PSRA") and Revenue Account which are restricted in usage and do not form part of cash and cash equivalents. The FSRA, DSRA, PA, PSRA and Revenue account are secured against the borrowings as disclosed in Note 27.

Included also in cash and bank balances restricted from use of the Group are amounts of RM669,000 (2023: RM1,810,000) in the Project Development Account ("PDA") and Redemption Account ("RA") which are restricted in usage and do not form part of cash and cash equivalents.

Included in cash and bank balances restricted from use of the Group and Company are amounts of RM9,000 and RM4,000 respectively (2023: RM8,000 and RM4,000) in the Trustees' Reimbursement Account ("TRA") which are restricted in usage and do not form part of cash and cash equivalents.

Included in deposits maturing more than 3 months from the reporting date of the Group is an amount of RM10,490,000 (2023: RM10,000,000) which has been pledged as collateral for the term loan facilities as disclosed in Note 27.

Included in cash on hand and at banks of the Group and of the Company are interest-bearing bank balances amounting to RM48,181,000 (2023: RM19,546,000) and RM715,000 (2023: RM583,000) which bear interest at rates ranging from 0.10% to 1.75% (2023: 0.10% to 1.70%) per annum and 1.70% (2023: 1.70%) per annum respectively.

Deposits with licensed banks are made for varying periods of between 2 days and 12 months (2023: 5 days and 6 months) depending on the immediate cash requirements of the Group and of the Company, and earn interests at the respective short-term deposit rates. The effective interest rates as at 31 December 2024 for the Group and the Company range from 2.00% to 3.00% (2023: 2.10% to 2.80%) per annum and 2.40% to 2.55% (2023: 2.55% to 2.75%) per annum respectively.

Deposits with licensed banks are placed with or entered into with reputable licensed banks.

Included in cash held by non banking financial institution of the Group and of the Company are amount in the Fundaztic, a P2P financing platform which is operated by Peoplender Sdn. Bhd..

27. BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Unsecured:				
Bank overdraft - Floating rate (Note 26)	52,463	20,178	52,463	20,178
Revolving credit - Floating rate	110,000	70,000	110,000	70,000
	162,463	90,178	162,463	90,178
Secured:				
Bank overdraft - Floating rate (Note 26)	1,176	1,262	-	-
Revolving credit - Floating rate	58,754	52,651	-	-
Term loans - Floating rate	131,126	124,858	-	-
	191,056	178,771	-	-
	353,519	268,949	162,463	90,178
Non-current				
Unsecured:				
Sukuk Wakalah - Floating rate	149,421	-	149,421	-
Secured:				
Term loans - Floating rate	192,039	187,634	-	-
Sukuk Murabahah - Floating rate	-	64,217	-	-
MTN - Floating rate	293,679	293,464	-	-
	485,718	545,315	-	-
	635,139	545,315	149,421	-
Total	988,658	814,264	311,884	90,178

The maturities of the borrowings as at 31 December 2024 and 31 December 2023 are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Within one year	353,519	268,949	162,463	90,178
More than 1 year but not later than 2 years	357,377	124,844	-	-
More than 2 years but not later than 5 years	108,889	395,439	-	-
More than 5 years	168,873	25,032	149,421	-
	988,658	814,264	311,884	90,178

27. BORROWINGS (CONT'D.)

(i) RM800 Million Sukuk Murabahah Programme

On 25 August 2022, Paramount Capital Resources Sdn. Bhd. ("PCR"), a wholly owned subsidiary of the Company, made the third issuance of RM82,000,000 in nominal value of Sukuk Murabahah with a ten (10) years tenure under the Sukuk Murabahah Programme. It was fully settled on 24 September 2024.

The Sukuk Murabahah Programme bears interest ("Sukuk Profit") at the prevailing cost of funds of the Sukuk holder ("Cost of Funds") plus 1.00% per annum. The average effective Sukuk Profit rates range from 4.75% to 4.82% (2023: 4.49% to 4.82%) per annum.

The Sukuk Murabahah Programme was secured by the following:

(a) Third party legal charge over the lands held for development as disclosed in Note 14(a);

(b) Debentures incorporating a fixed and floating charge on the assets of Utropolis Sdn. Bhd. ("USB") both present and future;

(c) Irrevocable Letter of Undertaking from USB to transfer the redemption sum received and such other monies under the Housing Development Account to the PA;

(d) A legal charge and assignment of the PA and PSRA as disclosed in Note 26; and

(e) Corporate guarantee by the Company and USB.

(ii) RM300 Million Medium Term Notes Programme ("MTN Programme")

On 19 July and 22 August 2019, Dynamic Gates Sdn. Bhd. ("DGSB") made the first and second issuance of RM185,130,000 and RM108,870,000 in nominal value of Medium Term Notes respectively, with a tenure of seven (7) years under the MTN Programme. DGSB is a special purpose vehicle incorporated to undertake the asset-backed securitisation exercise which operates as an extension to the Group and is consolidated accordingly.

The MTN Programme bears interest at the prevailing cost of funds of the MTN holder ("Cost of Funds") plus 1.00% per annum for the first two years since the first drawdown date and Cost of Funds plus 1.15% per annum from the third up to the seventh year. The average effective interest rate ranges from 4.83% to 4.85% (2023: 4.60% to 5.10%) per annum.

The MTN Programme is secured by the following:

(a) First party legal charge over the investment properties as disclosed in Note 16;

(b) Assignment of rights, benefits and interests of the Master Lease Agreement, including the security provided or to be provided to the Issuer thereunder and the guarantee of the Company in respect of the lease payments;

(c) Irrevocable Power of Attorney for disposal of the investment properties in favour of the Security Trustee;

(d) Assignment of Put Option agreement whereby the Company has granted a put option in favour of DGSB where DGSB can require the Company to purchase from DGSB its campus properties at their then prevailing market value; and

(e) Assignment of the CRNCPS Subscription Agreement as disclosed in Note 20.

27. BORROWINGS (CONT'D.)

(ii) RM300 Million Medium Term Notes Programme ("MTN Programme") (cont'd.)

Significant covenants

The following are significant covenants that are applicable to the borrowings of DGSB:

(a) to cause all advances from any parties, if any, to be subordinated to the MTNs and no repayment and/or prepayment of such advances shall be made so long any of the MTNs remain outstanding;

(b) to maintain the loan-to-value ("LTV") Ratio Requirement of not more than seventy percent (70%) at all times. In the event that the LTV Ratio Requirement is breached, the Issuer shall remedy the breach within thirty (30) days; and

(c) not to use the proceeds of the MTNs for any purpose other than as permitted under the agreement.

As at 31 December 2024, DGSB has no indication that it will have difficulty complying with these covenants.

(iii) RM195 Million Term Loans

In September 2020, Paramount Property (Cityview) Sdn. Bhd. ("PPCV") has obtained two term loans facilities to fund the purchase of freehold lands and buildings at Ampang Hillir.

The term loans bear interest at the prevailing cost of funds plus 1.00% per annum. The average effective interest rate ranges from 4.51% to 4.52% (2023: 4.19% to 4.60%) per annum during the financial year.

The term loans are secured by the following:

(a) Assignment of rights and benefits arising from the construction contracts and contractor's performance bond in favour of PPCV in respect of the Project;

(b) Assignment of sales proceed of the Project between the bank and PPCV;

(c) A legal charge and assignment of the DSRA and RA as disclosed in Note 26; and

(d) Corporate guarantee by the Company.

Significant covenants

The following are significant covenants that are applicable to the borrowings of PPCV:

(a) to procure and ensure that all present and future loans granted to it by any of its directors, shareholders or related companies will be subordinated to the facility up to an aggregate amount of not more than the outstanding amount under all facilities; and

(b) not to provide or procure any of its subsidiaries to provide loans, or lend or make advances to any other person, including a director of any subsidiary or holding company or any related corporation, or make investments in other companies or enterprise, or guarantee the liabilities of any person including a director of any subsidiary or holding company or any related corporation, enterprise or company (other than normal trade credit or trade guarantees or temporary loans to staff, customers, contractors or suppliers in the ordinary course of business) provided that the Borrower shall be at liberty to invest in short-term marketable securities acquired solely so as to utilise such funds as are not immediately required for its business.

As at 31 December 2024, PPCV has no indication that it will have difficulty complying with these covenants.

27. BORROWINGS (CONT'D.)

(iv) RM144 Million Term Loan/Bank Guarantee

In June 2019, Aneka Sepakat Sdn. Bhd. ("ASSB") has obtained a term loan/bank guarantee facility to fund the payments of the development rights at Section 51 Petaling Jaya.

The term loan bears interest at the prevailing cost of funds plus 1.00% per annum. The average effective interest rate ranges from 4.92% to 4.94% (2023: 4.56% to 4.98%) per annum during the financial year.

The term loans are secured by the following:

(a) Third party legal charge over the leasehold land as disclosed in Note 14(a);

(b) A debenture incorporating a fixed and floating charge over all present and future assets of ASSB;

(c) Assignment of rights and benefits arising from the construction contracts and contractor's performance bond in favour of ASSB in respect of the Project;

(d) Assignment of sales proceed of the Project between the bank and ASSB;

(e) Corporate guarantee by the Company; and

(f) A fixed deposit pledged of RM10,490,000 as disclosed in Note 26.

(v) RM136 Million Term Revolving Credit

On 2 May 2024, FLX has obtained a term revolving credit facility to fund the acquisition of the 21.54% equity interest in EWI.

The term revolving credit bears interest at the prevailing cost of funds plus 1.50% per annum. The average effective interest rate ranging from 5.17% to 5.18% per annum during the financial year.

The term revolving credit is secured by the following:

(a) First party first legal charge by way of Memorandum of Deposit with Power of Attorney over the acquired EWI's shares (Pledged Shares);

(b) First party first legal charge and assignment of the DSRA and PA as disclosed in Note 26;

(c) Corporate guarantee by the Company; and

(d) Irrevocable Letter of Undertaking from the Company to cover any shortfall in meeting debt obligations and any other charges and to ensure that all dividend or other distribution whether of an income or capital nature and all other amounts in relation to the Pledged Shares are to be channelled to the PA.

27. BORROWINGS (CONT'D.)

(vi) RM1.0 Billion Sustainability-Linked Sukuk Wakalah Programme ("Sukuk Wakalah Programme")

On 13 August 2024 and 23 October 2024, the Company made the first and second issuance of RM100,000,000 and RM50,000,000 in nominal value of Sukuk Wakalah with tenure of 7 and 6.81 years, respectively, under the Sukuk Wakalah Programme.

The Sukuk Wakalah bears interest at the prevailing cost of funds plus 1.15% per annum. The average effective interest rate is 5.02% per annum during the financial year.

<u>Significant covenants</u>

The following are significant covenants that are applicable to the borrowings of the Company:

(a) to cause all loans (including any Islamic financing and any amounts of with the nature of a loan), if any, made by its directors, shareholders and related corporations to be subordinated to the Sukuk Wakalah and no repayment or payment and/ or prepayment of such advance shall be made unless otherwise provided and permitted under the agreement;

(b) to maintain a Financing-to-Equity covenant of not exceeding 1.5 times throughout the subsistence of the Sukuk Wakalah; and

(c) not to use the proceeds of the Sukuk Wakalah except for the purposes set out in the agreement and shall not change the utilisation of the proceeds sets out therein.

As at 31 December 2024, the Company has no indication that it will have difficulty complying with these covenants.

The other term loans and revolving credit of the Group are secured by the following:

(a) Fixed charge and deposit of land titles over the freehold land and buildings and land held for property development of the Group as disclosed in Notes 12 and 14 respectively;

(b) Fixed charge and deposit of land titles over the investment properties of the Group as disclosed in Note 16; and

(c) A legal charge and assignment of the FSRA, DSRA, PA, PSRA and Revenue account as disclosed in Note 26.

The effective interest rates of other borrowings as at the reporting date are as follows:

	2024 per annum %	2023 per annum %
- Bank overdraft	4.55 - 7.65	4.55 - 5.92
- Revolving credit	4.43 - 4.99	4.58 - 5.05
- Term loans	4.45 - 5.47	4.60 - 5.40

The management of the interest rate risk of the Group is disclosed in Note 41(c).

28. LEASE LIABILITIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Lease liabilities	18,074	16,143	-	-
Current				
Lease liabilities	5,411	5,437	-	-
Total lease liabilities	23,485	21,580	-	-

The movement of lease liabilities during the financial year is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	21,580	11,001	-	727
Additions	9,601	16,253	-	-
Lease remeasurement	(968)	(165)	-	-
Lease derecognition	(1,126)	-	-	-
Lease payments	(6,501)	(6,019)	-	(744)
Interest expense (Note 7)	899	510	-	17
At 31 December	23,485	21,580	-	-
Cash flows from operating activities:				
Payment for expenses relating to leases of:				
- short term leases	1,851	288	841	98
- low-value assets	137	100	9	9
- variable lease payments	562	222	-	-
Cash flows from financing activities:				
Payment for lease liabilities:				
- principal	5,602	5,509	-	727
- interest	899	510	-	17
Total lease payment	6,501	6,019	-	744

28. LEASE LIABILITIES (CONT'D.)

The maturities of the lease liabilities as at the reporting date are as follows:

	Group	
	2024 RM'000	2023 RM'000
Within one year	5,411	5,437
More than 1 year but not later than 2 years	4,724	3,796
More than 2 years but not later than 5 years	12,664	9,751
More than 5 years	686	2,596
	23,485	21,580

29. TRADE PAYABLES

	Group	
	2024 RM'000	2023 RM'000
Trade payables	99,794	74,158
Trade accruals	105,501	105,871
Retention sums on contracts	47,993	37,202
	253,288	217,231

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2023: 30 to 90 days). The retention sums are payable upon expiry of the defects liability period of 18 to 24 months (2023: 18 to 24 months).

30. OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Sundry payables	38,555	47,329	-	-
Current				
Sundry payables	259,064	234,431	17,109	15,832
Refundable deposits	8,275	7,426	-	-
	267,339	241,857	17,109	15,832
Total	305,894	289,186	17,109	15,832

Included in sundry payables is balance of consideration for the acquisition of development right for a piece of land of RM80,000,000 which will be settled in cash over eight equal installments annually commencing from financial year 2023.

Other than as above, all sundry payables are non-interest bearing and the normal credit terms granted to the Group and the Company range from 30 to 90 days (2023: 30 to 90 days) and 30 days (2023: 30 days) respectively.

31. DEFERRED TAX (ASSETS)/LIABILITIES

	2024 RM'000	2023 RM'000
Group		
At 1 January	(42,972)	(47,069)
Recognised in the income statement (Note 9)	(3,370)	4,097
At 31 December	(46,342)	(42,972)
Presented after appropriate offsetting as follows:		
Deferred tax assets	(50,210)	(45,627)
Deferred tax liabilities	3,868	2,655
	(46,342)	(42,972)

	At 1 January 2024 RM'000	Recognised in the income statement RM'000	At 31 December 2024 RM'000
Deferred tax (assets)/liabilities of the Group:			
Unrealised gain from transfer of investment properties and land held for property development	(7,267)	1,626	(5,641)
Fair value adjustment from business combination	2,213	(38)	2,175
Interest capitalised*	(10,251)	(7,931)	(18,182)
Unutilised tax losses and unabsorbed capital allowances	(10,080)	(2,652)	(12,732)
Property development profits	(16,836)	(3,713)	(20,549)
Right-of-use assets	1,168	4,340	5,508
Lease liabilities	(1,193)	(4,567)	(5,760)
Others	(726)	9,565	8,839
	(42,972)	(3,370)	(46,342)

31. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D.)

	At 1 January 2023 RM'000	Recognised in the income statement RM'000	At 31 December 2023 RM'000
Deferred tax (assets)/liabilities of the Group:			
Unrealised gain from transfer of investment properties and land held for property development	(7,267)	-	(7,267)
Fair value adjustment from business combination	2,244	(31)	2,213
Interest capitalised*	(14,076)	3,825	(10,251)
Unutilised tax losses and unabsorbed capital allowances	(6,943)	(3,137)	(10,080)
Property development profits	(19,899)	3,063	(16,836)
Right-of-use assets	2,441	(1,273)	1,168
Lease liabilities	(2,380)	1,187	(1,193)
Others	(1,189)	463	(726)
	(47,069)	4,097	(42,972)

* Interest capitalised refers to intercompany interest capitalised in land held for property development which will be deductible upon future disposal.

	2024 RM'000	2023 RM'000
Company		
At 1 January	(30)	329
Recognised in the income statement (Note 9)	(227)	(359)
At 31 December	(257)	(30)

	At 1 January 2024 RM'000	Recognised in the income statement RM'000	At 31 December 2024 RM'000
Deferred tax assets of the Company:			
Others	(30)	(227)	(257)

	At 1 January 2023 RM'000	Recognised in the income statement RM'000	At 31 December 2023 RM'000
Deferred tax assets of the Company:			
Others	329	(359)	(30)

31. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D.)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024 RM'000	2023 RM'000
Unutilised tax losses	49,935	53,728
Unabsorbed capital allowances	20,011	21,537
	69,946	75,265

Year of expiry is analysed as follows:

	Group	
	2024 RM'000	2023 RM'000
Unutilised tax losses:		
- Expiring in 2028	13,625	13,878
- Expiring in 2029	4,868	5,967
- Expiring in 2030	4,730	6,272
- Expiring in 2031	6,643	8,855
- Expiring in 2032	11,263	12,386
- Expiring in 2033	5,972	6,370
- Expiring in 2034	2,834	-
	49,935	53,728

The unutilised tax losses, unabsorbed capital allowances and other deductible temporary difference of the Group are available for offsetting against future taxable profits of the respective subsidiaries within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority. The unused tax losses of the Group can be available for carry forward for a period of 10 consecutive years. Upon expiry of the 10 years, the unabsorbed losses will be disregarded.

Deferred tax assets have not been recognised in respect of these items because it is not probable that they may be used to offset taxable profits of the respective subsidiaries of the Group.

32. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2024 '000	2023 '000	2024 RM'000	2023 RM'000
Issued and fully paid, at no par value				
At 1 January	622,726	621,926	335,181	334,299
Ordinary shares issued pursuant to LTIP	-	800	-	882
Conversion of warrants to ordinary shares	45	-	80	-
At 31 December	622,771	622,726	335,261	335,181

On 19 July 2024, the Company's issued share capital increased from 622,726,366 to 622,771,028 following the conversion of 44,662 warrants at an issue price of RM1.79 per share.

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 general meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

33. PRIVATE DEBT SECURITIES

	Group and Company	
	2024 RM'000	2023 RM'000
Perpetual securities	49,958	199,609

Perpetual securities

The salient terms of perpetual securities are as follows:

The perpetual securities holders are conferred a right to receive distribution on a semi-annual basis from their issue date at the rates of 4.65% and 6.35% per annum, subject to a yearly step-up rate after the first call date. The distribution paid for the financial year ended 31 December 2024 is RM12,207,000 (2023: RM12,212,000).

On 13 August 2024 and 23 October 2024, the Company redeemed the perpetual securities amounting to RM100,000,000 and RM50,000,000, respectively.

The perpetual securities have no fixed maturity and are redeemable in whole, but not in part, at the Company's option on or after 24 September 2025 in the amount of RM50,000,000, together with any accrued, unpaid or deferred distributions. While any distributions are unpaid or deferred, the Company will not declare, pay dividends or make similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

34. EMPLOYEE SHARE SCHEME

On 17 September 2013, the Company implemented the LTIP, which involves the allotment and issuance of new ordinary shares in the Company to eligible employees and executive directors of the Group and the Company, provided that the total number of shares so allotted shall not at any time exceed ten per centum (10%) of the total number of issued shares in the Company ("LTIP shares'').

The details of the LTIP shares are as set out below:

2015 LTIP

(a) On 13 March 2015, the Company made its first award of up to 5,444,300 LTIP shares, comprising the following:

- (i) 2,200,100 restricted shares ("RS") under the 2015 RS Grant to be vested one-third annually over a period of three (3) years with the first vesting commencing on 13 March 2016; and

- (ii) up to 3,244,200 performance-based shares ("PS") under the 2015 PS Grant and vested on 13 March 2018.

2016 LTIP

(b) On 14 March 2016, the Company made its second award of up to 6,063,200 LTIP shares, comprising:

- (i) 2,362,600 RS under the 2016 RS Grant to be vested one-third annually over a period of three (3) years with the first vesting commencing on 14 March 2017; and

- (ii) up to 3,700,600 PS under the 2016 PS Grant and vested on 14 March 2019.

2017 LTIP

(c) On 13 March 2017, the Company made its third award of up to 7,456,600 LTIP shares, comprising:

- (i) 2,440,400 RS under the 2017 RS Grant to be vested one-third annually over a period of three (3) years with the first vesting commencing on 13 March 2018; and

- (ii) up to 5,016,200 PS under the 2017 PS Grant and vested on 13 March 2020.

2018 LTIP

(d) On 11 June 2018, the Company made its fourth award of up to 6,247,700 LTIP shares, comprising:

- (i) 2,138,900 RS under the 2018 RS Grant to be vested one-third annually over a period of three (3) years with the first vesting commencing on 13 March 2019; and

- (ii) up to 4,108,800 PS under the 2018 PS Grant and vested on 15 March 2021.

34. EMPLOYEE SHARE SCHEME (CONT'D.)

The details of the LTIP shares are as set out below: (cont'd.)

2019 LTIP

(e) On 13 March 2019, the Company made its fifth award of up to 5,399,900 LTIP shares, comprising:

(i) 2,091,500 RS under the 2019 RS Grant to be vested one-third annually over a period of three (3) years with the first vesting commencing on 13 March 2020; and

(ii) up to 3,308,400 PS under the 2019 PS Grant to be vested on 13 March 2022.

The 2019 RS Grant was adjusted to 2,925,100 RS to take into account the bonus issue, on the basis of 2 bonus shares for every 5 existing ordinary shares, that was announced on 25 July 2019.

2020 LTIP

(f) On 13 March 2020, the Company made its sixth award of up to 6,568,300 LTIP shares, comprising:

(i) 2,754,500 RS under the 2020 RS Grant to be vested one-third annually over a period of three (3) years with the first vesting commencing on 15 March 2021; and

(ii) up to 3,813,800 PS under the 2020 PS Grant to be vested on 13 March 2023.

The LTIP shares were awarded, without any cash consideration to those who have attained the identified performance objectives of the Group and of the Company. The LTIP serves to attract, retain, motivate and reward valuable employees of the Group and of the Company.

LTIP movement

	Group and Company 2023 RM'000
At 1 January	3,203
Vesting of RS under the 2020 RS Grant	(882)
Remeasurement of LTIP prior to settlement	(2,321)
At 31 December	-

On 15 March 2023, 799,900 new ordinary shares in the Company were allotted and issued at the issue prices of RM1.1020 per share pursuant to the third vesting of RS under the 2020 RS Grant. The LTIP expired on 16 September 2023.

Fair value of shares granted

The fair values of the shares granted are estimated at the grant dates using a Monte Carlo Simulation pricing model, taking into account the terms and conditions upon which the instruments were granted.

34. EMPLOYEE SHARE SCHEME (CONT'D.)

The following table lists out the relevant input to the share scheme pricing model:

	2020 LTIP	2019 LTIP	2018 LTIP
Fair value per share			
- Restricted shares			
- 1st vesting	RM1.218	RM1.460	RM1.885
- 2nd vesting	RM1.158	RM1.384	RM1.277
- 3rd vesting	RM1.102	RM1.322	RM1.214
- Performance-based shares			
- Total shareholder return	RM0.804	RM0.866	RM0.890
- Profit before tax	RM1.102	RM1.319	RM1.212
Dividend yield (%)	5.00%	5.00%	5.35%
Expected volatility (%)	22.91%	21.32%	22.61%
Risk-free interest rate (% p.a)	2.73%	3.48%	3.59%
Expected life of the scheme (Years)			
	Annually for	Annually for	Annually for
- Restricted shares	3 years	3 years	3 years
- Performance-based shares	3 years	3 years	3 years
Underlying share price	RM1.28	RM2.14	RM1.96

The expected life of the share scheme is based on the contractual life of the scheme. The expected volatility reflects the assumption that the historical volatility, over a period similar to the life of the scheme, is indicative of future trends, which may not necessarily be the actual outcome.

35. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as at 31 December 2024 and 31 December 2023 under the single-tier system.

36. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The Group has entered into non-cancellable operating lease agreements on its investment property portfolio. These leases have remaining non-cancellable lease terms of between 1 and 3 years.

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'000	2023 RM'000
Not later than 1 year	18,121	16,480
Later than 1 year and not later than 5 years	7,583	12,375
	25,704	28,855

37. COMMITMENTS

	Group	
	2024 RM'000	2023 RM'000
Approved and contracted for:		
- Property, plant and equipment	2,739	1,193
- Investment properties	-	23,114
- Land held for future development	130,500	-
	133,239	24,307
Approved but not contracted for:		
- Property, plant and equipment	3,481	-

As at 31 December 2024, no values were ascribed to the corporate guarantees provided by the Company to secure banking facilities described in Note 27 as the Directors regard the value of the credit enhancement provided by the corporate guarantees as minimal and the probability of default, based on historical track records of the parties receiving the corporate guarantees are remote.

38. RELATED PARTY DISCLOSURES

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions between the Group and the related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Sale of property to Mr Ooi Hun Peng	-	(500)	-	-
Sale of property to Mr Wang Chong Hwa	-	(1,620)	-	-
Sale of property to Mr Chew Sun Teong	(4,308)	-	-	-
Sale of property to Mr Benjamin Teo Jong Hian	(3,871)	-	-	-
Sale of property to Mr Chee Siew Pin	(2,159)	-	-	-
Sale of property to Ms Cheong Siew Ching (mother of Mr Benjamin Teo Jong Hian)	(2,379)	-	-	-
Sale of property to Ms Eunice Teo Wan Tien (sister of Mr Benjamin Teo Jong Hian)	(3,868)	-	-	-
Sale of property to Ms Tai Shuk Huang (spouse of Mr Chew Sun Teong)	(3,186)	-	-	-
Sale of property to Pn Fatimah Binti Merican	(1,904)	-	-	-
Sale of property to Ms Foong Pik Yee	(1,899)	-	-	-
Sale of property to Mr Ong Keng Siew	(2,422)	-	-	-
Sale of property to Mr Quah Poh Keat	(2,374)	-	-	-
Rental income received from Peoplender Sdn. Bhd., a company in which Mr Chew Sun Teong and Mr Benjamin Teo Jong Hian have interests	(138)	(132)	-	-
Rental income received from KDUUC, an associate of the Company	(6,580)	(6,538)	-	-
Rental income received from KDUPG, an associate of the Company	(1,936)	(1,930)	-	-
Management fees received from subsidiaries	-	-	(17,838)	(18,446)
Interest income received from subsidiaries	-	-	(17,782)	(18,628)
Interest income receivable from a joint venture	(1,232)	(1,051)	-	-
Dividend received from a subsidiary	-	-	(51,000)	(50,000)
Consultancy fee paid to Datuk Wong Baan Chun	180	180	-	-
Platform fee paid to Peoplender Sdn. Bhd.	98	26	98	26

38. RELATED PARTY DISCLOSURES (CONT'D.)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the financial year was as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Short term employee benefits	13,575	11,722	10,278	8,519
Defined contribution plan	1,438	1,212	1,050	839
	15,013	12,934	11,328	9,358

Key management personnel are defined as persons having the authority and responsibility for planning, directing and controlling the activities of the Group and of the Company.

Included in key management personnel are directors' remuneration as follows:

	Group		Company	
	2024 RM'000	**2023 RM'000**	**2024 RM'000**	**2023 RM'000**
Directors of the Company				
Executive	7,429	5,695	7,429	5,695
Non-executive	1,002	784	1,002	784
	8,431	6,479	8,431	6,479

39. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The accounting policies in Note 2.14 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Note	At amortised cost RM'000	At fair value through other comprehensive income RM'000	At fair value through profit or loss RM'000	Total RM'000
Group					
31 December 2024					
Financial assets:					
Other investments	20	-	142,622	5,612	148,234
Trade receivables	21	142,291	-	-	142,291
Other receivables	22	96,679	-	-	96,679
Cash and bank balances	26	217,005	-	-	217,005
Total financial assets		455,975	142,622	5,612	604,209
Financial liabilities:					
Trade payables	29	253,288	-	-	253,288
Other payables	30	286,942	-	-	286,942
Lease liabilities	28	23,485	-	-	23,485
Borrowings	27	988,658	-	-	988,658
Total financial liabilities		1,552,373	-	-	1,552,373
31 December 2023					
Financial assets:					
Other investments	20	-	8,331	-	8,331
Trade receivables	21	82,420	-	-	82,420
Other receivables	22	58,689	-	-	58,689
Cash and bank balances	26	203,188	-	-	203,188
Total financial assets		344,297	8,331	-	352,628
Financial liabilities:					
Trade payables	29	217,231	-	-	217,231
Other payables	30	272,355	-	-	272,355
Lease liabilities	28	21,580	-	-	21,580
Borrowings	27	814,264	-	-	814,264
Total financial liabilities		1,325,430	-	-	1,325,430

39. CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D.)

	Note	At amortised cost RM'000	At fair value through other comprehensive income RM'000	Total RM'000
Company				
31 December 2024				
Financial assets:				
Other investments	20	319,295	110	319,405
Other receivables	22	9,557	-	9,557
Amounts due from subsidiaries	25	466,763	-	466,763
Cash and bank balances	26	1,179	-	1,179
Total financial assets		796,794	110	796,904
Financial liabilities:				
Other payables	30	10,476	-	10,476
Borrowings	27	311,884	-	311,884
Total financial liabilities		322,360	-	322,360
31 December 2023				
Financial assets:				
Other investments	20	269,805	110	269,915
Other receivables	22	6,200	-	6,200
Amount due from subsidiaries	25	469,228	-	469,228
Cash and bank balances	26	1,161	-	1,161
Total financial assets		746,394	110	746,504
Financial liabilities:				
Other payables	30	11,386	-	11,386
Borrowings	27	90,178	-	90,178
Total financial liabilities		101,564	-	101,564

* These balances exclude non-financial instruments balances which are not within the scope of MFRS 9: Financial Instruments.

40. FAIR VALUE OF ASSETS AND LIABILITIES

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 December 2024				
Group				
Assets for which fair values are disclosed				
Investment properties (Note 16)	-	-	666,376	666,376
Assets measured at fair value				
Other investments - quoted (Note 20)	140,172	-	-	140,172
Other investments - unquoted (Note 20)	-	-	8,062	8,062
Company				
Assets measured at fair value				
Other investments - unquoted (Note 20)	-	-	110	110
31 December 2023				
Group				
Assets for which fair values are disclosed				
Investment properties (Note 16)	-	-	733,791	733,791
Assets measured at fair value				
Other investments - quoted (Note 20)	694	-	-	694
Other investments - unquoted (Note 20)	-	-	7,637	7,637
Company				
Assets measured at fair value				
Other investment - unquoted (Note 20)	-	-	110	110

During the financial year, there were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy.

40. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

Level 1 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 1 of the fair value hierarchy:

Other investment

Fair value is determined directly by reference to their published market bid price at the reporting date.

Level 3 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 3 of the fair value hierarchy:

Investment properties

The valuation of investment properties, which comprise of freehold and leasehold land and buildings, are performed by independent third party valuers which are based on comparable market transactions that consider sales of similar properties that have been transacted in the open market.

Other investments

The fair value of the unquoted investments are estimated by discounting expected future cash flows at market discount rate for similar types of assets at the reporting date.

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values:

	Note
Trade receivables (current)	21
Other receivables (current & non-current)	22
Trade payables (current)	29
Other payables (current & non-current)	30
Borrowings (current & non-current)	27
Lease liabilities (current & non-current)	28

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Board Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

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 these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade receivables, other receivables and due from subsidiaries. For cash and bank balances, the Group and the Company minimise credit risk by dealing exclusively with reputable licensed banks.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.

- A nominal amount of RM1,353,863,000 (2023: RM1,156,249,000) relating to guarantees extended in support of banking and other credit facilities granted to subsidiaries.

Credit risk concentration profile

The Group and the Company do not have any major concentration of credit risk related to any major customer.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with several banks.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(b) 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 liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
31 December 2024				
Group				
Financial liabilities:				
Trade and other payables	521,854	40,000	10,000	571,854
Lease liabilities	6,323	18,923	694	25,940
Borrowings	402,072	545,458	188,081	1,135,611
Total undiscounted financial liabilities	930,249	604,381	198,775	1,733,405
Company				
Financial liabilities:				
Other payables	10,476	-	-	10,476
Borrowings	178,002	29,998	164,420	372,420
Total undiscounted financial liabilities	188,478	29,998	164,420	382,896
31 December 2023				
Group				
Financial liabilities:				
Trade and other payables	459,924	40,000	20,000	519,924
Lease liabilities	6,244	15,185	2,639	24,068
Borrowings	308,739	585,483	31,791	926,013
Total undiscounted financial liabilities	774,907	640,668	54,430	1,470,005
Company				
Financial liabilities:				
Other payables	11,386	-	-	11,386
Borrowings	94,639	-	-	94,639
Total undiscounted financial liabilities	106,025	-	-	106,025

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Interest rate risk

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

The Group's exposure to interest rate risk arises primarily from their floating rate borrowings. The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rate had been 25 basis points lower/higher with all other variables held constant, the Group's investment properties, land held for development, and profit before tax, and the Company's profit before tax would have been RM2,050,000 and RM505,000 (2023: RM1,729,000 and RM50,000) lower/higher respectively arising mainly as a result of lower/higher interest expense on floating rate term loans (including the portion capitalised in investment properties and land held for development). The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has transactional currency exposures arising from other receivables and investments that are denominated in a currency other than the functional currencies of the Group. The foreign currencies in which these transactions are denominated in Thai Baht ("THB"), United States Dollar ("USD"), Australian Dollar ("AUD") and Great Britain Pound ("GBP").

At the reporting date, the Group does not hedge its foreign currency exposure using any financial instruments. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arises.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Groups profit before tax to a reasonably possible change in THB exchange rate against the functional currency of the Group, with all other variables held constant.

		Increase/(decrease) in profit before tax	
		2024 RM'000	2023 RM'000
THB/MYR	- strengthened by 3% (2023: 6%)	507	1,013
	- weakened by 3% (2023: 6%)	(507)	(1,013)

The changes in exchange rates of other foreign currencies will not have a material impact of the financial statements of the Group.

42. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to maintain an optimal capital structure in order to support its business and maximise shareholder value.

In order to achieve this overall objective, the Group's and the Company's capital management, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately recall the loans and borrowings. There have been no breaches of financial covenants of any interest-bearing loans and borrowing in the current financial year.

The Group and the Company manages its capital structure and makes adjustments in light of changes in economic conditional and the requirements of the financial covenants. To maintain or adjust its capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group and the Company monitors its capital structure using its debts to equity ratio, which is net debts divided by total equity. The Group and the Company include within net debt, loans and borrowings less cash and bank balances.

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Borrowings	27	988,658	814,264	311,884	90,178
Less: Cash and bank balances	26	(217,005)	(203,188)	(1,179)	(1,161)
Net debts		771,653	611,076	310,705	89,017
Total equity		1,482,383	1,630,487	1,334,222	1,478,680
Debts to equity ratio		52%	37%	23%	6%

43. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

(i) Property - the development and construction of residential and commercial properties and property investment of retail and car parks;
(ii) Coworking - the operation of coworking spaces and incubator-related services; and
(iii) Investment and others - investment holding, provision of Group-level corporate services and property investment of campus buildings.

Except as indicated above, no operating segment has been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

Transfer prices between operating segments took place at terms agreed between the parties.

43. SEGMENT INFORMATION (CONT'D.)

	Property RM'000	Coworking RM'000	Investment and others RM'000	Adjustments and eliminations RM'000	Note	Consolidated RM'000
31 December 2024						
Revenue:						
External customers	965,334	18,289	56,538	-		1,040,161
Inter-company sales	353,027	5,257	166,163	(524,447)	A	-
Total revenue	1,318,361	23,546	222,701	(524,447)		1,040,161
Results:						
Interest income	13,275	103	52,085	(61,599)	A	3,864
Interest expense	28,064	794	111,316	(99,223)	A	40,951
Depreciation and amortisation	9,314	6,796	16,505	(6,319)		26,296
Share of results of associates and a joint venture	-	-	(5,786)	-		(5,786)
Segment profit/(loss)	144,241	522	52,589	(40,446)	B	156,906

	Property RM'000	Coworking RM'000	Investment and others RM'000	Adjustments and eliminations RM'000	Note	Consolidated RM'000
31 December 2023						
Revenue:						
External customers	973,681	11,430	27,141	-		1,012,252
Inter-company sales	421,910	1,640	135,212	(558,762)	A	-
Total revenue	1,395,591	13,070	162,353	(558,762)		1,012,252
Results:						
Interest income	11,913	123	53,312	(60,792)	A	4,556
Interest expense	21,928	466	93,479	(84,026)	A	31,847
Depreciation and amortisation	8,370	4,187	23,595	(12,828)		23,324
Share of results of associates and a joint venture	-	-	(2,525)	-		(2,525)
Segment profit/(loss)	138,340	2,241	14,597	(24,955)	B	130,223

43. SEGMENT INFORMATION (CONT'D.)

	Property RM'000	Coworking RM'000	Investment and others RM'000	Adjustments and eliminations RM'000	Note	Consolidated RM'000
31 December 2024						
Assets:						
Investments in associates and a joint venture	-	-	24,472	-		24,472
Additions to non-current assets	146,115	19,786	3,003	10,484	C	179,388
Segment assets	3,033,252	56,147	2,115,101	(2,139,646)	D	3,064,854
Segment liabilities	1,655,176	43,620	1,793,175	(1,909,500)	E	1,582,471

	Property RM'000	Coworking RM'000	Investment and others RM'000	Adjustments and eliminations RM'000	Note	Consolidated RM'000
31 December 2023						
Assets:						
Investments in associates and a joint venture	-	-	38,480	-		38,480
Additions to non-current assets	116,365	3,068	731	-	C	120,164
Segment assets	3,064,215	34,909	1,980,882	(2,102,916)	D	2,977,090
Segment liabilities	1,753,787	25,349	1,444,962	(1,877,495)	E	1,346,603

A Inter-segment revenues and expenses are eliminated on consolidation.

B The following items are (deducted from)/added to segment profit to arrive at "Profit before tax" presented in the consolidated income statement:

	2024 RM'000	2023 RM'000
Inter-segment dividends	(82,314)	(50,000)
Inter-segment interests	37,624	23,235
Other inter-segment transactions	4,244	1,810
	(40,446)	(24,955)

43. SEGMENT INFORMATION (CONT'D.)

C Additions to non-current assets consist of:

	2024 RM'000	2023 RM'000
Property, plant and equipment	11,406	9,442
Inventories	107,959	92,172
Investment properties	60,023	18,550
	179,388	120,164

D The following items are deducted from segment assets to arrive at the total assets reported in the consolidated statement of financial position:

	2024 RM'000	2023 RM'000
Inter-segment assets	(2,124,094)	(2,088,097)
Unrealised gains from inter-segment transactions	(15,552)	(14,819)
	(2,139,646)	(2,102,916)

E Inter-segment liabilities are eliminated on consolidation.

The revenue and non-current assets of the Group based on geographical location of customers and assets are mainly attributed to Malaysia.

For the financial years ended 31 December 2024 and 31 December 2023, there is no revenue concentration from a single customer that exceeds 10% of the total Group's revenue.

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 10 May 2024, FLX, a wholly-owned subsidiary of the Company acquired 517,000,000 ordinary shares in EWI, representing approximately 21.54% equity interest in EWI via a direct business transaction, for a total cash consideration of RM170,610,000.

(b) On 15 May 2024, the Company made a lodgement to the Securities Commission Malaysia for the establishment of an Unrated Islamic Medium Term Notes (Sukuk Wakalah) Programme of up to RM1.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (Sukuk Wakalah Programme).

(c) On 30 August 2024, UOWM has exercised its call option to acquire 10% equity interest in KDUUC and KDUPG from the Company for a consideration of RM5,261,000. The sale has yet to complete as at 31 December 2024 as it is subject to local authority's approval. Consequently, the remaining equity interests owned by the Company in KDUUC and KDUPG is 20%.

(d) On 12 December 2024, Tanah Bayumas Sdn. Bhd. ("TBSB"), a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with Prismaworld Embassyview Sdn. Bhd. c/o Adamprimus & Co. Plt for acquisition of all that leasehold land held under Pajakan Negeri 39542, Lot No. 66, Seksyen 89, in Bandar and Daerah Kuala Lumpur, Negeri Wilayah Persekutuan together with a residential development comprising 93 units of low-rise luxury condominium villas situated on it known as Brunsfield Residence at a total cash consideration of RM145,000,000. The sales was not completed as at 31 December 2024 as it is subject to local authority's approval.

45. SUBSEQUENT EVENTS AFTER THE FINANCIAL YEAR

(a) On 21 February 2025, the Company has declared a single-tier third interim dividend of 1.5 sen per share in respect of the financial year ended 31 December 2024 on 622,771,028 ordinary shares, amounting to a dividend payable of RM9,342,000 which was paid on 21 March 2025.

(b) The Group, through its joint venture NCCL, holds remaining unsold properties in Bangkok, Thailand. Following the recent earthquake in Myanmar on 28 March 2025, which also impacted Bangkok, an initial inspection was carried out in coordination with a qualified engineering team. Based on this preliminary assessment, no major structural damage was identified on the unsold properties. At the date of this report, the management is still assessing the potential impact of this subsequent event on the Group’s performance for the next financial year.

STATEMENT OF **DIRECTORS' RESPONSIBILITY**

In relation to the Financial Statements

This statement is prepared as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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

The Directors consider that in preparing the financial statements:

- the Group and the Company have used appropriate accounting policies and are consistently applied;
- reasonable and prudent judgements and estimates were made; and
- all applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that the Group and the Company maintain accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the Companies Act, 2016.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

05

ADDITIONAL INFORMATION

ADDITIONAL COMPLIANCE **INFORMATION**

AUDIT AND NON-AUDIT SERVICES RENDERED

The amount of audit and non-audit fees paid/payable to the Company's external auditors, Ernst & Young PLT, for the services rendered to the Group for the financial year ended 31 December 2024.

	Company RM'000	Group RM'000
• Audit fee	248	756
• Non-audit fee		
- Review of the Statement on Risk Management and Internal Control	5	5
- Review of the Group's compliance with the Housing Development (Control and Licensing) Act, 1966	-	37
Total	253	798

MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving the interest of Directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year.

ANALYSIS OF **SHAREHOLDINGS**

As at 28 March 2025

Issued share capital of the Company: 622,771,028 ordinary shares which confer the right to one vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	No. of Shareholders	%	No. of Shares Held	%
1 - 99	284	3.625	7,539	0.001
100 - 1,000	726	9.267	434,235	0.070
1,001 - 10,000	3,683	47.013	20,190,803	3.242
10,001 - 100,000	2,649	33.814	83,619,226	13.427
100,001 - 31,138,550*	490	6.254	312,136,125	50.121
31,138,551 and above**	2	0.025	206,383,100	33.139
Total	**7,834**	**100.000**	**622,771,028**	**100.000**

* Less than 5% of issued shares
** 5% and above of issued shares

THIRTY (30) LARGEST SHAREHOLDERS

	Name of Shareholder	No. of Shares Held	%
1	Paramount Equities Sdn Bhd	154,252,000	24.768
2	Southern Palm Industries Sdn Bhd	52,131,100	8.370
3	Southern Acids (M) Berhad	27,043,100	4.342
4	CIMB Group Nominees (Asing) Sdn. Bhd. Exempt An For DBS Bank Ltd (SFS-PB)	18,833,500	3.024
5	Bunga Indah (M) Sdn Bhd	16,216,200	2.603
6	Southern Realty (Malaya) Sdn Bhd	14,695,100	2.359
7	Benjamin Teo Jong Hian	9,312,480	1.495
8	Wong Chong Ngin	9,115,000	1.463
9	Eliyezer Resources Sdn Bhd	8,541,600	1.371
10	Amanahraya Trustees Berhad Public SmallCap Fund	7,997,800	1.284
11	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Chew Sun Teong (PB)	6,817,940	1.094
12	Ong Keng Siew	6,082,780	0.976
13	RHB Nominees (Asing) Sdn Bhd Exempt An For Phillip Securities Pte. Ltd. (A/C Clients)	5,334,560	0.856
14	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Wong Chong Ngin	4,425,000	0.710

ANALYSIS OF **SHAREHOLDINGS**

As at 28 March 2025

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D.)

	Name of Shareholder	No. of Shares Held	%
15	Eunice Teo Wan Tien	3,691,800	0.592
16	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Teh Wao Kheng (PB)	3,518,100	0.564
17	Chew Sun Teong	2,858,100	0.458
18	Teh Geok Lian	2,682,540	0.430
19	Neoh Choo Ee & Company, Sdn. Berhad	2,605,000	0.418
20	Eugene Yeoh Oon Hock	2,599,330	0.417
21	Mikdavid Sdn Bhd	2,123,100	0.340
22	Gemas Bahru Estates Sdn. Bhd.	2,111,900	0.339
23	Yeo Khee Huat	2,107,000	0.338
24	Tan Ai Leng	2,000,056	0.321
25	Citigroup Nominees (Asing) Sdn Bhd CBNY For Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	1,777,960	0.285
26	Liew Yoon Yee	1,700,000	0.272
27	Tay Lee Kong	1,662,680	0.266
28	Southern Edible Oil Industries (M) Sdn Berhad	1,631,700	0.262
29	Foong Poh Seng	1,627,720	0.261
30	Teh Wao Kheng	1,603,700	0.257

ANALYSIS OF **SHAREHOLDINGS**

As at 28 March 2025

SUBSTANTIAL SHAREHOLDERS

Name of Shareholder	Direct Interest No. of Shares Held	Direct Interest %	Deemed Interest No. of Shares Held	Deemed Interest %
Paramount Equities Sdn Bhd	154,252,000	24.770	16,216,200 [1]	2.604
Benjamin Teo Jong Hian	9,312,480	1.495	170,468,200 [2]	27.373
Southern Palm Industries Sdn Bhd	52,131,100	8.371	27,043,100 [3]	4.342
Southern Edible Oil Industries (M) Sdn Bhd	1,631,700	0.262	79,174,200 [4]	12.713
Southern Realty (Malaya) Sdn Bhd	14,695,100	2.359	80,805,900 [5]	12.975
Banting Hock Hin Estate Co Sdn Bhd	901,600	0.145	95,501,000 [6]	15.335

DIRECTORS' SHAREHOLDINGS

Name of Director	Direct Interest No. of Shares Held	Direct Interest %	Deemed Interest No. of Shares Held	Deemed Interest %
Chew Sun Teong	9,676,040	1.554	-	-
Benjamin Teo Jong Hian	9,312,480	1.495	170,468,200 [2]	27.373
Ong Keng Siew	6,082,780	0.976	-	-
Quah Poh Keat	-	-	1,339,520 [7]	0.215

Notes:

(1) *By virtue of its deemed interest in Bunga Indah (M) Sdn Bhd.*

(2) *By virtue of his deemed interest in Paramount Equities Sdn Bhd and Bunga Indah (M) Sdn Bhd to the extent that Paramount Equities Sdn Bhd has an interest.*

(3) *By virtue of its deemed interest in Southern Acids (M) Berhad.*

(4) *By virtue of its deemed interest in Southern Palm Industries Sdn Bhd and Southern Acids (M) Berhad.*

(5) *By virtue of its deemed interest in Southern Edible Oil Industries (M) Sdn Bhd, Southern Palm Industries Sdn Bhd and Southern Acids (M) Berhad.*

(6) *By virtue of its deemed interest in Southern Realty (Malaya) Sdn Bhd, Southern Edible Oil Industries (M) Sdn Bhd, Southern Palm Industries Sdn Bhd and Southern Acids (M) Berhad.*

(7) *By virtue of his deemed interest in the shareholding of his spouse.*

LIST OF TOP 10 **PROPERTIES**
Held by the Group

SCHEDULE OF PROPERTIES HELD BY THE GROUP

	Location of Property	Date of Acquisition	Description & Existing Use	Age of Building	Tenure	Land Area (Sq. Ft.)	NBV (RM'000) As at 31.12.2024
1	Lot 91902 Mukim Damansara Daerah Petaling Selangor Darul Ehsan	31.01.2012	Utropolis Glenmarie Campus - Rented to University of Wollongong Malaysia Sdn Bhd	10 years	Freehold	1,011,483 *	184,393
2	PT 71880, PT 71881, PT 72101, Lot 17185, Lot 124721 Mukim Dengkil, Daerah Sepang Selangor Darul Ehsan	02.01.2015	Land approved for commercial and residential use - Greenwoods	-	Freehold	2,204,136	106,148
3	Lot 21536 Mukim 13, Daerah Seberang Perai Selatan Pulau Pinang	05.12.2014	Utropolis Batu Kawan Campus - Rented to UOW Malaysia KDU Penang University College Sdn Bhd	5 years	Freehold	232,521 *	95,952
4	Lot PT 91903 Mukim Damansara Daerah Petaling Selangor Darul Ehsan	31.01.2012	Retail mall and car-park - Paramount Utropolis Marketplace	9 years	Freehold	257,004	86,065
5	Lots 557-558, 560, 565-566, 570-572, 575, 1652-1653, 1657-1658, 1660-1661, 1663-1664, 1860, 1952-1954 Mukim 17 Daerah Seberang Perai Tengah Pulau Pinang	08.04.2013, 21.06.2013, 09.08.2014, 18.08.2014, 19.08.2014, 03.12.2014, 27.07.2016	Land held for future development use - Paramount Embun Hills	-	Freehold	3,014,352	80,114
6	Lot PT 91903 Mukim Damansara Daerah Petaling Selangor Darul Ehsan	17.12.2021	13-storey purpose-built hotel building - Mercure Kuala Lumpur Glenmarie Hotel	3 years	Freehold	156,102 *	80,048
7	Lots 455, 456, 203-206 & 51351 Mukim Kapar, Daerah Klang Selangor Darul Ehsan	29.04.2011 and 02.07.2012	Land approved for commercial and residential use - Berkeley Uptown	-	Freehold	335,412	66,830
8	Lot 69115-69142, 69195-69245, 69298-69320, 70238, 70236, 70237, 4995, 17165, PT 5672 Bandar Amanjaya Mukim Sungai Petani Daerah Kuala Muda Kedah Darul Aman	21.02.2006, 06.07.2020	Land held for future development use - Bukit Banyan	-	Freehold	6,047,553	65,617
9	Lot 21907, 21926, 22018, 22019 Mukim 13, Seberang Perai Selatan Pulau Pinang	25.03.2014 and 11.05.2015	Land held for future development use - Utropolis Batu Kawan	-	Freehold	492,228	55,444
10	Lot 10159, Seksyen 13 Bandar Petaling Jaya Daerah Petaling Selangor Darul Ehsan	20.02.2008	Retail lots and carpark bays - Atwater	-	99 years lease expiring 12.12.2116	156,559 *	50,339

* Gross floor area/Net lettable area

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APPENDICES

NOTICE OF FIFTY-FIFTH
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Fifth Annual General Meeting of Paramount Corporation Berhad (**Paramount** or **the Company**) will be held at Suite I, Level 2, Mercure Kuala Lumpur Glenmarie Hotel, Jalan Kontraktor U1/14, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 5 June 2025 at 10.30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To lay before the meeting the Audited Financial Statements of the Company for the year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon. **(Please see Explanatory Note A)**

2. To approve the payment of Directors' fees and meeting allowances not exceeding an aggregate amount of RM1,500,000.00 for the period from 1 July 2025 to 30 June 2026. **Resolution 1 (Please see Explanatory Note B)**

3. To re-elect the following Directors who are retiring pursuant to Clause 85 of the Company's Constitution:

   (a) Mr Quah Chek Tin **Resolution 2**
   (b) Mr Ong Keng Siew **Resolution 3**
   (c) Ms Foong Pik Yee **Resolution 4 (Please see Explanatory Note C)**

4 To re-appoint Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions:

5. **Authority for Mr Ong Keng Siew to continue in office as an Independent Non-Executive Director** **Resolution 6 (Please see Explanatory Note D)**

   "That authority be and is hereby given to Mr Ong Keng Siew who has served as an Independent Non-Executive Director of the Company for a term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

6. **Authority to Directors to allot and issue shares** **Resolution 7 (Please see Explanatory Note E)**

   "That, subject always to the Companies Act, 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approval of the relevant governmental or regulatory bodies, where such approval is necessary, full authority be and is hereby given to the Board of Directors pursuant to Section 75 of the Companies Act, 2016, to allot and issue shares in the capital of the Company at any time upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be allotted and issued pursuant to this resolution does not exceed ten per centum (10%) of the issued share capital of the Company as at the date of such allotment, and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

By Order of the Board

NG WAI PENG
Secretary

Petaling Jaya
Selangor Darul Ehsan
30 April 2025

NOTES

General Meeting Record of Depositors

In respect of deposited securities, only members whose names appear in the Record of Depositors on 28 May 2025 (General Meeting Record of Depositors) shall be entitled to attend, participate, speak and vote at the Fifty-Fifth Annual General Meeting (**AGM**).

Appointment of Proxy

1. A member entitled to attend, participate, speak and vote at the above meeting is entitled to appoint more than one (1) proxy to attend, participate, speak and vote on his/her/its stead provided that the member specifies in the instrument appointing a proxy the proportion of the member's shareholding to be represented by each proxy. A proxy need not be a member of the Company.

2. Where a member of the Company is an authorised nominee (as defined in the Securities Industry (Central Depositories) Act, 1991), it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (**omnibus account**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds (as indicated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad).

4. The instrument appointing a proxy (**Proxy Form**) must be in writing under the hand of the member or his/her attorney duly authorised in writing, or if the member is a corporation, must be executed under its common seal or under the hand of two (2) authorised officers, one (1) of whom shall be its director or its attorney duly authorised in writing, or if the corporation has only one (1) director, by that sole director in the presence of a witness who attests the director's signature in accordance with the provisions of Section 66 of the Companies Act, 2016. The power of attorney or a duly certified copy thereof must be deposited with the Company's Share Registrar.

5. The appointment of proxy may be made in a hardcopy form or submitted by electronic means in the following manner not less than twenty-four (24) hours before the time appointed for the holding of the AGM or any adjournment thereof:

   i) deposit the Proxy Form physically with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (**Tricor**) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or

   ii) submit the Proxy Form electronically to Tricor via https://tiih.online. Please refer to the procedures for electronic submission of Proxy Form set out in the 'Electronic Submission of Proxy Form'.

Explanatory Note A

Item 1 on the Agenda is meant for discussion only as the Audited Financial Statements do not require the formal approval of the shareholders pursuant to Sections 248(2) and 340(1)(a) of the Companies Act, 2016. Hence, the matter will not be put forward for voting.

Explanatory Note B

The aggregate amount not exceeding RM1,500,000.00 proposed in Resolution 1 represents an estimated provision for Directors' fees and meeting allowances payable for the period from 1 July 2025 to 30 June 2026 to the Company's Directors, including new Directors as may be appointed by the Board from time to time during the same period, based on the following rates:

Type of Fees	Amount (RM per annum)
Board of Paramount	
Board Chairman	201,600
Director	100,800
Audit Committee	
Committee Chairman	32,400
Member	21,600
Nominating Committee, Remuneration Committee and Board Risk Management Committee	
Committee Chairman	21,600
Member	14,400
Board of Subsidiary	
Board Chairman	40,000
Director	12,000 - 16,000
Meeting allowance	RM1,000 per meeting

Explanatory Note C

Resolution 2

Mr Quah Chek Tin, a Malaysian, aged 73, is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants (**MIA**). He joined the Board of Directors (**Board**) of Paramount on 27 August 2021 and was appointed as Chairman of the Board on 1 September 2021. Mr CT Quah began his career with Coopers & Lybrand, London in 1974 before returning to Malaysia in 1977. He then joined the Genting Group, and had a long and distinguished career in Genting from his early position as Treasurer to Director of Corporate Affairs and then as Executive Director and Chief Operating Officer of Genting Malaysia Berhad as well as Executive Director of Genting Berhad before retiring in 2006. After his retirement, he remained active in the corporate world as an independent non-executive director (**INED**) of several public listed companies, including Paramount during the period from 2007 to 2019, during which time he had also served as Chairman of the Audit Committee (**AC**) and the Remuneration Committee (**RC**). Mr CT Quah has, through his long career, accumulated a wealth of knowledge, experience and skills in corporate affairs and financial matters.

Mr CT Quah does not have any conflict of interest (**COI**) or potential COI with Paramount and its subsidiaries (**the Group**), and he has met all the fit and proper criteria set out in the Directors' Fit and Proper Policy (**DFPP**) of Paramount, as assessed by the Company's Nominating Committee (**NC**) in January 2025.

<u>Resolution 3</u>

Mr Ong Keng Siew, a Malaysian, aged 68, is a Fellow of the Association of Chartered Certified Accountants, United Kingdom, and a member of MIA. He joined the Board of Paramount on 14 November 1994 and was re-designated as an INED on 14 August 2014. He assumed the role of Senior INED of Paramount on 3 August 2022. He is also the Chairman of the NC as well as a member of the Board Risk Management Committee (**BRMC**) and the RC of the Company.

Mr Ong has served the Group with distinction in various roles for more than 30 years. He started as an Accountant in 1981 and rose through the ranks to assume the post of Deputy Group Managing Director and Deputy Group Chief Executive Officer (**CEO**) in 1997 before succeeding the late Dato' Teo Chiang Quan as the Managing Director and CEO of Paramount on 1 December 2008 until his retirement on 18 June 2012.

Currently, in addition to his directorship in public listed companies, Mr Ong also serves as a director of Perbadanan Aset Keretapi (Railway Assets Corporation), a federal statutory body established under the Railway Act 1991.

Mr Ong does not have any COI or potential COI with the Group, and he has met all the fit and proper criteria set out in the DFPP of Paramount, as assessed by the Company's NC in January 2025.

<u>Resolution 4</u>

Ms Foong Pik Yee, a Malaysian, aged 65, is a member of the Institute of Chartered Accountants Australia and New Zealand, and an accredited Chartered Banker by the Asian Institute of Chartered Bankers. She joined the Board of Paramount on 22 August 2019 as an INED, and she is also the Chairman of the BRMC and a member of the AC of the Company.

Ms Foong began her career as an auditor at KPMG Singapore and moved to Australia in 1983 to pursue her professional qualification and a Master of Business Administration degree. She stayed on in Australia for another nine years, acquiring skills at various organisations, including PricewaterhouseCoopers, JP Morgan, HSBC, and ANZ Banking Group. In 1993 after returning to Malaysia, she joined Standard Chartered Bank (**SCB**). In the course of her 19 years at SCB, Ms Foong took on various leadership roles and across many geographies, including as Group Head of Credit Operations, Head of Sales for Corporate Banking in Hong Kong, Chief Operating Officer for Wholesale Banking and Chief Financial Officer of SCB Malaysia. She also served as the CEO of SCB Lebanon from 2008 to 2012. Ms Foong returned to Malaysia under the Talentcorp Returning Expert programme in 2013 and joined Hong Leong Bank Berhad as its Chief Financial Officer until her retirement in June 2019. Thereafter, she remained active in the corporate world as an INED of several public companies, and she also serves on the Industry Advisory Board of Monash University Malaysia. She is also involved in the women in leadership mentoring programmes of the 30% Club, the Institute of Chartered Accountants in England and Wales and the Malaysia Australia Business Council. Ms Foong was a recipient of the 'Most Inspiring Woman' in the 'Great Women of Our Time' awards from the Malaysian Women's Weekly Magazine in 2007.

Ms Foong does not have any other COI or potential COI with the Group, and she has met all the fit and proper criteria set out in the DFPP of Paramount, as assessed by the Company's NC in January 2025.

Explanatory Note D

The Board had, through the NC, conducted an assessment on the independence of Mr Ong Keng Siew who has served as an INED for more than nine (9) years. The assessment took into account Mr Ong's above satisfactory performance score in the 2024 Directors' Self and Peer Assessment, a Declaration of Independence made by him as at the end of 2024 and his compliance with the DFPP. The NC, being satisfied with the outcome of this assessment, concluded that the independence of Mr Ong is not impaired, and hence, has recommended that Mr Ong Keng Siew be allowed to continue in office as an INED of the Company up to the Fifty-Sixth AGM of the Company in 2026.

Please refer to Explanatory Note C for the profile of Mr Ong Keng Siew.

Explanatory Note E

The Ordinary Resolution proposed under item 6, if passed, will renew the powers given to the Directors at the last AGM, to allot and issue up to ten per centum (10%) of the issued share capital of the Company as at the date of such allotment for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company in a meeting of members, will expire at the conclusion of the next AGM. As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the Fifty-Fourth AGM held on 6 June 2024, which will lapse at the conclusion of the Fifty-Fifth AGM. The general mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisitions without having to convene a meeting of members.

Voting by poll

In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice shall be voted by poll.

ELECTRONIC SUBMISSION OF **PROXY FORM**

<table>
<tr><th>Procedure</th><th>Action</th></tr>
<tr><td colspan="2">Steps for Individual Shareholders</td></tr>
<tr><td>1. Register as a User with TIIH Online</td><td>• Access TIIH Online at https://tiih.online. Under the “e-Services”, select “Sign Up” and followed by Create Account by Individual Holder. Refer to the tutorial guide posted on the homepage for assistance.
• If you are already a TIIH Online user, you are not required to register again.</td></tr>
<tr><td>2. Proceed with submission of Proxy Form</td><td>• Login to https://tiih.online with your username (i.e. email address) and password.
• Select the corporate event: PARAMOUNT CORPORATION BERHAD 55TH AGM - SUBMISSION OF PROXY FORM.
• Read and agree to the Terms and Conditions and confirm the Declaration.
• Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf.
• Appoint your proxy(ies) and insert the required details of your proxy(ies) or the Chairman of the meeting to vote on your behalf.
• Indicate your voting instructions - FOR or AGAINST, otherwise your proxy will decide your vote.
• Review and confirm your proxy(ies) appointment.
• Print the Proxy Form for your record.</td></tr>
<tr><td colspan="2">Steps for Corporate or Institutional Shareholders</td></tr>
<tr><td>1. Register as a User with TIIH Online</td><td>• Authorised or nominated representative of the corporate or institutional shareholder to access TIIH Online at https://tiih.online.
• Under “e-Services”, select “Sign Up” and followed by Create Account by Representative of Corporate Holder.
• Complete the registration form and upload the required documents.
• The registration will be verified, and you will be notified by email within one (1) to two (2) working days.
• Proceed to activate your account with the temporary password given in the email and re-set to your own password.
(Note: The representative of a corporate or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor, our Share Registrar, if you need clarifications on the user registration.)</td></tr>
<tr><td>2. Proceed with submission of Proxy Form</td><td>• Login to https://tiih.online with your username (i.e. email address) and password.
• Select the corporate event: PARAMOUNT CORPORATION BERHAD 55TH AGM - SUBMISSION OF PROXY FORM.
• Read and agree to the Terms & Conditions and confirm the Declaration.
• Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set out therein.
• Prepare the file for the appointment of proxy(ies) by inserting the required data.
• Login to TIIH Online, select the corporate event: PARAMOUNT CORPORATION BERHAD 55TH AGM - SUBMISSION OF PROXY FORM.
• Proceed to upload the duly completed proxy appointment file.
• Select “Submit” to complete your submission.
• Print the confirmation report of your submission for your record.</td></tr>
</table>

If you have any enquiry, please contact our Share Registrar, Tricor, at +603-2783 9299 during office hours from 9.00 a.m. to 5.30 p.m. on Mondays to Fridays (except public holidays) prior to the AGM.

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PROXY FORM

PARAMOUNT

PARAMOUNT CORPORATION BERHAD

Registration No: 196901000222 (8578-A)

I/We ____

(name of shareholder as per NRIC or name of company, in capital letters)

NRIC No./Passport No./Company No. ____________________(New) ____________________(Old)

Contact No. ____________________ of ______________________________

____

(full address)

being a member of Paramount Corporation Berhad (**the Company**) hereby appoint

Name	Address	NRIC No./ Passport No.	No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC No./ Passport No.	No. of Shares	%

or failing him/her, the Chairman of the meeting as my/our proxy to vote on my/our behalf at the Fifty-Fifth Annual General Meeting (**AGM**) of the Company to be held at Suite I, Level 2, Mercure Kuala Lumpur Glenmarie Hotel, Jalan Kontraktor U1/14, Seksyen U1, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 5 June 2025 at 10.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy to vote (see Note 5) for or against the resolutions to be proposed at the meeting as indicated hereunder.

		For	Against
Resolution 1	Directors' fees and meeting allowances for the period from 1 July 2025 to 30 June 2026		
Resolution 2	Re-election of Mr Quah Chek Tin as a Director		
Resolution 3	Re-election of Mr Ong Keng Siew as a Director		
Resolution 4	Re-election of Ms Foong Pik Yee as a Director		
Resolution 5	Re-appointment of Auditors and to fix their remuneration		
Resolution 6	Mr Ong Keng Siew to continue in office as an Independent Non-Executive Director		
Resolution 7	Authority to Directors to allot and issue shares		

Dated this ________ day ____________________ 2025

CDS ACCOUNT NO.	NO. OF SHARES HELD

____

Signature/Common Seal

NOTES

1. A member entitled to attend, participate, speak and vote at the AGM is entitled to appoint more than one (1) proxy to attend, participate, speak and vote on his/her/its stead provided that the member specifies in the instrument appointing a proxy the proportion of the member's shareholdings to be represented by each proxy. A proxy need not be a member of the Company.
2. Where a member of the Company is an authorised nominee (as defined in the Securities Industry (Central Depositories) Act, 1991), it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (**omnibus account**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds (as indicated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad).
4. The instrument appointing a proxy (**Proxy Form**) must be in writing under the hand of the member or his/her attorney duly authorised in writing, or if the member is a corporation, must be executed under its common seal or under the hand of two (2) authorised officers, one (1) of whom shall be its director or its attorney duly authorised in writing, or if the corporation has only one (1) director, by that sole director in the presence of a witness who attests the director's signature in accordance with the provisions of Section 66 of the Companies Act, 2016. The power of attorney on a duly certified copy thereof must be deposited with the Company's Share Registrar.
5. Please indicate with an "X" in the appropriate box against each resolution how you wish your proxy to vote. If this Proxy Form is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
6. The appointment of proxy may be made in a hardcopy form or submitted by electronic means in the following manner not less than twenty-four (24) hours before the time appointed for the AGM or any adjournment thereof:
   i) deposit the Proxy Form physically with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (**Tricor**) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur; or
   ii) submit the Proxy Form electronically to Tricor via https://tiih.online. Please refer to the procedures for electronic submission of Proxy Form set out in 'Electronic Submission of Proxy Form'.
7. In respect of deposited securities, only members whose names appear in the Record of Depositors on 28 May 2025 (General Meeting Record of Depositors) shall be entitled to attend, participate, speak and vote at this AGM.

1. Fold along this line first

Please
Affix
Stamp

The Share Registrar of

PARAMOUNT CORPORATION BERHAD

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

2. Then fold along this line

www.pcb.my

PARAMOUNT CORPORATION BERHAD
Registration No. 196901000222 (8578-A)

Level 12, Tower B
Pusat Perdagangan Dataran Atwater
Jalan Profesor Diraja Ungku Aziz
46200 Petaling Jaya
Selangor Darul Ehsan

Tel: +603-7712 3333 | **Fax:** +603-7712 3322