

AME

AME ELITE CONSORTIUM BERHAD
201801030789 (1292815-W)

**PRIMED
FOR NEXT
TRAJECTORY**



**WORLD
GOLD WINNER
INDUSTRIAL CATEGORY
I-PARK@SENAI
AIRPORT CITY
- PHASE 1 & 2**

**FIABC WORLD PRIX
D'EXCELLENCE
AWARDS 2023**

WORLD GOLD WINNER
I-PARK @ SENAI AIRPORT CITY - PHASE 1 & 2
INDUSTRIAL CATEGORY
FIABC WORLD PRIX d'EXCELLENCE AWARDS 2023

2022



2021

2020

2019

2018

2017

2016



SCAN THE
QR CODE
TO VIEW
OUR WEBSITE

AME Elite has successfully captured the tremendous opportunities in the industrial park sector, what with the reopening of international borders and the increasing appeal of its i-Park integrated industrial parks.

Now with brisk sales of its newly-launched i-TechValley especially to medical and healthcare giants, and ongoing plans for a similar endeavour in Penang, AME Elite is primed for the next growth trajectory.

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CORPORATE INFORMATION

Board of Directors

Tengku Azrina Binti Raja Abdul Aziz
Independent Non-Executive Chairperson

Lee Chai
Group Managing Director

Lee Sai Boon
Executive Director

Lim Khai Wen
(Appointed on 1 June 2023) (Note 1)
Executive Director

Kang Koh Wei
(Appointed on 1 June 2023) (Note 2)
Executive Director

Tan Lay Beng
Independent Non-Executive Director

Chang Tian Kwang
Independent Non-Executive Director

Wee Soon Chit
Independent Non-Executive Director

Lim Yook Kim
(Resigned on 1 June 2023) (Note 1)
Executive Director

Kang Ah Chee (Note 2)
Alternate Director to Kang Koh Wei

Lim Pei Shi (Note 1)
Alternate Director to Lim Khai Wen

Lee Ling Sien
Alternate Director to Lee Chai

Audit and Risk Management Committee

Chairperson
Tan Lay Beng

Members
Chang Tian Kwang
Wee Soon Chit

Remuneration Committee

Chairperson
Wee Soon Chit

Members
Tan Lay Beng
Chang Tian Kwang

Nomination Committee

Chairperson
Chang Tian Kwang

Members
Tan Lay Beng
Wee Soon Chit

Company Secretaries

Santhi A/P Saminathan
(MAICSA 7069709)
(SSM PC No. 201908002933)

Tai Yit Chan
(MAICSA 7009143)
(SSM PC No. 202008001023)

Auditors

KPMG PLT
(LLP0010081-LCA & AF 0758)
Level 3, CIMB Leadership Academy
No. 3, Jalan Medini Utara 1
Medini Iskandar
79200 Iskandar Puteri
Johor Darul Takzim
Tel : +607-2662 213
Fax : +607-2662 214

Share Registrar

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel : +603-7890 4700
Fax : +603-7890 4670
Email : bsr.helpdesk@
boardroomlimited.com
(General)

Head/Management Office

No. 2, Jalan I-Park SAC 1/1
Taman Perindustrian I-Park SAC
81400 Senai
Johor Darul Takzim
Tel : +607-5959 666
Fax : +607-5959 668
Website : www.ame-elite.com
Email : corporate@ame-elite.com

Registered Office

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Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Takzim
Tel : +607-2241 035
Fax : +607-2210 891
Email : boardroom-kl@
boardroomlimited.com
(General)

Stock Exchange Listing

Main Market of
Bursa Malaysia Securities Berhad
Listing Date : 14 October 2019
Stock Name : AME
Stock Code : 5293

Notes:

- 1) In line with the Company's succession plan, Lim Yook Kim has opted to resign from his position as Executive Director with effect from 1 June 2023. Accordingly, Lim Khai Wen has been appointed as Executive Director and succeeds Lim Yook Kim effective on the same date. Following Lim Yook Kim's resignation, Lim Pei Shi ceased to be his Alternate Director. Lim Pei Shi was reappointed as Alternate Director to Lim Khai Wen on the same date.
- 2) In line with the Company's succession plan, Kang Ah Chee has opted to resign from his position as Executive Director with effect from 1 June 2023. Accordingly, Kang Koh Wei has been appointed as Executive Director and succeeds Kang Ah Chee effective on the same date. Kang Ah Chee was also appointed as Alternate Director to Kang Koh Wei on 1 June 2023.

CORPORATE PROFILE

AME Elite Consortium Berhad (“**AME**” or the “**Group**”) is an integrated industrial space solutions provider in Malaysia, specialising in the design and construction of large-scale manufacturing plants and the development of modern industrial parks.

OUR VISION

To be a **Leading Industrial Space Solutions Provider** in the region, offering a complete suite of capabilities.

OUR MISSION



Customers

To anticipate future trends and reimagine industrial space to deliver innovative and excellent products and services on time



People

To identify and nurture our employees to achieve their potential for career and professional development



Suppliers

To maintain trustworthy and quality collaboration with suppliers towards achieving excellent products and services for our customers



Community

To contribute to economic, environmental and social progress through the creation of communities centred upon high quality, sustainable industrial real estate developments



Shareholders

To create and deliver sustainable shareholders' returns

Our unparalleled commitment to excellence has led AME to gain recognition as an exemplary and forward-thinking developer from industry leaders.

CORPORATE PROFILE

Moreover, our signature industrial parks have garnered numerous international, regional and domestic accolades, including:



PropertyGuru Asia Property Awards Malaysia 2020
Best Industrial Developer
AME Development Sdn Bhd

PropertyGuru Asia Property Awards Malaysia 2020
Best Industrial Development
AME Development Sdn Bhd

PropertyGuru Asia Property Awards Malaysia 2020
Best Industrial Development
i-Park@Senai Airport City by Ipark Development Sdn Bhd

FIABCI World Prix d'Excellence Awards 2019
World Silver Winner for Industrial Category
i-Park@Indahpura



ASEAN Property Awards 2019
Best Industrial Development
i-Park@Senai Airport City

ASEAN Property Awards 2019
Innovative Developer
AME Development Sdn Bhd

Property Guru Asia Property Awards Malaysia 2019
Special Recognition for Industrial/Logistic Development
i-Park@Indahpura

Malaysia Property Award 2018 by FIABCI Malaysia
Winner of Industrial Category
i-Park@Indahpura



FIABCI World Prix d'Excellence Awards 2023
World Gold Winner for Industrial Category
i-Park@Senai Airport City - Phase 1 & 2



Malaysia Property Awards™ 2022 by FIABCI Malaysia
Industrial Category Winner
i-Park@Senai Airport City



The Edge Malaysia – PAM Green Excellence Award 2021
Honorary Mention
i-Park@Senai Airport City



PropertyGuru Asia Property Awards Malaysia 2020
Regional Winner for Best Industrial Estate Development (Asia)
i-Park@Senai Airport City



iProperty Development Excellence Awards (iDEA) 2018
Best Industrial Development
i-Park@Senai Airport City



Starproperty.my 2018: The Business Estate Award
(Best Industrial Park Development) "Excellence"
i-Park@Senai Airport City



Starproperty.my 2018: The Business Estate Award
(Best Industrial Park Development) "Honours"
i-Park@Indahpura



Edgeprop Malaysia's Responsible Developer
Building Sustainable Development Award 2018
AME Development Sdn Bhd



The Iskandar Malaysia Accolades (TIMA) 2016/17
Platinum Winner for "Most Conducive Workplace"
i-Park@Indahpura

INTEGRATED INDUSTRIAL PARK DEVELOPMENT

As a prominent developer and operator of integrated industrial parks, AME is committed to accelerating the growth of industrial players from Malaysia and across the globe.

Our prowess in master planning, innovative design and construction excellence gives our customers the vital edge to succeed with purpose-built and outstanding industrial space within a sustainable and green environment.

Our clients also benefit from our dedicated management services, from recreational spaces to provision of conducive workers' dormitories that promote a healthy and fulfilling lifestyle.

Completed Projects



i-Park@SILC
12.3 acres (Completed 2013)



SME City
40.0 acres (Completed 2015)



District 6
7.6 acres (Completed 2015)



i-Park@Indahpura (Phase 1 and 2)
104.8 acres (Completed 2016)

Ongoing Projects



i-Park@Indahpura (Phase 3)
85.4 acres (Launched 2013)



i-Park@Senai Airport City
195.0 acres (Launched 2017)



i-TechValley
169.8 acres (Launched 2022)

PROPERTY INVESTMENT AND MANAGEMENT SERVICES

As a vital value-add to our industrial park clients, we offer flexible leasing of industrial properties to fast track their expansion with significantly reduced start up time.

Additionally, our i-Stay workers' dormitories, which are available for rent by i-Park clients, ensure that tenants experience a safe, wholesome, and comfortable living environment. We maintain the highest standards of security, hygiene and convenience for better quality of living.

Our i-Stay dormitories are equipped with an array of facilities and services to provide ultimate convenience and peace of mind.

Key Features

- 24 hours security
- biometric entry system
- lush greeneries
- community mart and canteen
- laundry corner
- treatment room and doctors' consultation
- badminton court
- cashless payment services, and others.



i-Stay@Indahpura



i-Stay@Indahpura 2



i-Stay@Senai Airport City

In addition, AME holds a majority stake of about 51% in AME Real Estate Investment Trust ("AME REIT"), which was listed on 20 September 2022. AME REIT's portfolio focuses on industrial and industrial-related properties, leveraging our extensive project pipeline and having the flexibility to acquire external assets.

CONSTRUCTION AND ENGINEERING

Starting out in 1995 as a pure construction services provider, we honed our expertise in designing and constructing industrial buildings and manufacturing plants. We are backed by a full suite of in-house construction and engineering capabilities, such as:

- mechanical and electrical (M&E) engineering
- industrialised building system (IBS) for steel structure and pre-cast concrete fabrication
- provision of solar power systems

To date, we have successfully delivered more than 200 customised manufacturing plants and industrial buildings of various sizes in Malaysia, catering to the rigorous standards of major organisations from Malaysia and internationally.



Manufacturing facility for consumer products



Logistics warehouse



Manufacturing facility for aerospace products

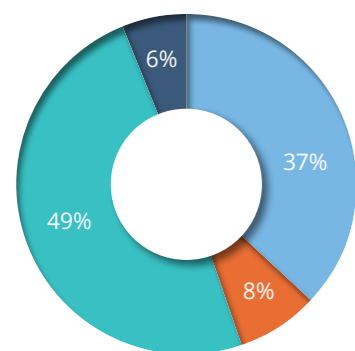
FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Revenue

RM575.9 million

FY2022: RM398.4 million



- Property Development
- Property Investment and Management Services
- Construction Services
- Engineering Services

PATMI

RM101.6 million

FY2022: RM48.6 million

Total Assets

RM1,827.8 million

FY2022: RM1,512.5 million

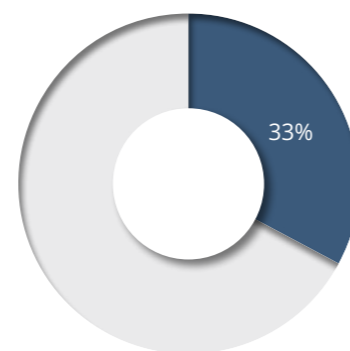
Dividend Per Share

4.0 sen

Special 1.0 sen
Interim 3.0 sen

Payout Ratio

33%



KEY PERFORMANCE INDICATORS



Property Development

New Sales

RM479.2 million

Unbilled Sales

RM351.3 million



Property Investment

i-Stay Average Occupancy

92%

Leased Industrial Units

45



Construction & Engineering

Ongoing Projects Value

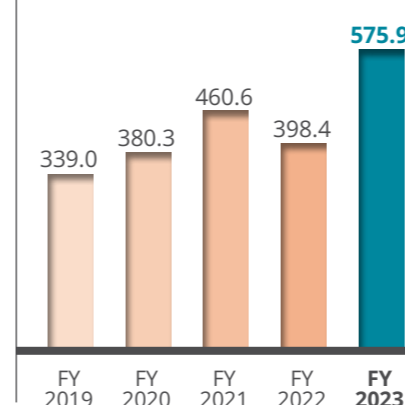
RM541.6 million

Orderbook Balance

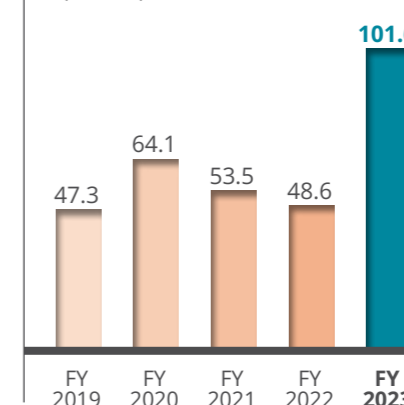
RM172.8 million

FINANCIAL HIGHLIGHTS

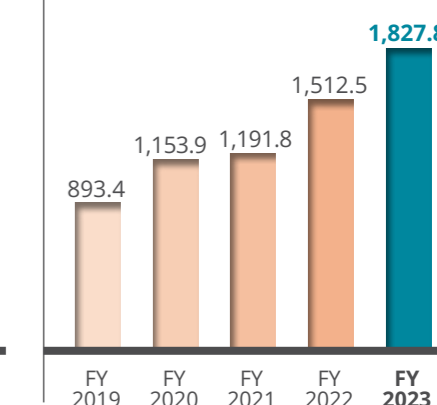
Revenue (RM'mil)



Net Profit Attributable to Owners of The Company (RM'mil)



Total Assets (RM'mil)

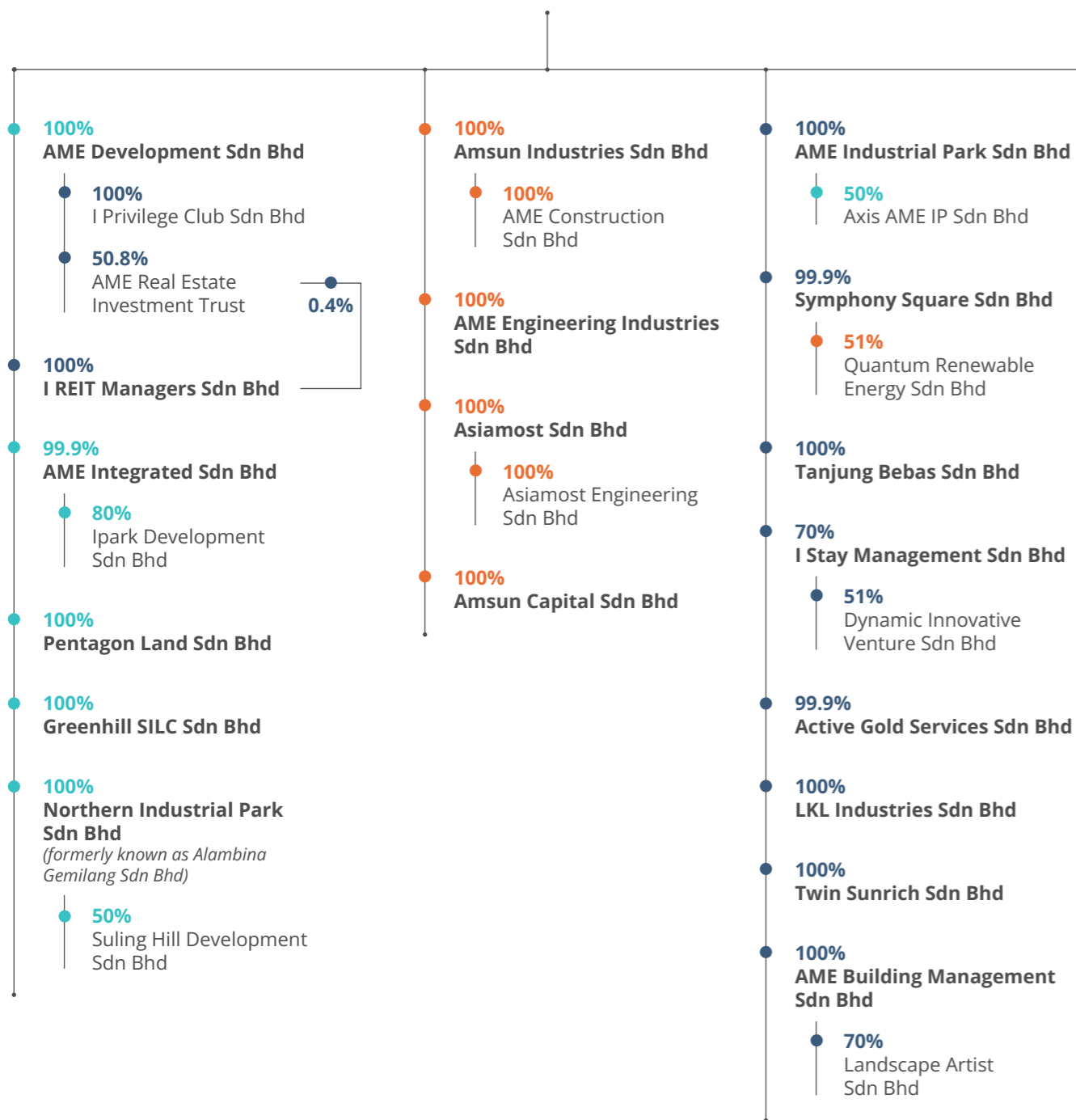


	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000
Statements of Profit or Loss and Other Comprehensive Income Summary					
Revenue	339,013	380,346	460,605	398,387	575,912
Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)	81,373	105,159	91,798	82,558	192,418
Earning Before Interest and Tax (EBIT)	76,006	98,634	85,037	76,205	186,415
Profit Before Tax (PBT)	72,591	88,675	79,639	68,905	172,920
Net Profit Attributable to Owners of the Company (PATMI)	47,347	64,141	53,477	48,560	101,555
Statement of Financial Position Summary					
Property, plant and equipment	72,944	78,516	109,952	134,625	149,342
Right-of-use assets	22,436	22,063	21,645	12,421	12,740
Investment properties	278,796	344,266	325,600	324,400	548,400
Inventories	242,759	366,424	320,120	658,558	542,730
Cash and cash equivalents	102,488	191,806	271,402	187,245	326,923
Other assets	173,958	150,788	143,113	195,297	247,644
Total Assets	893,381	1,153,863	1,191,832	1,512,546	1,827,779
Equity Attributable to Owners of the Company	406,409	633,877	674,540	706,015	810,996
Loans and Borrowings	215,841	283,225	247,608	249,410	183,879
Non-Controlling Interests and Other Liabilities	271,131	236,761	269,684	557,121	832,904
Total Equity and Liabilities	893,381	1,153,863	1,191,832	1,512,546	1,827,779
Financial Ratios					
Basic Earnings per Share (sen) ⁽ⁱ⁾	9.24	11.21	8.35	7.58	15.85
Net Assets per Share (RM) ⁽ⁱ⁾	0.79	0.99	1.05	1.10	1.27
Dividend per Share (sen) ⁽ⁱ⁾	1.95	2.00	2.67	2.50	4.00
Net Gearing Ratio (times)	0.28	0.14	Net Cash	0.09	Net Cash
Returns					
Return on Shareholders' Equity (%)	11.7	10.1	7.9	6.9	12.5
Return on Total Assets (%)	5.3	5.6	4.5	3.2	5.6

⁽ⁱ⁾ Adjusted for the bonus issue of 1 for every 2 existing ordinary shares which was completed on 22 September 2021.



AME ELITE CONSORTIUM BERHAD



● Property Development ● Construction & Engineering ● Property Investment & Management Services

Dear esteemed shareholders,

I am delighted to present to you the Annual Report and Audited Financial Statements for the financial year ended 31 March 2023 ("FY2023") on behalf of the Board of Directors of AME Elite Consortium Berhad ("AME" or "the Group"). This report encapsulates our remarkable journey and significant milestones as we continue to forge ahead into a new era.

RECORD-BREAKING PERFORMANCE

FY2023 was an exciting year for AME as we navigated a dynamic economic landscape. Malaysia's Gross Domestic Product showed a strong recovery of 8.7% in 2022 compared to 3.1% in 2021, driven by higher private sector spending and investments, and an improved labour market. The reopening of international borders also provided new opportunities for AME.

We demonstrated resilience and adaptability, achieving substantial growth and solidifying our position as a leader in integrated industrial space solutions. Notably, we achieved a record-breaking new sales performance of RM479.2 million, marking the highest sales of industrial properties in our Group's history, which is a testament to the effectiveness of our strategies and our commitment to meeting the evolving requirements of our customers.

We also improved our financial performance, with group revenue growing 44.6% to RM575.9 million from RM398.4 million in the previous financial year, and net profit attributable to shareholders increasing 109.1% to RM101.6 million from RM48.6 million previously.

EXPANDING CLIENTELE

Our integrated industrial space solutions remain highly sought after by local and foreign investors seeking accelerated growth with a prominent Southeast Asian presence. We have successfully secured various new customers in FY2023, including major multinational corporations who have chosen to establish their operations within our industrial parks.

We are delighted to welcome esteemed clients in our industrial parks, such as Bucher

Emhart Glass, a global leader in glass container manufacturing solutions, Insulet, an innovative medical device company, as well as Oliver Healthcare Packaging, renowned internationally for healthcare and medical packaging.

The continued influx of renowned customers, in addition to facility expansions of existing domestic and multinational clientele, is a testament to our exceptional infrastructure, connectivity, and business-friendly environment.



Tengku Azrina Binti Raja Abdul Aziz

Independent Non-Executive Chairperson



i-TechValley – 12-acre-and-above factory

LAUNCHING INTO A NEW TRAJECTORY

We announced the successful launch of our newest industrial park, i-TechValley, with an estimated Gross Development Value (“GDV”) of RM1.5 billion. Located within the Southern Industrial Logistics Clusters (“SILC”) in Iskandar Puteri, Johor and spanning an expansive 169.8 acres, our latest industrial park development is poised to become a prime destination for multinational companies seeking high-quality industrial spaces that support their business growth internationally. With its strategic location, world-class infrastructure and business-friendly environment, i-TechValley serves as a catalyst for business growth.

Within i-TechValley, our focus on crafting a dedicated medical and healthcare cluster has yielded impressive results. Leveraging our extensive infrastructure, strategic location, and industry-leading insights and expertise, i-TechValley is rapidly becoming a thriving hub for medical and healthcare companies. Since its launch, i-TechValley has gained significant traction and has successfully attracted numerous international players, further solidifying the reputation of AME’s industrial parks as preferred destinations.

INDUSTRIAL PARK EXPANSIONS

As part of our strategic expansions, we are pursuing joint development of a strategic 176-acre parcel of land in Seberang Perai Tengah, Penang that holds great potential for an integrated industrial park with a GDV of RM1.0 billion. The land acquisition process is underway, and we are working towards completing and obtaining the necessary procedures and approvals.

This expansion represents a further extension of our successful industrial park model. Building on the achievements of our industrial parks, i-Park@Indahpura, i-Park@Senai Airport City, and i-TechValley, this strategic move enables us to replicate our winning formula in a new location and capitalise on the growing demand for industrial properties in Penang.

We are confident that our integrated industrial space solutions, combined with Penang’s strategic location and favourable business environment, will attract local and international businesses, driving economic growth and creating new opportunities.

SUCCESSFUL REIT LISTING

In FY2023, we achieved another significant milestone with the successful listing of AME Real Estate Investment Trust (“AME REIT”) on the Main Market of Bursa Malaysia. AME holds about 51% in AME REIT, which serves as the principal vehicle for our property investment activities.

AME REIT offered our investors an opportunity to participate in attractive returns generated by our high-quality industrial properties, workers’ dormitories and warehouses. This listing strengthens our capital structure and provides us with additional avenues for growth and value creation.

We will continue to develop our pipeline of property development projects, from which AME REIT will be able to source suitable assets in the future. This strategic arrangement enables AME to unlock the value of our leasing properties and other investment property assets by securitising such assets that fit the investment criteria of AME REIT.

OUTLOOK

We are capturing the resurgence of in-bound investments into Malaysia. We are optimistic about benefiting from improved business conditions for the financial year ending 31 March 2024, especially with our latest industrial park drawing global entrants.

As multinational companies continue to expand their supply chains into Southeast Asia, we are ready to capture more growth opportunities. We aim to replicate our successful industrial park model throughout Peninsular Malaysia. We are pursuing strategic expansion of our landbank and industrial park portfolio to position us for continued success.

APPRECIATION AND SUCCESSION PLANNING

We appreciate the resilience and adaptability demonstrated by the entire AME team. We thank our Board of Directors for their invaluable guidance, and we extend our gratitude to the management and employees of AME for their exceptional dedication.

Furthermore, we would like to thank Mr. Lim Yook Kim and Mr. Kang Ah Chee, who have opted to retire as Executive Directors on 1 June 2023 as part of the Group’s succession planning strategy. Their contributions to the success of AME have been invaluable, and we thank them for their dedication throughout their tenure.

We are also pleased to announce the appointment of Mr. Lim Khai Wen as Executive Director, and the redesignation of Mr. Kang Koh Wei from Alternate Director to Executive Director. We also acknowledge Ms. Lim Pei Shi, who transitioned from her previous role as Alternate Director to Mr. Lim Yook Kim to now serve as Alternate Director to Mr. Lim Khai Wen, and the appointment of Mr. Kang Ah Chee as Alternate Director to Mr. Kang Koh Wei.

These accomplished individuals bring extensive operational and management experience within AME to our leadership team. This seamless transition ensures strong leadership continuity and underscores our commitment to effective succession planning.

ACKNOWLEDGEMENT

We extend our heartfelt appreciation to our valued shareholders, business partners, associates, clients, regulatory bodies, government agencies, and financial institutions, all of whom have contributed significantly to the success of the Group. At AME, we are determined to deliver even greater value to all stakeholders.

The achievements and milestones we have accomplished in FY2023 reflect the effectiveness of our strategies and the confidence our stakeholders have placed in us. As we move forward, we remain committed to delivering sustainable growth, expanding our presence, and driving the success of AME Elite Consortium Berhad.

Sincerely,

TENGGU AZRINA BINTI RAJA ABDUL AZIZ
Independent Non-Executive Chairperson

20 July 2023

Groundbreaking ceremony of Insulet Malaysia Sdn Bhd







i-Park@Senai Airport City (Phase 3) – 10-acre-and-above factory

Dear valued shareholders,

AME stands poised at the launchpad of a new growth trajectory, sustained by our remarkable achievements in FY2023 despite muted growth conditions in the global economy and a slower-than-anticipated pace of recovery.

Our commitment to excellence has enabled us to weather the storm and chart significant milestones, as demonstrated by our ability to capture major international and domestic investments into our award-winning industrial parks.

With our comprehensive industrial space solutions, we have increasingly become the preferred partner for expanding businesses seeking comprehensive industrial space solutions in strategic locations. Our persistent pursuit of excellence has laid a strong foundation for exceptional results and performance.

FY2023 HIGHLIGHTS

Property Development

In FY2023, our property development segment achieved record-breaking new sales of RM479.2 million, a significant growth from RM168.4 million in the previous financial year, on strong demand for our industrial properties at i-Park@Senai Airport City and the newly launched i-TechValley in SILC. Our industrial space solutions are highly sought after by multinational and domestic companies, who recognise the high-quality facilities and conducive business environment we provide for their global success and expansion.

Furthermore, our industrial parks are well-positioned to capitalise on emerging opportunities arising from supply chain diversification in Southeast Asia. With a comprehensive range of reliable solutions, we have gained significant international recognition,

further enhancing Malaysia's appeal as a preferred investment destination. In FY2023, we attracted investments from several countries including the United States, Switzerland, China, United Kingdom, Singapore, and others, spanning various high-value industries.

Notably, the rapid success of i-TechValley's medical and healthcare cluster, launched in October 2022, exemplifies our ability to cater to the evolving needs of global companies in specialised sectors. The presence of industry leaders such as Insulet Corp., Oliver Healthcare Packaging, and Colorcon Inc., demonstrates our strong competencies and commitment to supporting their global expansions.

As at 31 March 2023, our property development segment had unbilled sales of RM351.3 million compared to RM90.4 million in the previous financial year. This robust growth in unbilled sales will contribute positively to future revenue recognition.

Property Investment and Management Services

Our property investment and management services segment, consisting of i-Stay workers' dormitories and leased industrial properties, serves as a reliable and recurring source of income.

In FY2023, we further expanded our leasing portfolio to a total of 45 leased industrial units, up from 39 in the previous financial year. Of the 45 leased units, 64% comprised leases of more than 5 years, while the balance constituted leases of less than 5 years.

Meanwhile, our i-Stay dormitories at Indahpura (Dormitory 1) and Senai Airport City maintained high occupancy rates of 94% and 91%, respectively as at 31 March 2023.

Furthermore, we completed the expansion project at i-Stay@Indahpura (Dormitory 2), in July 2022. This expansion involved the construction of two new blocks, providing an additional capacity of 2,289 beds. With this expansion, the total capacity in i-Stay@Indahpura is 4,579 beds. Notably, Dormitory 2 has achieved an excellent occupancy rate of 91% as at 31 March 2023.

Additionally, we have initiated the construction of the first dormitory for i-TechValley at SILC, catering to the accommodation needs of our valued clients. This dormitory will offer a capacity of 2,683 beds across two blocks. Construction commenced in the second quarter of calendar year 2023 and is projected to conclude in the second half of calendar year 2024.

These achievements signify the strong demand for our well-managed i-Stay dormitories, and underscore our commitment to providing high-quality accommodation to support the workforce of our industrial park clientele.

Construction and Engineering

Our construction and engineering segments have ongoing projects primarily situated in Johor and Kedah, with a total contract value of RM541.6 million as at 31 March 2023. The orderbook balance for these projects amounted to RM172.8 million.

In terms of new contracts, we secured a construction contract worth RM10.2 million and engineering contracts worth RM100.9 million during FY2023, a lower amount compared to the previous financial year's total of RM442.6 million.

Listing of AME Real Estate Investment Trust ("AME REIT")

We have completed the listing exercise of the industrial-focused AME REIT on the Main Market of Bursa Malaysia Securities Berhad on 20 September 2022. The Initial Public Offering involved 254.8 million units, representing 49% of the total 520 million units in AME REIT. Upon listing, AME holds a majority stake of about 51% in AME REIT.

As part of the listing exercise, AME disposed of 31 industrial properties and 3 dormitories to AME REIT for a total consideration of RM557.0 million, allowing the Group to unlock the value of its leasing properties based on market value.

AME REIT is the primary vehicle for the Group's property investment activities. Its focus will be building a robust portfolio of industrial and industrial-related properties, leveraging the Group's pipeline of industrial property projects that align with its investment criteria. Additionally, AME REIT can acquire suitable assets externally to enhance its portfolio composition further.

The listing of AME REIT and the sale of properties to AME REIT are aligned with AME's strategy to optimise our property investment activities, unlock the value of its assets, and allocate capital more efficiently to drive future growth. Meanwhile, AME REIT will generate income from the properties in its portfolio, contributing to the Group's overall financial performance.



Above:
i-Stay@Indahpura
(Dormitory 2)

Left:
AME REIT's IPO
prospectus launch on
17 August 2022

FINANCIAL PERFORMANCE

Statements of Profit or Loss and Other Comprehensive Income

Group revenue for FY2023 grew 44.6% to RM575.9 million from RM398.4 million in the previous financial year, attributed to higher contributions across all segments spanning property development, construction and engineering, and property investment and management services.

The property development segment reported 49.1% higher revenue of RM213.6 million in FY2023 compared to RM143.3 million in the previous financial year on higher stages of work completed for ongoing industrial property projects at i-Park@Senai Airport City and i-TechValley at SILC. The segment's profit before tax ("PBT") also improved, reaching RM26.8 million compared to RM16.6 million in FY2022.

In the construction and engineering services segments, the combined revenue rose 49.4% to RM316.7 million in FY2023 from RM212.0 million in the previous financial year due to increased billings from ongoing projects. However, the segment's PBT decreased to RM10.3 million from RM17.3 million in FY2022 due to changes in project mix and margins.

Meanwhile, the property investment and management services segment experienced revenue growth, reaching RM45.6 million in FY2023 compared to RM43.0 million in FY2022 on additional leased factory units, higher rental income from workers' dormitories, and increased management services income from industrial park tenants. The segment's PBT surged to RM143.7 million in FY2023 from RM39.7 million previously, primarily driven by fair value gains on the sale of 12 industrial properties to AME REIT.

Revenue	Profit Before Tax	PATMI
RM575.9 million	RM172.9 million	RM101.6 million
FY2022 RM398.4 million	FY2022 RM68.9 million	FY2022 RM48.6 million

Moreover, the Group's PBT improved 150.9% to RM172.9 million in FY2023 from RM68.9 million in the previous financial year, attributed to the fair value gains registered by the property investment and management services segment, and increased profit contribution from the property development segment.

As a result of the strong performance, net profit attributable to shareholders ("PATMI") increased 109.1% to RM101.6 million from RM48.6 million in the previous financial year.

Statement of Financial Position

AME has maintained a strong financial position, enabling us to allocate capital efficiently for our expanding operations and pursue our growth strategies.

As at 31 March 2023, our total assets grew 20.0% to RM1.8 billion compared to RM1.5 billion as at 31 March 2022, mainly due to an increase in the value of investment properties resulting from the reclassification of industrial asset inventories along with the recognition of fair value gains after their sale to AME REIT. Additionally, our cash and cash equivalents stood at 74.6% higher at RM326.9 million as at 31 March 2023 versus RM187.2 million previously.

Total liabilities declined to RM707.0 million as at 31 March 2023 versus RM765.9 million previously mainly due to reduced bank borrowings following the repayment of term loans after the listing of AME REIT.

The Group's retained earnings have further improved, contributing to shareholders' equity of RM811.0 million as at 31 March 2023 versus RM706.0 million previously.

Overall, AME's financial position improved to a net cash position as at 31 March 2023.

Dividends

We are committed to rewarding shareholders through dividends. In line with our dividend policy to distribute at least 20% of PATMI less fair value gains on investment properties, we declared a special interim dividend of 1.0 sen per share and an interim dividend of 3.0 sen per share during FY2023. The total dividend payout amounted to RM25.6 million, representing approximately 33% of FY2023 PATMI, excluding unrealised fair value gains.

We are currently pursuing a land acquisition in Penang in collaboration with our joint development partner for a total consideration sum of RM130.0 million as part of our expansion strategy. This acquisition will **provide us with a new land bank of 176 acres**, with a potential Gross Development Value of **RM1.0 billion**.



AME HQ and i-Privilege Club

OUR FUTURE STRATEGIES

AME remains dedicated to driving our growth journey as an integrated industrial space solutions provider. Despite persistent global economic uncertainties, demand for high-quality industrial space in Malaysia has been on the uptrend, influenced by global geopolitical conditions and regional economic trends. We are committed to capitalising on these opportunities through our strategic initiatives.

Malaysia remains an attractive investment destination in Southeast Asia, evident from the significant approved investments of RM264.6 billion in 2022. To leverage this opportunity, we will actively seek to attract more Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI).

Expanding our successful integrated industrial park model beyond Johor is a key priority. We are proactively exploring opportunities to acquire new land in high-potential areas across the central and northern regions of Peninsular Malaysia, as we aim to replicate the success of our industrial parks and create new avenues for growth.

As part of our expansion strategy, we are pursuing a land acquisition in Penang in collaboration with our joint development partner for a total sum of RM130.0 million. Upon completion, targeted for 2024, this acquisition will provide us with a new land bank of 176 acres, with a potential Gross Development Value (GDV) of RM1.0 billion. This strategic move marks our maiden entry into Penang, presenting new expansion opportunities and diversifying our development portfolio.

Furthermore, we will continue to expand our workers' dormitories to meet the increasing requirements of our industrial park clientele. These dormitories serve as an integral solution for our global and domestic clientele at our industrial parks and provide us with a stable and recurring income stream.

RISK MITIGATION

Supply chain disruptions

The efficient operations of our property development, construction, and engineering units, can be impacted by fluctuations in the availability and prices of raw materials, construction equipment, and machinery. To mitigate such risks, we employ various strategies, including bulk purchasing raw materials, fostering strong relationships with suppliers, diversifying our supplier base, and optimising our inventory management.

Additionally, our construction and engineering activities depend on foreign labour, which may face limitations or be influenced by external factors. As at the end of FY2023, we have observed a recovery in workforce availability to adequate levels following government approvals of new worker intakes. Moreover, we mitigate potential issues related to workforce availability through strategic planning of work shifts and allocating resources, to optimise workforce utilisation, minimise disruptions, and ensure efficient project execution.

Economic Fluctuations

Our business operations may be influenced by changes in geopolitics and global economic conditions, which could impact investment flows. The evolving dynamics of international relations, trade agreements, and economic policies may introduce uncertainties for potential investors.

We closely monitor market trends and adjust our strategies to position our integrated industrial space solutions as attractive growth enablers for global and domestic companies.

Furthermore, the trade tensions between the US and China and increasing focus on supply chain diversification in Southeast Asia have heightened the demand for our industrial parks. Leveraging our successful integrated industrial park model, which encompasses robust infrastructure, supportive business ecosystems, and strategic proximity to key markets, we are well-positioned to cater to the evolving needs of businesses in the dynamic global business landscape. We provide a conducive environment that supports companies in expanding their operations, enabling them to thrive and succeed.

APPRECIATION

This year marked a pivotal moment for AME as we achieved new milestones in our growth journey. We emerged resilient despite global economic challenges and proved our expertise and dedication to support globally leading businesses, made possible with the support and commitment of our team, clients, suppliers, associates, and shareholders.

Looking ahead, we remain dedicated to providing exceptional services to our valued clientele. Our focus on excellence will continue to drive our success and reinforce our position as a leading integrated industrial space solutions provider. With an expanded development portfolio and continuous enhancement of our offerings, we are well-positioned to create sustainable value for our stakeholders.



AME Elite Consortium Berhad (“**AME**” or “**Company**”) is pleased to present its Sustainability Statement for the financial year ended 31 March 2023 (“**FY2023**”), which outlines the framework set in place to instil sustainable principles across its operations.

During FY2023, AME prioritised sustainability as a core value, striving to integrate environmentally and socially responsible practices into its business strategies. By embracing sustainable principles, AME aims to positively impact on the environment, society and stakeholders while ensuring long-term value creation.

In alignment with its commitment to sustainability, AME focused on various key areas throughout the year. These efforts encompassed minimising AME’s environmental footprint, fostering a diverse and inclusive workplace, engaging with local communities, and maintaining strong corporate governance practices.

Looking ahead, AME remains committed to driving sustainable growth and further enhancing its economic, environmental, social and governance (“**EESG**”) performance. AME will continue to refine its Sustainability Framework, setting sustainability targets, and regularly monitor and report on its progress. By embedding sustainable principles into its core operations, AME is confident in its ability to create shared value for its stakeholders while contributing to a more sustainable future.

SUSTAINABILITY AT AME

Reporting Approach

AME’s Sustainability Statement 2023 (“**Statement**”) focuses on AME’s management and current performance of its EESG risks and opportunities. This Statement has been prepared in accordance with Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) Main Market Listing Requirements (“**MMLR**”) related to Sustainability Statements in Annual Reports and is guided by the Global Reporting Initiative (“**GRI**”) Standards and the United Nations Sustainable Development Goals (“**UN SDGs**”). AME has also started to enhance its climate-related disclosure transparency by aligning to the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”). The Statement has been reviewed internally by the management and approved by the Board of Directors (“**Board**”) of AME for accuracy and credibility.

Scope and Boundary

The Statement encompasses all business operations of AME and its subsidiaries within the geographic scope of Malaysia. The divisions covered are property development, property investment and management services, construction and engineering, unless otherwise stated.

Reporting Period

The Statement covers the financial year from 1 April 2022 to 31 March 2023, unless otherwise stated.

Feedback




Stakeholders’ feedback on AME’s disclosures and sustainability practices is of great importance to the Company for its continuous improvement. AME welcomes any feedback, comments, and suggestions from its valued stakeholders on AME’s sustainability initiatives and practices. Please contact AME at sustainability@ame-elite.com.





STAKEHOLDER ENGAGEMENT

AME remains committed to upholding the vested interests of its stakeholders at the top of its priority list. This commitment to stakeholders is demonstrated by AME's determined efforts to secure a sustainable revenue stream. The Company manages to accomplish this through delivering quality projects, while concurrently paving the way for enriching employment opportunities that hold substantial promise and value.

An integral part of AME's journey towards sustainability lies in its active and meaningful engagement with key stakeholders. The Company holds a strong belief in the necessity of stakeholder interaction as a means to identify areas requiring improvement and to establish expectations around sustainability.

Over the years, AME has ceaselessly sought to build, fortify and sustain valuable relationships with stakeholders through various communication and engagement avenues. An overview of the specific engagement mechanisms employed by AME for each stakeholder group can be found in the accompanying table.

Stakeholder	Engagement	Frequency of Engagement	Key Topics Raised/Areas of Interest/Expectations in FY2023
 Employees	<ul style="list-style-type: none"> Performance reviews Safety inspections Training programmes Surveys Code of Conduct and Ethics ("CoC") Community development programmes Conferences/Seminars/Workshops Interviews Face-to-face meetings Newsletters 	<ul style="list-style-type: none"> Annual Monthly As needed 	<ul style="list-style-type: none"> Career development Equal opportunity Occupational health and safety Fair and competitive remuneration benefit Employee wellbeing and conducive work environment Employee engagement Knowledge and skill enhancement Job security
 Customers	<ul style="list-style-type: none"> Customer satisfaction survey Suggestion box Social media Newsletters Face-to-face meetings 	As needed	<ul style="list-style-type: none"> Pricing Quality products and services Timely project delivery Customer service and experience Occupational health, safety and environment ("OHSE") practices Green and sustainable products Property design Defect rectification
 Vendors/Suppliers	<ul style="list-style-type: none"> Supplier assessment Surveys Face-to-face meetings Conferences 	As needed	<ul style="list-style-type: none"> Supply chain management OHSE practices Legal compliance and contractual commitments Product and service quality and delivery Cost effectiveness Payment schedule Fair and transparent procurement process

Stakeholder	Engagement	Frequency of Engagement	Key Topics Raised/Areas of Interest/Expectations in FY2023
 Regulators/Certification Bodies	<ul style="list-style-type: none"> Audit Presentations Site visit 	<ul style="list-style-type: none"> Quarterly As needed 	<ul style="list-style-type: none"> Corporate governance Regulatory compliance Certifications Environmental management and compliance
 Local Communities	<ul style="list-style-type: none"> Community development programmes Community charity events Internships Press releases Social media 	As needed	<ul style="list-style-type: none"> Community investment and community engagement Job creation and internship opportunities Local welfare
 Shareholders	<ul style="list-style-type: none"> Annual report Annual general meeting Quarterly financial report Fund/analyst briefing Investor relations website General meetings Press releases Face-to-face meetings Site visits Surveys 	<ul style="list-style-type: none"> Annual Annual Quarterly Quarterly/As needed As needed 	<ul style="list-style-type: none"> Corporate developments Financial performance Growth plans EESG practices Risk management Corporate governance Transparent disclosure
 Media	<ul style="list-style-type: none"> Interviews Press releases Advertising 	As needed	<ul style="list-style-type: none"> Brand image Reputation Corporate news Industry outlook

MATERIALITY

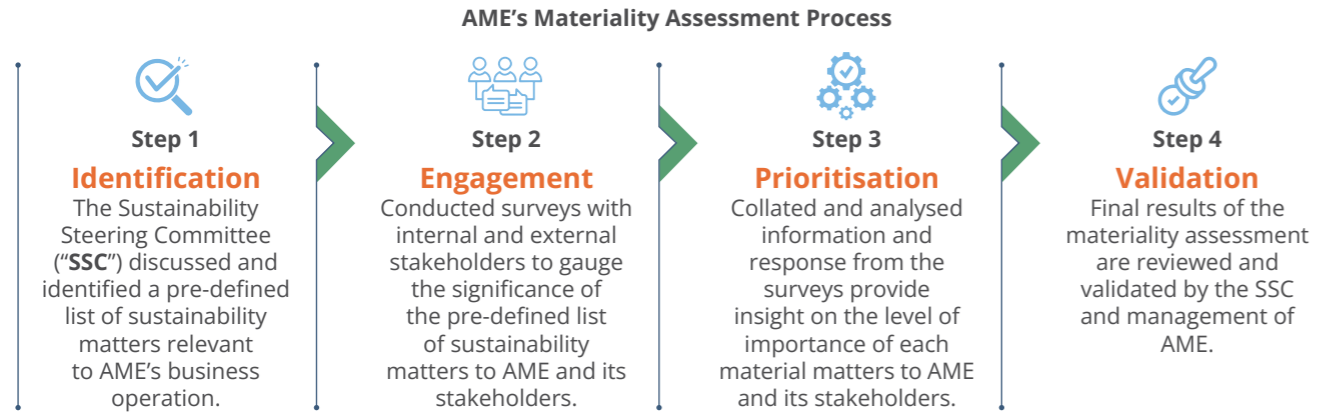
AME recognises the instrumental role played by materiality assessment in bolstering its sustainability efforts. In line with best practices, AME conducted its first materiality assessment in FY2021, which marked an important milestone in its commitment to sustainable growth. Building upon this foundation, the Company undertook a refreshed materiality assessment in FY2023 to garner the latest inputs from its stakeholders.

The materiality assessment conducted during FY2023 sought to provide a more comprehensive insight into the multifaceted interests of stakeholders and to comprehend the internal and external factors influencing the Company's operations. This rigorous assessment process exemplifies the Company's dedication to understanding and addressing sustainability challenges holistically.

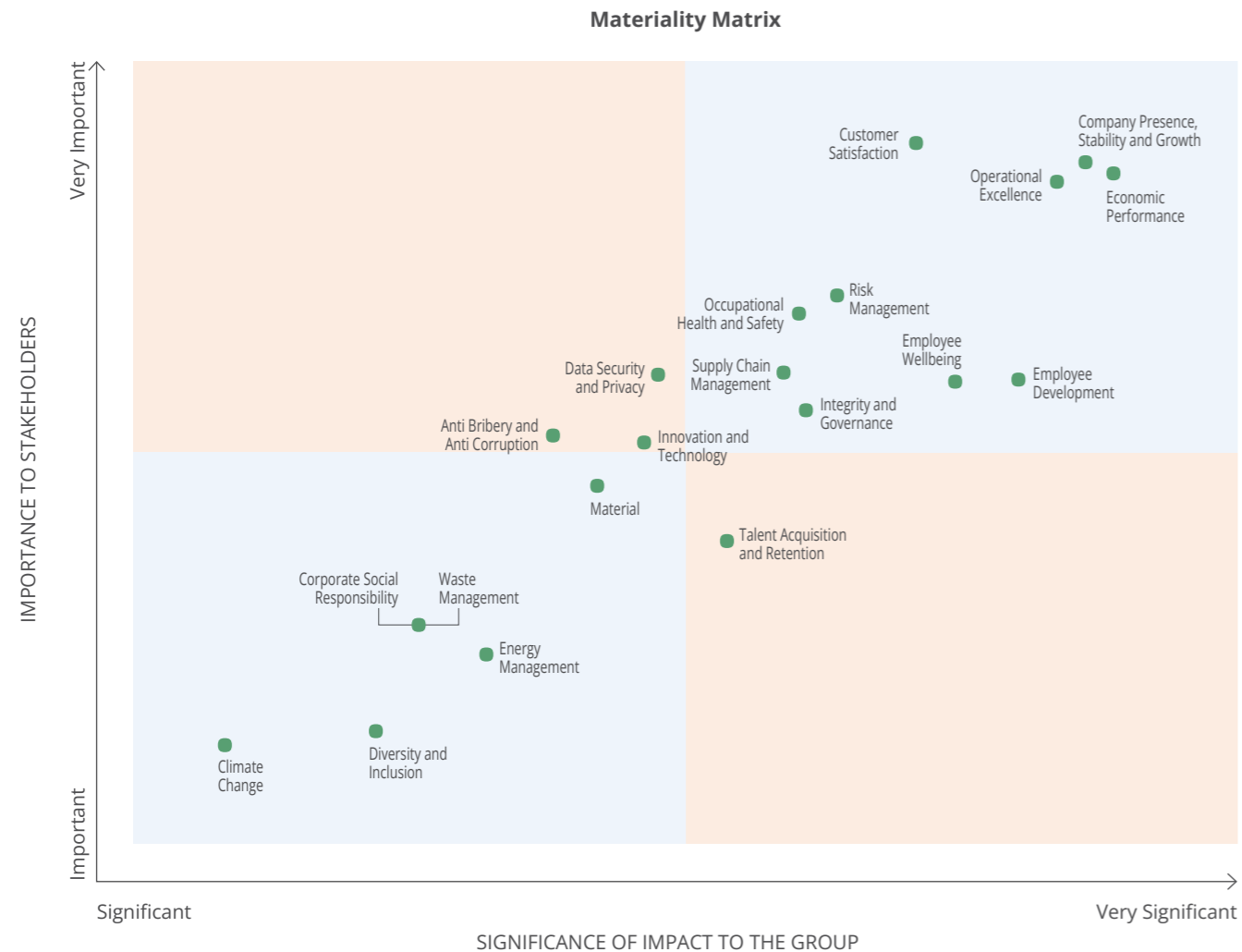
The materiality assessment process of AME considers the perspectives of diverse stakeholders, including clients, employees, partners and suppliers in which the Company works with. By considering a wide range of voices, the Company ensures that its sustainability initiatives align with stakeholder expectations and contribute positively to the well-being of the broader community.

Furthermore, the assessment examines a broad spectrum of EESG factors that directly or indirectly impact the Company's performance and sustainability. By analysing these factors comprehensively, the Company gains a deeper understanding of the risks and opportunities associated with its operations, allowing it to make informed decisions and take proactive measures to enhance sustainability performance.

The materiality assessment for AME is anchored in a four-step process:



After conducting its comprehensive materiality assessment process, AME has identified and prioritised the top 10 material matters that are of significant importance to its stakeholders and have the potential to impact the Company's business and sustainability. These matters are guiding pillars for the Company's ongoing sustainability efforts, driving strategic decision-making and shaping its approach to sustainable growth.



Material Matters	Description	SDG
Economic Performance	Value creation, financial performance and growth	8 DECENT WORK AND ECONOMIC GROWTH
Company Presence, Stability and Growth	Company reputation, market share, sustainable revenue and income growth	8 DECENT WORK AND ECONOMIC GROWTH
Operational Excellence	Efficient processes, quality output, and continuous improvement, leading to enhanced customer satisfaction and competitive advantage	11 SUSTAINABLE CITIES AND COMMUNITIES
Customer Satisfaction	Ensuring customer satisfaction, quality product and services, and timely delivery of products/services	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES
Employee Development	Training, education and career development	4 QUALITY EDUCATION, 5 GENDER EQUALITY
Risk Management	Management of business risks, minimising downside risks and capturing opportunities facing the company	8 DECENT WORK AND ECONOMIC GROWTH
Employee Wellbeing	Promoting a positive work environment, enhancing productivity, and fostering employee engagement and satisfaction	3 GOOD HEALTH AND WELL-BEING, 8 DECENT WORK AND ECONOMIC GROWTH
Occupational Health and Safety	Health, safety and environmental management	3 GOOD HEALTH AND WELL-BEING
Supply Chain Management	Robust procurement capabilities and reliable supply chain, contribution to the development of the local economy (local procurement)	8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
Integrity and Governance	Conducting business dealings with integrity, ethical decision-making, transparent rules and controls	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations' Sustainable Development Goals ("UN SDGs") call for action on sustainable development by encouraging businesses to take meaningful actions for positive contributions to the protection of the planet and peace of the people by 2030. Along with world leaders across the globe, Malaysia adopted this global commitment in September 2015. In FY2023, AME has strengthened its reporting against the UN SDGs by identifying key contributions in line with the specific targets of the SDGs relevant to the nature of its businesses and supports those goals through:

SDG	Targets	AME's Contributions in FY2023
1 POOR PEOPLE	Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.	More than RM40,000 contributed to communities affected by disasters and the poor who are in need.
2 HUNGER	Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.	Donated to Yayasan Food Bank Malaysia and NGOs to benefit the needy, children and poor families that suffer hardship.

SDG	Targets	AME's Contributions in FY2023
	Target 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.	Employees are provided with access to fitness facilities and complimentary fitness classes at i-Privilege Club and i-Park's recreational park. The Company has taken a proactive step by hosting PERKESO's Health Screening Program (HSP) for AME's eligible employees.
	Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	12.67 hours average training hours per employee (excluding foreign workers). RM124,728.91 invested in general and specialised training courses. In FY2023, a total of 31 interns were trained under the guidance of experienced employees at AME.
	Target 5.c: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.	Adopted a Diversity and Inclusion Policy which outlined the Company's commitment to ensuring everyone in the Company is treated fairly and has equal access to opportunities.
	Target 6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all.	Conducted quarterly drinking water testing at i-Stay dormitories and river water inspection for i-Park.
	Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.	Solar panels installed at AME's headquarters generated 223,602.68 kWh, equivalent to approximately RM113,229.71 in electricity cost savings. AME provides renewable energy services to its clients.
	Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Providing employment to 286 new recruits. 1,428 hours of OHSE-related training including risk and hazard identification. Achieved zero fatalities across all divisions.
	Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being.	Obtained Provisional Green Building Index (GBI) Silver Rating for AME's Corporate Office HQ and i-Park Experience Centre.
	Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	Practices a merit-based compensation and advancement system with no discrimination on race, religion, age, disability, nationality, or other demographic criteria. Achieved zero incident of human rights violation. Strictly adhere to Malaysia's Employment Act 1955 and promote human rights in Sustainability Policy.
	Target 11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.	i-Stay workers dormitories uphold high living standards for the workers' better quality of living, and health and safety.
	Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Promote recycling awareness among its employees and conducted recycling programmes and activities. Recycled 696.93 tonnes of scrap metal, 1,354 pieces of mattress, 1,125 pieces of pillows, 104 kg of textile, 6 pieces of electrical items, 830 kg of paper & books, 12 kg of plastics and 147 kg of cardboard in FY2023.
	Target 16.5: Substantially reduce corruption and bribery in all their forms.	100% of AME's employees were trained/briefed on its Anti-Bribery and Anti-Corruption Policy with zero cases of non-compliance.

MEMBERSHIP ASSOCIATIONS

Division	Membership Associations
Property Development	<ul style="list-style-type: none"> Real Estate & Housing Developers' Association Malaysia Federation of Malaysian Manufacturers FIABCI-Malaysia International Real Estate Federation
Engineering	<ul style="list-style-type: none"> Malaysian Photovoltaic Industry Association Federation of Malaysian Manufacturers Malaysian Fire Protection Association Construction Industry Development Board G7
Construction	<ul style="list-style-type: none"> Master Builders Association Malaysia Construction Industry Development Board G7 Malaysian International Chambers of Commerce & Industry Johor Bahru Chinese Chamber of Commerce and Industry Johor Master Builders Association
Property Investment & Management Services	<ul style="list-style-type: none"> Federation of Malaysian Manufacturers Malaysian REIT Managers Association (MRMA) Johor Bahru Chinese Chamber of Commerce and Industry

AWARDS AND ACCOLADES

Winner of Industrial Category for Malaysia Property Award 2022 – i-Park@Senai Airport City

In FY2023, AME achieved a milestone with its flagship development, i-Park@Senai Airport City, earning the esteemed Malaysia Property Award 2022 in the Industrial Category.

The Malaysia Property Award, often compared to the "Oscar" of the property development industry, has been recognising project of excellence since its inception in 1992. The award acknowledges superior real estate developments that set the gold standard in the industry.

The criteria for the award include a comprehensive assessment of various aspects such as architecture and design, development and construction, financials, marketing, environmental impact, safety and maintenance, and community benefits.

This triumph underscores AME's commitment to maintaining the highest standards in quality, innovation, and sustainability across its developments.



Past Sustainability-Related Accolades



The Edge Malaysia PAM Green Excellence Award 2021
Honorary Mention Award
i-Park@Senai Airport City



EdgeProp Malaysia's Responsible Developer **Building Sustainable Development Award 2018**
AME Development Sdn Bhd



Starproperty.my Jewels of Johor Awards 2018 **Best Sustainable Development "Honours"**
i-Park@Indahpura



The Iskandar Malaysia Accolades (TIMA) 2016/2017 **Platinum Winner "Most Conducive Workplace"**
i-Park@Indahpura

A CULTURE OF GOOD GOVERNANCE

As an integrated and comprehensive industrial space solutions provider, AME is committed to upholding the highest standards of corporate governance and sustainability, recognising the pivotal role they play in the long-term success and viability of the Company. Building upon the foundation established in the previous years, AME prioritises good governance, integrity, and ethical business practices across all facets of its operations.

SUSTAINABILITY FRAMEWORK

Within the context of an evolving global economy, it is imperative for organisations to strategically align their operations with sustainable practices. This year marks an outstanding milestone in AME's sustainability journey through the adoption of a newly established Sustainability Framework. The Sustainability Framework outlines clear guidelines, sustainability targets, and practical strategies to drive sustainable growth across all levels of AME. From environmental conservation, energy efficiency, waste management, to community development and employee wellbeing, the Sustainability Framework touches upon diverse sustainability aspects. The Sustainability Framework is evidence of AME's determination to embed sustainability at the core of its business model.

The Sustainability Framework development process involved a rigorous step-wise approach which ensures alignment to AME's organisational context, industry's best practices and reporting standards (such as Bursa Malaysia's Sustainability Reporting Guide, GRI Sustainability Reporting Standards and indicators in FTSE Russell's ESG Ratings).

The steps taken to develop the Sustainability Framework are as follows:

Step 1 Materiality Mapping

Clustering and prioritising AME's different material sustainability topics that were previously identified into several focus areas. The material topics are sustainability matters that are significant to both AME's internal and external stakeholders and reflect AME's business operations.

Step 2 Alignment to AME's Vision and Mission

The Sustainability Framework was developed with close reference to AME's vision and mission statements to ensure alignment with the overarching strategy.

Step 3 Benchmarking and Gap Analysis

Thorough study of relevant reporting standards and regulatory requirements to ensure alignment of the Sustainability Framework. To validate the relevance of the Sustainability Framework, targeted industry benchmarking was also conducted.

Step 4 Value Chain Thinking

Taking into account the full chain of AME's business activities in the creation of value, the Sustainability Framework can strategically address various sustainability pain points throughout the operations.

Step 5 Stakeholder Listening

The key personnel from different divisions have taken part in co-developing the Sustainability Framework ensued through several engagement sessions to provide inputs.

As an outcome of the development processes, the Sustainability Framework, pillared by environmental, economic, social and governance themes was developed. The Sustainability Framework shall act as a guide in enhancing AME's sustainability-related disclosure and tie into AME's strategy in embedding sustainability, as it drills down into sustainability topics that are material to AME, highlights pertinent quantitative and qualitative data to track, manage and improve, and provides guiding strategies towards implementing targeted sustainability initiatives.



Adopting this Sustainability Framework does not mark the end of AME's sustainability journey, but rather a new chapter in its ongoing commitment to sustainable business practices. The Sustainability Framework offers a roadmap for future initiatives, with clear benchmark for progress.

MORE For more details on AME's Sustainability Framework, please refer to the following link <https://ame-elite.investor.net.my/wp-content/uploads/2023/03/AME-Sustainability-Framework.pdf>.

SUSTAINABILITY POLICY

AME formally adopted its Sustainability Policy in February 2022. The Sustainability Policy serves as the foundation for AME's sustainability commitment, guiding its business strategies, processes, and decisions across four key focus areas: (1) Economic, (2) Environment, (3) Social and (4) Governance. AME believes that the Sustainability Policy reflects its initiative to maintain transparency, accountability, safety, ethics and integrity as core values of its business practices. This is in an effort to be a responsible and accountable business that contributes towards the global sustainability agenda whilst minimising negative impacts that may arise from AME's business operations. AME is continuously looking to improve its efforts and is confident that this Sustainability Policy will provide guidance and create awareness amongst employees on the Company's strategic direction on sustainability in the years to come.

MORE For more details on AME's Sustainability Policy, please refer to the following link <https://ame-elite.com/wp-content/uploads/2022/03/Sustainability-Policy.pdf>.

DIVERSITY AND INCLUSION POLICY

AME is dedicated to fostering a diverse and inclusive work environment that celebrates the uniqueness of every individual. In line with this commitment, AME adopted a Diversity and Inclusion Policy ("D&I Policy") on 25 July 2022 that guides the Company's practices and decisions. The D&I Policy reflects AME's core values of respect, fairness, and equal opportunities for all.

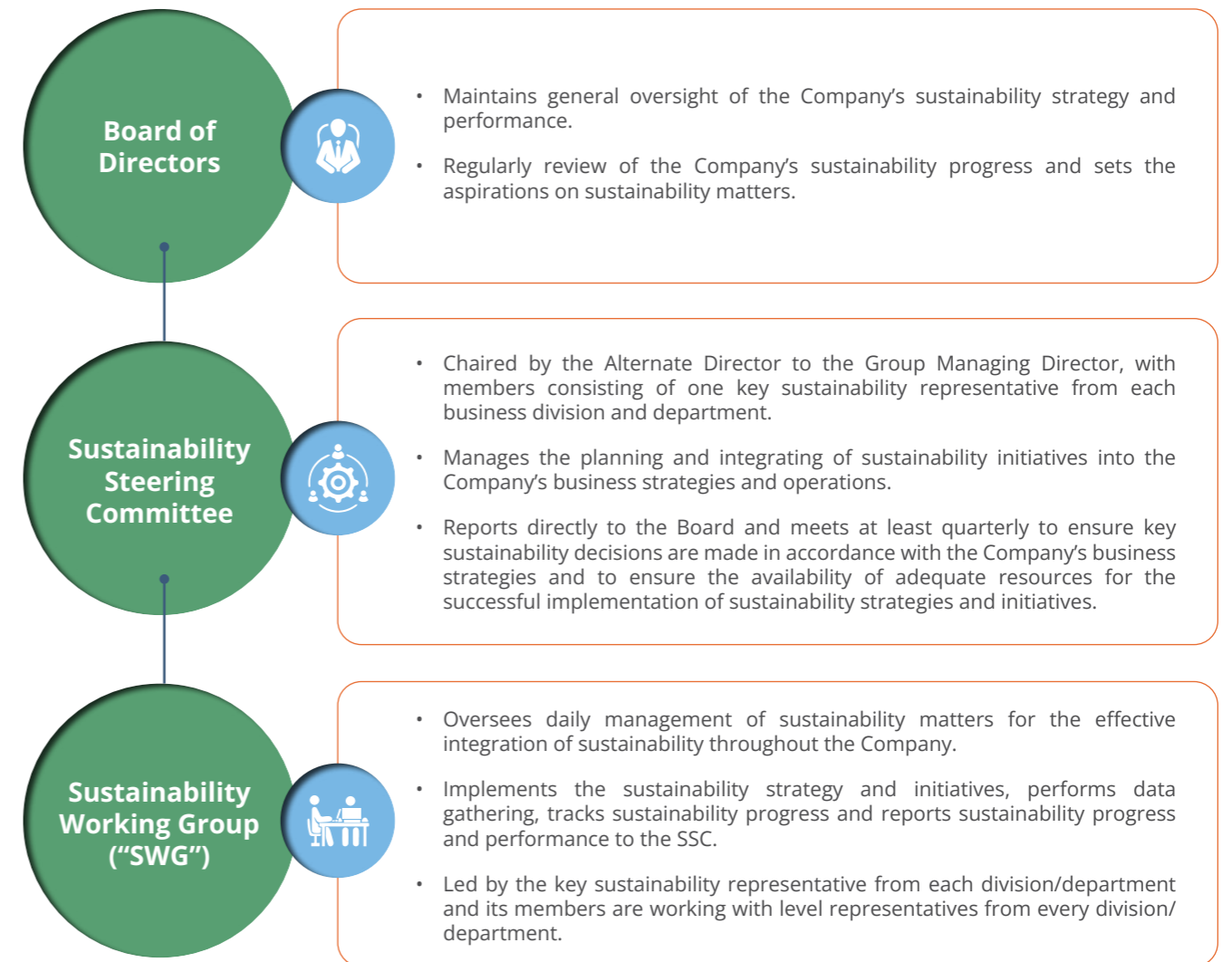
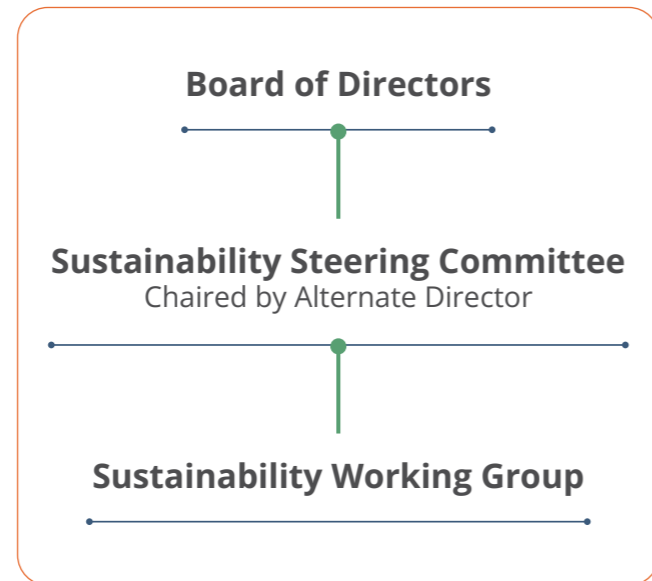
AME's D&I Policy promotes a workplace that values and leverages the diverse backgrounds, experiences, perspectives, and talents of its employees. AME firmly believes that embracing diversity and fostering an inclusive culture not only enhances employee engagement and well-being, but also drives innovation and enables the Company to better serve its customers and stakeholders.

AME acknowledges that diversity and inclusion are integral to its long-term sustainability and success. AME will continue to champion these principles throughout the Company and actively monitor its progress towards achieving its diversity and inclusion objectives.

MORE For more details on AME's D&I Policy, please refer to the following link <https://ame-elite.investor.net.my/wp-content/uploads/2022/07/AME-Diversity-and-Inclusion-Policy.pdf>.

SUSTAINABILITY GOVERNANCE

AME firmly believes that a strong and effective sustainability governance structure serves as the cornerstone of AME's journey towards a more sustainable future. By integrating clear definitions of accountability, roles and responsibilities, AME ensures that its sustainability efforts are guided by a well-structured and transparent governance structure. This sustainability governance structure facilitates the implementation of AME's Sustainability Framework and Sustainability Policy, allowing the Company to make tangible progress towards its sustainability goals.



To reinforce AME's commitment to sustainability, the Company has enhanced its sustainability governance structure within the latest financial year. AME meticulously re-evaluated and refined the sustainability governance structure to ensure that it aligns with AME's expanding business operations, evolving sustainability landscape and industry best practices. In line with the latest business structure of AME, key representatives from I REIT Managers Sdn Bhd, the management company of the newly listed AME Real Estate Investment Trust ("AME REIT"), AME's Human Resources ("HR") Department and AME's Information Technology ("IT") Department were added to the SSC in FY2023. The composition of the SWG was also updated to ensure that the SWG comprises individuals who possess the requisite expertise and represent the diverse areas of AME's business operations, enabling the Company to address sustainability challenges effectively.

In addition, as part of AME's ongoing effort to improve its sustainability performance, a dedicated sustainability professional was hired to drive sustainability initiatives across AME's business operations.

AME remains dedicated to continuous improvement and will continually refine its governance structure to adapt to the evolving sustainability priorities. By fostering a culture of sustainability and integrating it into every aspect of AME's operations, the Company strives to make a lasting positive impact on the environment, society and the long-term success of AME's business.

UPHOLDING INTEGRITY AND BUSINESS ETHICS

AME holds itself to the highest ethical standards, ensuring that all business operations align with relevant laws, regulations and guidelines. AME's unwavering belief is that fostering a culture of accountability among employees and stakeholders is pivotal in reinforcing AME's dedication to conducting businesses with integrity and ethical practices at its core. The fundamental principle is effectively conveyed through AME's comprehensive set of company codes and policies.

Code of Conduct and Ethics



AME's CoC establishes the tone and expectations for ethical behaviour, and guides AME's operations to guarantee compliance with all applicable laws, rules, and regulations. The CoC is communicated to all of AME's workers through AME's website and upon employment, and they are expected to follow it. Disciplinary action, including termination of employment, may be taken in response to any violations or non-compliance.

In FY2023: 100% of AME's employees were informed of the CoC with zero cases of breach of the CoC.

For more details on AME's Code of Conduct and Ethics, please refer to the following link: <https://ame-elite.investor.net.my/wp-content/uploads/2023/03/AME-Code-of-Conduct-and-Ethics-v1.1.pdf>

Anti-Bribery and Anti-Corruption Policy



The Anti-Bribery and Anti-Corruption ("ABAC") Policy outlines AME's commitment towards zero-tolerance against all forms of bribery and corruption and is in adherence to Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009. The ABAC Policy has been made compulsory to all AME's employees where existing and new staff are given a briefing on the ABAC Policy upon employment. Employees will be met with disciplinary action, including the potential of termination, if they do not comply with the ABAC Policy.

In FY2023: 100% of AME's new employees were informed of the ABAC Policy with zero cases of non-compliance.

For more details on AME's Anti-Bribery and Anti-Corruption Policy, please refer to the following link: <https://ame-elite.investor.net.my/wp-content/uploads/2023/03/AME-Anti-bribery-and-Anti-corruption-Policy-v1.1.pdf>

Whistleblowing Policy



The Whistleblowing Policy outlines the procedures which enables anyone who have a working relationship with the Company to anonymously raise their concerns on possible non-compliance or concerns that violate the CoC and ABAC Policy within the Company in an appropriate manner. It is the responsibility of the Whistleblowing Officer to take necessary actions to deal with the concerns raised, as well as to report to the Audit and Risk Management Committee on a quarterly basis.

In FY2023: Zero cases of non-compliance were reported through the whistleblowing platforms.

Employees and parties who have dealings with AME who suspect incidents of corporate wrongdoing can report through a dedicated form or email address:

whistleblow@ame-elite.com

<https://ame-elite.com/>

For more details on AME's Whistleblowing Policy, please refer to the following link: <https://ame-elite.investor.net.my/wp-content/uploads/2023/03/AME-Whistleblowing-Policy-v1.1.pdf>

MORE Further information on AME's policies above can be accessed on AME's website <https://ame-elite.com/>.

RISK MANAGEMENT

Risk management remains as a fundamental part of AME's business operations. AME adopted a Risk Management Framework ("RMF") developed based on the principles and guidelines of internationally recognised standards such as the ISO 31000 Risk Management and the Committee of Sponsoring Organisations Enterprise Risk Management 2017. The resilient RMF allows AME to identify, evaluate, and address crucial risks, thereby safeguarding the interests of stakeholders and shareholders.

AME significantly emphasises on EESG risks, acknowledging their importance in achieving sustainable operations and long-term value creation. Given the ever-evolving global landscape and the increasing importance of EESG issues, AME has focused on identifying the most pertinent and current EESG risks to manage and mitigate them effectively with adequate systems and actions. These include risks associated with climate change, environmental pollution, waste management, human capital management and governance.

The key to AME's success in meeting the needs of its shareholders and investors is to maintain financial growth and increase economic productivity while assuring long-term value creation.

With economic performance, AME faces risks such as financial loss, changing customer demands and needs, competition, changing regulatory requirements and political landscape. There are also opportunities for new projects, contribution to nation building, and economic growth.

To protect AME's employees, contractors, communities, and other stakeholders, AME focuses on maintaining strong safety and health standards. This is especially crucial in AME's construction and engineering divisions, where workers are exposed to dangerous and hazardous situations.

MORE Further information on AME's risk management is detailed in the Statement on Risk Management and Internal Control section in this Annual Report.

For more details on AME's Risk Management Framework, please refer to the following link: <https://ame-elite.investor.net.my/wp-content/uploads/2023/03/AME-Risk-Management-Framework-v1.1.pdf>

DATA SECURITY AND PRIVACY

In today's progressively digital and interconnected landscape, advanced IT solutions augment business efficiency, facilitate hybrid work models, and safeguard data security against growing cyber threats. AME, recognising the transformative potential of IT, strategically capitalises on these technologies to optimise its operations.

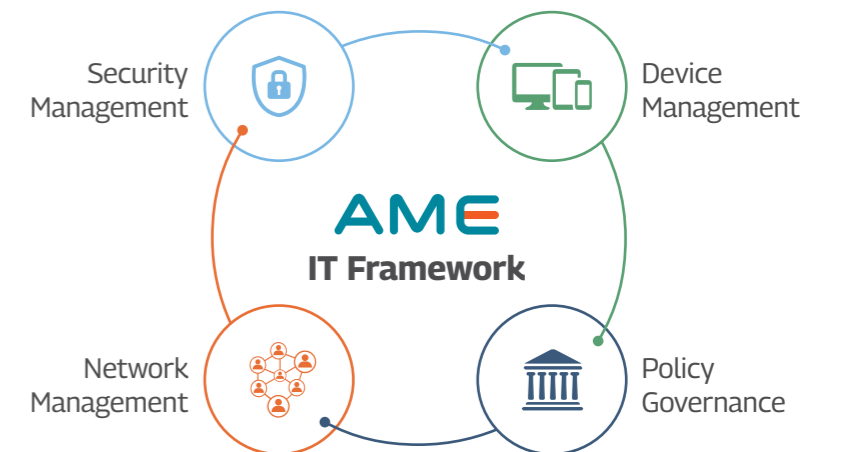
AME has proactively incorporated advanced collaboration tools in response to the ever-changing working environment, evolving work patterns and the emergence of hybrid work models. These tools have significantly boosted AME's business efficiency and employee productivity. From improved communication to streamlined workflows, they have enabled employees to operate more efficiently and provided the flexibility to work seamlessly from remote locations. This flexibility fosters a conducive work environment and attracts top-tier talent.

Moreover, AME is steadfast in its digital transformation journey, demonstrating this commitment through adopting automation solutions. They can swiftly adapt to ever-changing market conditions or novel business requirements by digitising manual processes and physical documentation. This reduction in reliance on physical documentation aligns with AME's environmental sustainability goals by minimising paper usage and wastage.

Beyond operational efficiency and work flexibility, AME is acutely cognisant of the escalating cyber threats in today's digital landscape. AME has prioritised the implementation of robust cybersecurity measures to ensure data security and privacy of AME. The centralised management system deployed by AME combines various essential IT and cybersecurity functions into a unified platform, allowing AME to effectively monitor and optimise its IT infrastructure and services. This system is designed to mitigate potential damage and reduce the risk of data breaches. Recognising the criticality of email communication in daily operations, AME prioritised enhancing email protocol security by implementing additional layers of protection. These measures aim to safeguard sensitive information and reduce the likelihood of successful phishing attacks, malware infections, and other email-based threats that could compromise AME's system and data.

To fortify its cybersecurity posture, AME has enhanced its comprehensive set of IT policies and procedures. These guidelines cover various topics, such as access control, incident response, employee training, data protection, disaster recovery and network security. By strictly adhering to these policies, AME can consistently maintain a robust security framework, effectively protecting AME from potential business risk.

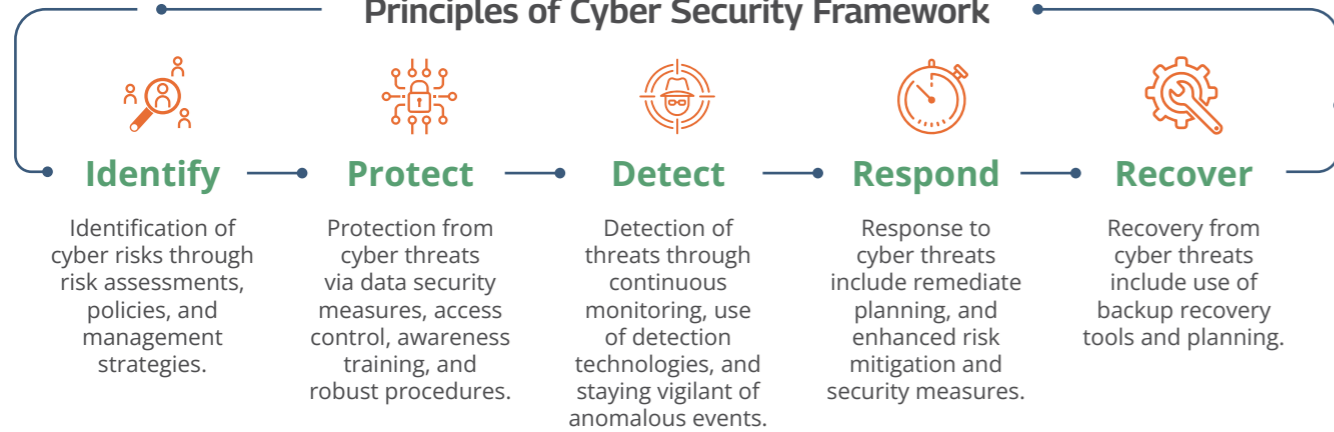
AME's IT framework encompasses four main digital protection measures to ensure the proper handling of information and personal data.



As a guiding framework, AME follows five principles to practice robust cybersecurity in the workplace:



Principles of Cyber Security Framework



In FY2023, AME recorded **zero cases** concerning breaches of customer and employee privacy or loss of data.



Award for early participation of AME's online cybersecurity awareness course



DELIVERING WITH QUALITY AND PURPOSE



AME's HQ



Street view of i-Park@Senai Airport City



Street view of i-Park@Senai Airport City

AME prides itself on exceeding customers' expectations by providing exceptional services and top-quality products. AME's unwavering commitment to delivering excellence is evident through its strong emphasis on teamwork, professionalism, and dedication to ensuring an outstanding customer experience. The relentless pursuit of quality enhances AME's reputation and drives its market value growth as AME consistently delivers solutions that meet customers' needs and even surpass their expectations.

Operational excellence is of great importance to AME as it serves as the foundation for long-term value creation. A strong emphasis is placed on quality assurance, fine-tuning the mechanism to ensure efficiency, productivity, and seamless collaboration throughout AME's business operations. AME also prioritises regulatory compliance, adhering to industry-specific guidelines and best practices, to maintain the highest level of integrity and trust with AME's stakeholders. To streamline and optimise processes, AME has embarked on a digitalisation journey, to deliver innovative and efficient services that provide added value to AME's customers.

Additionally, AME is deeply committed to contributing to the growth of the local economy through its products and services. In FY2023, a total economic value of RM575.91 million is generated, RM577.82 million was distributed via operational costs, employees' wages and benefits, payments to providers of capital, payments to governments and community investment.

SUPPORTING COMPANY GROWTH VIA OPERATIONAL EXCELLENCE

The success of AME can be attributed to stewardship of processes at every level of AME's integrated business model encompassing industrial property development, construction and engineering services, as well as property investment and rental and management of workers' dormitories. To ensure operational excellence and service quality, several industry specific regulations, guidelines and framework were adhered to and adopted across the divisions.

Regulatory and Quality Management Systems at AME

Upstream		Downstream	
Property Development	Construction	Engineering	Property Investment & Management Services
ISO 9001:2015 Quality Management System			
<ul style="list-style-type: none"> Uniform Building By-Laws 1984 Town and Country Planning Act 1976 	<p style="text-align: center;">Construction Industry Development Board ("CIDB") Act 1994</p> <ul style="list-style-type: none"> Malaysian Construction Industry Standards ("CIS") ISO 45001:2018 Occupational Health and Safety Management System 	<ul style="list-style-type: none"> Uniform Building By-Laws 1984 Electricity Supply Act 1990 (Act 447) Environmental Quality Act 1974 Occupational Safety and Health Act 1994 MS 1837:2018 Installation of Grid-Connected Photovoltaic MS IEC 60364-7-712:2017 Requirements for special installations or locations – Solar photovoltaic (PV) power supply system IEC 61724: Photovoltaic system performance monitoring – Guidelines for measurement, data exchange and analysis 	<ul style="list-style-type: none"> Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446) Department of Labour Requirements Responsible Business Alliance Requirements

The ISO 9001:2015 Quality Management System certification serves as a guiding framework that AME strictly adheres to across its value chain encompassing the property development, construction, and engineering divisions. AME's ISO 9001:2015 standards have been certified by SIRIM QAS International, affirming AME's commitment to maintaining exceptional quality throughout its business operations. Furthermore, ensuring top-notch workmanship for AME's projects remains a top priority, as the Company adhere to the CIS set by CIDB to ensure construction quality.

AME implemented, an end-to-end quality assurance process that encompasses material inspection, client particulars, project performance evaluation, and quality assurance procedures from project commencement to completion.

In AME's construction division, a Quality Control Plan ("QCP") was adopted to ensure that each projects' requirements were fulfilled in accordance with the designated plans and specifications. The development division follows a Project Quality Plan ("PQP") that serves as a comprehensive guideline, ensuring the project is delivered with quality and fulfils the requirements of the approved plan. Regular monitoring, inspection, and effective communication with consultants are conducted throughout the project to maintain alignment with established guidelines and fulfil individual project needs.

As part of its commitment to service excellence, AME's construction division provides dedicated assistance during the Defects Liability Period ("DLP") through digital channels, enabling clients to raise concerns and seek resolution. Any concerns raised by clients during the DLP are aimed to be resolved and rectified within 14 days and a Certificate of Making Good Defects will be issued once all issues have been resolved.

As a trusted provider of engineering expertise in the steel structure and precast concrete industry, AME's engineering division holds great importance in ensuring the highest quality in their projects from business development, procurement, fabrication, and testing to inspection activities. To ensure a successful delivery of project, a well-defined and efficient standard of procedures that integrate value engineering and a project quality report is generated to evaluate the quality of projects.

AME's property investment and management division comprises AME's leasing assets, i-Stay workers' dormitories and I REIT Managers Sdn Bhd, the management company of AME REIT. AME strives to uphold the best quality of leasing and management services to meet the needs of clients and tenants.

Creating Comfortable Living Environments

i-Stay dormitories prioritise fair and equal treatment towards tenants and employees, ensuring their health and safety while fostering a comfortable living environment, in line with AME's Sustainability Policy. AME goes above and beyond local regulatory compliance with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990 (Act 446) and meet the requirements of the Department of Labour and Responsible Business Alliance ("RBA").

Facilities and Services Provided by i-Stay Dormitories to Enhance Living Environment

Community Mart and Canteen

Tenants can enjoy a diverse selection of products and delicacies from various countries, catering to their cultural preferences and culinary needs from the community mart and canteen. The upgraded community mart aims to offer a premium shopping experience at an affordable pricing.



Community Mart

Health and Safety Measures

Regular measures such as quarterly drinking water testing, monthly pest control, and fortnightly fogging are conducted to ensure a clean and safe environment for the tenants' well-being.



Canteen

Free Wi-Fi and Astro TV

Common areas are equipped with free Wi-Fi access and Astro TV programmes, providing tenants with entertainment options and connectivity.

Treatment room

Treatment room is conveniently located near the living areas, ensuring quick access to medical assistance. Certified First Aiders from the i-Stay team are readily available to respond to any emergencies.



Treatment Room and Doctors' Consultation

Doctors' Consultation

Scheduled periods are designated for doctors' consultations, providing tenants with access to medical professionals for any health concerns or check-ups.



Badminton court at Indahpura Dormitory

Laundry Corner

A 24-hour self-service laundry is available, allowing tenants to conveniently take care of their laundry needs at any time.



Laundry Corner

DIGITAL SOLUTIONS FOR BUILDING BETTER FUTURES

Digital solutions offer immense potential for shaping a better future by improving operational efficiency, enable efficient resource management, addressing various societal challenges and enhancing overall well-being. AME is embarking on a journey to pave the way for a more sustainable future, where technology and environmental stewardship go hand in hand. The adoption of technology and digitalisation accelerates the process of building a more efficient, equitable, and sustainable future, thereby enhancing the lives of individuals.

To enhance operational resilience and business growth, AME's construction division has embraced new digital-based solutions to optimise overall planning and execution processes, resulting in cost savings, improved efficiency and waste reduction.

Industrialised Building System ("IBS")

AME strives to reduce wastage by adopting sustainability practices, and leveraging technology such as the IBS. This technology is employed for steel fabrication and precast concrete facilities at AME. Integrating highly mechanised technology within a controlled environment enhances the capabilities to achieve a better design flexibility, efficiency, and quality control. This system has improved operational efficiency through data monitoring and analysis, enabling better process control, waste reduction and decreased construction cost and time.



Building Information Modelling ("BIM")

BIM facilitates the digital and 3D development of a virtual model of a building on a shared platform, allowing for accurate planning, scheduling and cost estimation. This technology enhances collaboration between multiple stakeholders to collaborate and share information seamlessly. The ability to visualise the project in a virtual environment increases productivity during the design stage, reduces construction phase errors, minimises the need for modifications, and ensures timely delivery.



In addition to IBS and BIM tools, AME's construction division utilises Enterprise Resource Planning ("ERP") to manage various aspects of daily business operations within a single system, enabling comprehensive control over the entire construction project life cycle. This includes precise cost management and contract quoting and resource allocation, thereby providing full visibility into project management. By using ERP, AME optimises processes, streamlines collaboration with suppliers and contractors, and accelerates company growth.

The construction division also leverages BIM (Building Information Modelling) technology throughout construction management processes. 3D BIM technology is used in design detailing, precise shop drawings generation and accurate material list for procurement purposes. 4D BIM technology is used in constructability study, construction sequencing, and reporting. These

BIM deliverables serve as valuable references for contractors, engineers and other stakeholders involved in the construction process, facilitating streamline communication, and minimizing errors and discrepancies. By harnessing these BIM tools, the construction division has significantly improved in time and cost management; and enabled the completion of more projects within designed timelines. The integration of these software solutions has transformed the process of designing and constructing building structures, leading to streamlined work progress, shorter project timelines, improved cost management, and heightened accuracy, ultimately resulting in successful and efficient construction processes.

To ensure project timelines remain on track, project personnel utilise an adaptable and scalable application to update project progress regularly.

This efficient digital solution enables project managers to closely monitor the project's status by accessing real-time updates and records. By having comprehensive information readily available, project managers can promptly identify areas that require improvement or attention. Project-related information, such as equipment functionality, machinery performance, workforce allocation, testing inspections, and external conditions, is meticulously monitored by project personnel to ensure the highest quality delivery of the project. This approach also allows project managers to assign the appropriate personnel to the respective tasks and adjust resources as necessary. This proactive approach helps prevent unnecessary delays and disruptions, keeping the project on track and within the planned timeline.

i-Stay dormitories also use various digital solutions to enhance the safety, security and convenience of their tenants in the dormitories.

Biometric Security System

The biometric turnstile access control system provides a higher level of security for i-Stay's tenants, ensuring only registered tenants can access the dormitory blocks. To maintain a harmonious living environment and safety of its tenant, individuals who are found to be intoxicated are prohibited from entering the dormitory premises, thus preventing social issues. Incidents of this nature are recorded and documented in the system for reference and monitoring purposes.

Additionally, i-Stay is developing an application ("app") for maintenance and security purpose.



Defects Reporting

To digitalise the defects complaint and reporting system, i-Stay has introduced an e-form where the tenants can submit their complaints and reports of defects in the dormitories from the convenience of their mobile devices instead of manually filling in the physical form. This allows reduction in paper usage, as well as increase response and rectification time.

Cashless Vending Machine

i-Stay introduced cashless vending machines, conveniently located in the common area of the dormitories, providing tenants easy access to various food and drink options. These vending machines are equipped with cashless payment systems, ensuring a seamless and hassle-free experience for their tenants, eliminating the need for physical cash transactions.

Parcel Distribution

To improve the efficiency and convenience of parcel distribution within i-Stay, an investment has been made in developing a mobile app which sends notifications to its tenants when their parcels have been delivered. Additionally, tenants can schedule an appointment for parcel collection through the app.

Hostel Management System

i-Stay utilises a hostel management system to digitalise recording its tenants' personal information including details such as work permit expiry and passport identification.

The system sends a reminder to i-Stay's staff when the workers' documentation are expiring. Upon receiving the alert, i-Stay's staff informs and requests that the clients update the workers' permits and/or passports.

MEETING CUSTOMER EXPECTATIONS

AME acknowledges that customers are at the heart of its success. AME strives to build lasting relationships, promote loyalty and contribute to a sustainable future with its customers. To gain a deeper understanding of customers' needs and expectations, AME actively seeks customers' feedback and engages in continuous improvement initiatives to enhance its products, services and processes.

Digital channels have been implemented to facilitate better communication throughout AME's project. These channels also enable customers to provide feedback after project completion and handover. Customers' opinions on various aspects, including the quality of workmanship, timeliness of defect rectification, professionalism and responsiveness to their inquiries are actively sought and listened to. Any concerns raised by customers are promptly addressed, and necessary improvements are made to enhance overall service delivery. These digital channels serve as a vital platform for open communication, allowing AME to strengthen its commitment to customer satisfaction and align the customer experience with its highest standards. Feedbacks are compiled and presented to Senior Management annually for further improvement.

For AME's construction division, the Quality Assessment System in Construction ("QLASSIC") remains a key industry standard for evaluating the quality of construction in Malaysia. This assessment is carried out by the CIDB and measures and evaluates the workmanship quality of completed construction work. It is based on CIS 7:2021 Quality Assessment System for Building Construction Works. The quality of the product and workmanship of completed construction project will be assessed and provided with final scores.

AME leverages QLASSIC standards to establish performance benchmarks for its construction projects, ensuring that the quality requirements are met and maintained. Each project undergoes internal evaluation by employees who have received training from the QLASSIC Academy, in accordance with QLASSIC's standard scoring requirements. This enables the identification of areas for improvement. To further enhance project quality and promote a culture of quality, briefings, bi-weekly quality control trainings, and quality awareness programmes are conducted to develop workers' competency. Frequent mock-up sessions, briefings and project coordination meetings are also held to familiarise the team with project requirements, understand desired outcomes, and address any doubts or concerns.

The Quality Assurance Quality Control ("QAQC") Annual Conference 2022 marked the third instalment of this event organised by AME's construction division's QAQC Department. This event serves the purpose of promoting quality awareness among the entire construction team, fostering a culture of quality consciousness, and enhancing teamwork spirit to achieve high-quality work outcomes.

The theme for the 2022 QAQC Annual Conference was "Building QLASSIC Compliant Projects". The event was attended by assistant manager and above from all departments, along with representatives from Project, Safety and QAQC personnel from various project sites. The conference featured an awareness briefing on QLASSIC assessment delivered by CIDB's SHEQ section. Additionally, the QAQC department presented the QLASSIC score analysis for past assessments of AME's projects, highlighting action plans to achieve the target score of AME.

During the conference, the person in charge of projects that achieved QLASSIC score target in previous assessments were recognised and presented with appreciation plaques. Furthermore, 20 essential subcontractors were acknowledged for their unwavering support and commitment to quality, with appreciation plaques being presented to them as well. The conference provided a platform for knowledge sharing, celebration of achievements, and reinforcement of AME's commitment to delivering QLASSIC-compliant projects.



AME's engineering division operates as an individual and integrated service, similar to the construction division. The division serves two customer segments, comprising internal AME divisions and contracts from external parties. Customer satisfaction surveys are conducted on a project basis, where the evaluation criteria include quality, cost-effectiveness, timeliness, and safety of the projects.

As a housing provider, i-Stay is determined to ensure transparency and mutual trust with its clients, particularly in caring for workers residing in its dormitories. To facilitate effective communication, i-Stay has implemented designated group chats with its clients as a feedback and communication platform. Additionally, its tenants can address any defects and concerns by scanning QR code to access a designated e-form. The primary objective is to cultivate a respectful and constructive environment where its clients and tenants feel at ease expressing their thoughts and sharing any complaints. To uphold this commitment, dedicated representatives promptly acknowledge the feedbacks and complaints received, actively working towards resolving the issues at hand.



i-Park@Indahpura's Dormitory

Considering the diverse group of tenants from various nationalities and races, i-Stay greatly emphasises on providing a welcoming and inclusive atmosphere at the dormitories, fostering a sense of belonging and comfort in their new home. To achieve this, i-Stay has taken the initiative to produce an introductory video, and post notices on the information board using its tenants' national language. This proactive approach is perfectly aligned with the Company's commitment to promoting a diverse and inclusive culture, as outlined in the Sustainability Policy.

Furthermore, i-Stay appoints tenant representatives, known as nationality leaders, through an election process to foster effective communication with tenants. These leaders act as intermediaries between the tenants and i-Stay, gathering feedback and comments to be considered for continuous service improvement. Additionally, i-Stay organises cultural programs during national festivals, to foster a sense of community among tenants, allowing them to come together and celebrate the festivities collectively.



i-Stay's Nationality Leader Election

AME ensures that the quality of the project goes beyond mere regulatory compliance, as the Company recognises that customer satisfaction and well-being play a crucial role in driving business success. Customer satisfaction, a key metric for measuring the quality of products and services has also been associated with factors such as cost, performance and project duration. AME is dedicated to enhancing the Company's reputation, maintaining strong customer relationships, and making meaningful contributions to a more sustainable and equitable world. Customer satisfaction forms are sent out to customers after project completion, and customers feedbacks will be taken into account for future improvement.

AME's Customer Satisfaction Rating for FY2023



SUPPLY CHAIN MANAGEMENT

At AME, responsible supply chain management plays a critical role in sustaining a long-term partnership, promoting the growth of the local economy and achieving sustainability goals. AME is firmly dedicated to collaborating with suppliers who align with the Company's values and principles, particularly upholding ethical standards and embracing environmentally sustainable practices. AME's focus lies in establishing a resilient and transparent supply chain that ensures the delivery of quality products and minimises the Company's carbon footprint.

AME's supply operating procedures that are guided by the ISO 9001:2015 Quality Management Systems and ISO 45001:2018 Occupational Health and Safety Management Systems are the foundations that encompass structured processes and criteria that ensure the selection of suppliers meets AME's expectations. Additionally, AME has adopted a Sustainability Framework incorporating EESG criteria into the new supplier screening process for all divisions.

When selecting contractors for tenders, AME places significant emphasis on meticulous evaluation to ensure they meet the Company's expectations and standards. This includes stringent safety obligations and requirements, and the implementation of good practices in upholding human rights. AME has a zero-tolerance policy towards exploitative practices such as child

labour, forced labour, and any form of exploitation within its business operations. The Company is unwavering in its commitment to upholding ethical and responsible practices throughout its supply chain, safeguarding the well-being and dignity of all individuals involved.

Furthermore, AME prioritises the local supply chain during procurement and continually improve its supplier screening process to reduce potential disruptions. By supporting local suppliers, AME accelerates the growth and progress of the local manufacturing industry, contributing to the creation of modern industrial spaces. This approach also effectively reduces the Company's carbon footprint as the need for transportation is significantly minimised. This dual approach drives the local economy and aligns with its commitment to environmental sustainability.

AME promotes local suppliers and economic development, aiming to create better value and generate more positive impacts for the local community. This approach reduces the adverse social and environmental impacts in the supply chain and helps reduce Scope 3 greenhouse gas ("GHG") emissions.

In FY2023, AME spent 98.97% of its procurement budget on local suppliers and contractors for all business divisions' operations.

	FY2021	FY2022	FY2023
Proportion of expenditure on local suppliers and contractors (%)	98.30 ⁽¹⁾	98.60 ⁽¹⁾	98.97 ⁽²⁾

Note:
⁽¹⁾ Only including suppliers and contractors from the construction and engineering divisions.
⁽²⁾ Including suppliers and contractors for all business divisions.



INVESTING IN PEOPLE AND EMPOWERING COMMUNITIES

AME recognises the importance of establishing and maintaining trust with both internal and external stakeholders, to generate sustained value. AME is dedicated to fostering lasting relationships with its workforce, local communities, customers, business partners, and investors.

In conducting its business, AME places the workforce at the heart of its operations, viewing it as its most valuable asset. As a testament to this, the Company stresses equal opportunities and cultivates a dynamic talent pipeline backed by its D&I Policy. AME strives to ensure fair compensation, and a secure, safe and inclusive working environment, which the Company believes is essential for enabling employees to thrive and contribute effectively.

OHSE is another area where AME demonstrates its commitment. AME implements rigorous safety measures and promotes wellness initiatives aimed at safeguarding employee health and wellbeing.

Moreover, AME places considerable emphasis on community development. Understanding the significant impact a business can have on the communities it operates in, the Company is engaged in various initiatives that contribute to the social and economic development of these communities. By integrating such a focus into its business model, AME strengthens its relationships with local communities and contributes to the broader sustainability goals.

Human Rights

As highlighted in AME's Sustainability Policy, the Company recognises its responsibility to respect human rights across its business operations. The Company does not tolerate child labour and any form of forced labour or exploitation in its operations. AME strictly adhere to Malaysia's Employment Act 1955 and as a result of AME's strong stance on respecting human rights, AME successfully achieved zero incident of human rights violations in all the places AME operated in FY2023.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

OHSE is a matter of high significance at AME. AME is acutely aware of potential hazards and risks inherent to the jobs of its employees, particularly those working at project sites. To prioritise their safety and well-being, AME maintains a vigilant approach, implementing many practices and initiatives to promote safety and health in the workplace.

This focus on OHSE extends beyond the direct employees of AME. The Company firmly recognises the vital importance of safety. It displays a firm commitment to ensuring the safety and well-being of all individuals involved in their day-to-day operations, especially at construction sites. AME's holistic consideration of safety encompasses everyone, from its employees to contractors, suppliers, clients and visitors, thereby solidifying its commitment to maintaining a safe and secure operational environment.

Robust Health and Safety Management

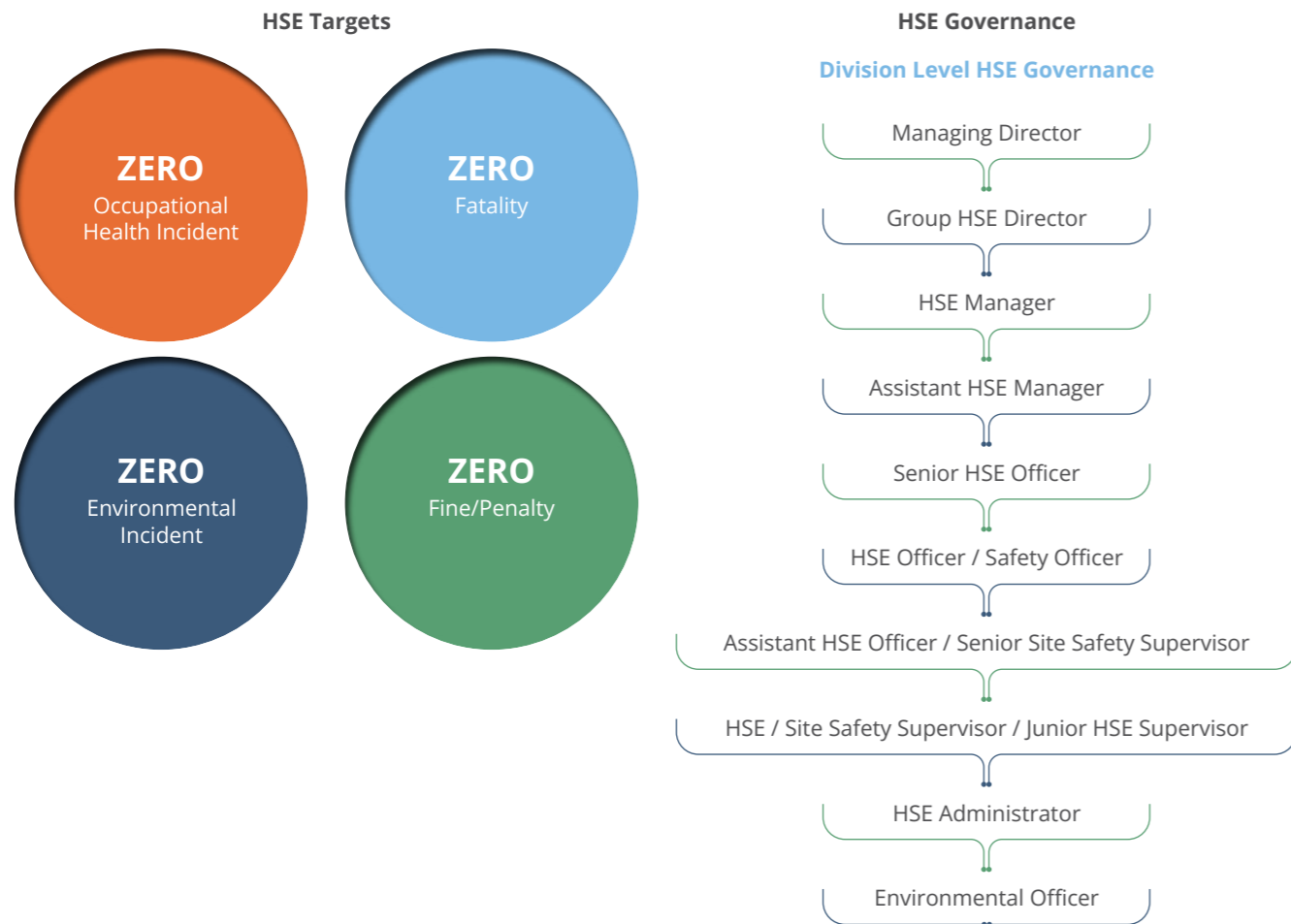
AME believes that inculcating good governance and management of health, safety and welfare will most importantly safeguard the health and wellbeing of its workforce and be a pivotal element towards strengthening AME's brand value and reputation.

As AME's construction and engineering divisions have the most urgent need for comprehensive health and safety measures – the Health, Safety and Environment ("HSE") Management System covers all employees in these divisions. Additionally, AME is guided by an HSE governance framework at its project sites, in line with its commitment to prioritise employee health and safety.

In every project or site AME is responsible for, AME establishes a HSE Committee that is responsible for a range of HSE-related duties, but chief amongst them are to:

- Review HSE statistics and performance and recent incidents/accidents in the project and ensure the dissemination of lessons learned
- Provide management feedback and discussion forum on relevant HSE issues, procedures and policy matters
- Promote safety awareness through safety talks, safety publications, trainings etc.
- Carry out regular site inspections to detect any unsafe conditions or unsafe practices

Additionally, the construction and engineering divisions are ISO 45001:2018 Occupational Health and Safety Management System certified and have implemented stringent internal Key Performance Indicators to achieve zero occurrences on project sites. To this end, AME ensures that a management review of HSE performance is conducted monthly in line with initiatives to put forward proposals for improvement through an HSE monthly report prepared by the Safety Officer and the Safety Supervisor and endorsed by the Project Manager.



Safety Toolbox Meeting

A Weekly Safety Toolbox Meeting is conducted at each project site, gathering all individuals including the project management team, site engineers, other on-site employees, and general workers. This crucial meeting serves as a platform to emphasise, discuss, and clarify safety requirements while addressing unsafe acts. During these sessions, the team actively highlights important safety measures, engages in open discussions, and provides necessary clarifications to ensure a comprehensive understanding of safety protocols.



Hazard Identification, Risk Assessment and Risk Control (HIRARC)

Before starting a new development or construction project/activity, AME ensures that all locations are properly risk assessed using a standardised Hazard Identification, Risk Assessment, and Risk Control (HIRARC) approach.

The purpose of this approach is to provide a systematic and objective approach to assessing hazards and their associated risks that will provide an objective measure of an identified hazard and provide a method to control the risk.

This is in line with the Occupational Safety and Health Act 1994 (Act 514) whereby an employer is tasked with providing a safe workplace to their employees and other related persons.

OHSE-related Training

OHSE-related training and development programmes are essential for equipping AME's workforce with the necessary knowledge to complete their activities safely while staying updated to current regulatory standards. In FY2023, AME provided 1,428 hours of OHSE training to AME's employees, contract workers and contractor personnel.



OHSE Feedback Mechanisms

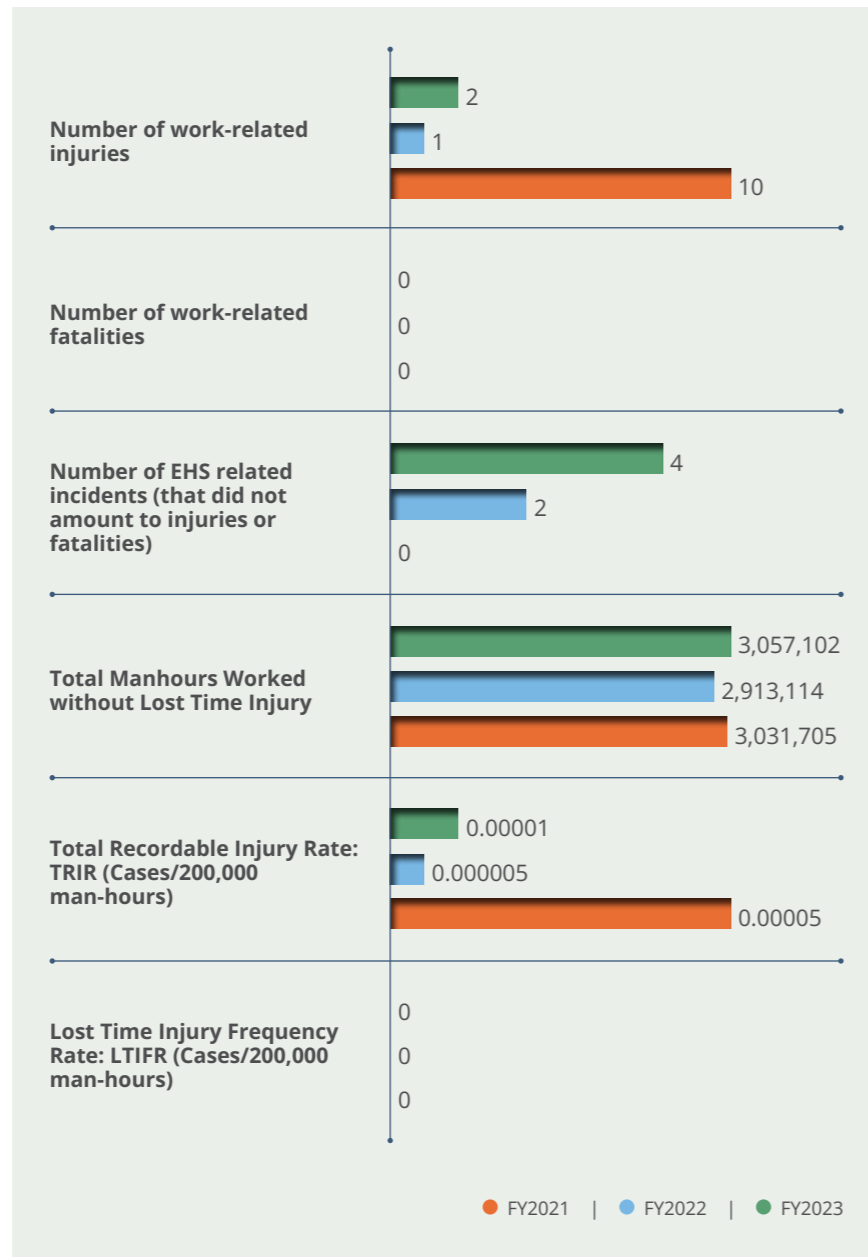
AME strives to ensure zero accidents by encouraging the reporting of health and safety-related incidents, complaints, and non-compliance through AME's dedicated anonymous OHSE-incident reporting channel. AME's You See You Response (UCUR) programme is a proactive process that allows employees to report potential workplace hazards. UCUR acts as a platform to identify/point out the near-miss incidents which may lead to accidents at construction sites by any individuals. This reporting channel allows employees to provide input without fear of reprisal and drives safety enhancement in line with continually improving workplace health and safety performance. Any incidents reported will

start an investigation to determine the root cause of the incident and identify corrective and preventive actions to ensure a similar incident does not happen again.

AME is also engaged in constant communication about health and safety issues through email, digital channels, videos and have notices posted strategically locations across AME's project sites. AME disseminates this information in English and Bahasa Malaysia. To be more inclusive, AME is mindful of the diverse languages spoken by foreign workers at its construction sites and take meaningful considerations when engaging with them. To ensure what is communicated is done so effectively, critical information (such as health and safety updates) is communicated in the native language of its foreign workers and subcontractors.

OHSE Performance

AME conducts HSE Committee meetings regularly to monitor the overall safety and health conditions at its work sites. Due to its proactive and frequent safety training, awareness programmes, safety standards, and risk assessments – AME accomplished 3,057,102 manhours worked without Lost-Time Injury (“LTI”) and was not affected by any incidences of non-compliance with environmental rules due to effective preventive and preparedness in FY2023.



AME responds to health and safety incidents with rapid investigations and reporting procedures to uncover the root cause of the occurrence and to develop corrective and preventive actions. AME constantly reminds its employees to prioritise their safety at work sites and encourage reporting of unsafe working conditions to their representatives or the HSE department directly as an action towards solving the issue.

WORKFORCE

The talent of its workforce lies at the very heart of AME's mission and purpose. Recognising this, AME is committed to encouraging and promoting employee engagement and development, as these are the key drivers of AME's value creation strategy. AME's three-pronged approach focuses on the essential areas of talent development, retention and attraction, underscoring its long-term vision of productivity and success.

AME's dedication to employee satisfaction is embedded in its culture. By recognising that company productivity is intrinsically tied to employee satisfaction, the Company has made a strategic commitment to enhancing talent retention. Through a competitive employee benefits package, comprehensive professional development programs, and an inclusive work environment, AME fosters a culture that values, nurtures, and challenges its employees.

The Company's strategy extends beyond retention, attracting fresh talent with innovative ideas and perspectives. The commitment to diversity, equity and inclusion is a fundamental to AME's culture.

In essence, AME views its employees not merely as workforce members, but as AME's most valuable asset, the bedrock of the Company's ability to create and sustain value. This commitment to the well-being and development of its employees enhances productivity, bolsters social sustainability, and contributes meaningfully to a more equitable society. The concerted effort to develop, retain and attract talent is a testament to AME's commitment to social sustainability, paving the way for a mutually beneficial future for its workforce, the Company, and the wider communities it serves.



AME At a Glance



Developing Talent

AME encourages a proactive spirit among its employees, understanding that their individual development enriches their career trajectories and equips the Company with the talent necessary to thrive in a competitive business landscape.

In FY2023, AME invested nearly twice as much in training and development initiatives as compared to FY2022, amounting to RM124,728.91. This heightened commitment to learning led to a total of 5,143.5 training hours, averaging 12.67 hours per employee (excluding foreign workers). Spanning a diverse array of topics, these training programs, both internal and external are delivered via physical and virtual workshops, focusing on equipping employees with the skills and knowledge needed to stay relevant and contribute meaningfully to the Company's success.

Recognising that talent development is more than just training, AME employs a robust performance evaluation system. AME's systematic approach to performance reviews encourages open communication between employees and supervisors,

fostering a culture of feedback and improvement. These annual reviews allow employees to engage in self-assessment, while their direct superior evaluates performance against key indicators, skills, abilities, interests, and personality traits. This system also aids AME in identifying potential leaders within its ranks who are then provided with additional resources and opportunities to hone their leadership skills.

In line with AME's dedication to continuous learning, AME also facilitates a knowledge-sharing environment. Newer employees are paired with seasoned professionals, enhancing the transfer of industry knowledge, fostering collegial relationships, and facilitating professional development.

At AME, the development of its workforce is in a symbiotic relationship - the simultaneous growth of the Company and the improvement of its employees are inextricably linked. It is this mutual growth that aligns perfectly with AME's vision and mission and reaffirms AME's commitment towards social sustainability.



Training session for AME's employees

Retaining Talent & Attracting Talent

Retention of talent is seen as a strategic necessity within AME, contributing to a stable workforce, mitigating recruitment and onboarding costs, and retaining invaluable expertise within the Company. Equally, the Company acknowledges the importance of attracting new talent to ensure competitiveness and infuse the team with novel perspectives.

To create an environment that both nurtures current employees and attracts prospective ones, AME focuses on four main strategic areas:

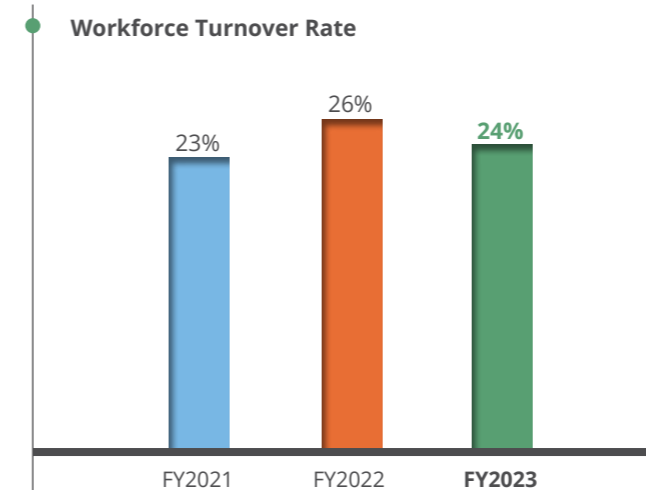
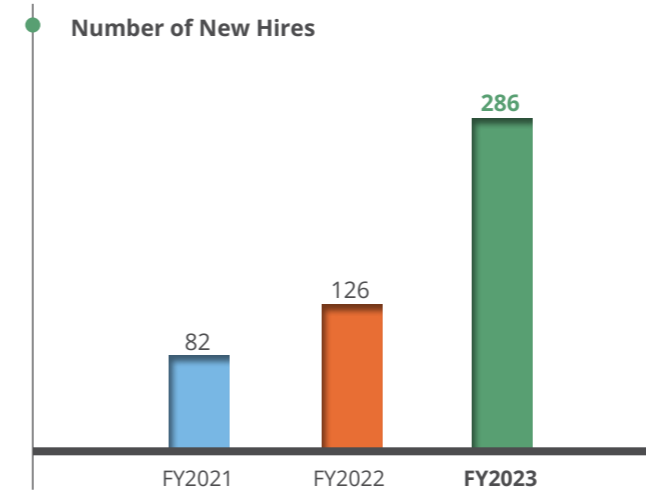
1. Provision of Competitive Employee Benefits
2. Promotion of Employee Well-being
3. Advocacy for Diversity, Equity and Inclusion in the Workplace
4. Promotion of Employee Engagement

Employee Benefits

AME is firmly committed to cultivating a supportive work environment where employees feel valued and respected. Integral to this commitment is a comprehensive and competitive benefits package that acknowledges the loyalty, capability, and unity of its workforce and helps attract and retain top talent.

Understanding the importance of staying competitive and meeting the changing needs of its employees, the Company regularly reviews and adjusts its benefits package. This dynamic approach aligns with its corporate vision and values, ensuring the Company remains an employer of choice within the industry.

Benefits	Details
Leave	Annual Leave, No Pay Leave, Sick or Hospitalisation Leave, Marriage Leave, Maternity Leave, Compassionate Leave, Convocation Leave, Replacement Leave, Paternity Leave
Flexi-Wellness	Pre-employment Medical Check-Up
Allowance and Subsidy	Transport Allowance, Car Allowance, Motor Allowance, Car Maintenance Allowance, Outstation Allowance, Meal Allowance, Handphone Allowance, Medical Reimbursement, Business Travel Expense Reimbursement, Professional Membership Subsidy, CIDB Green Card Renewal Fee
Insurance	Personal Accident Insurance, Surgical and Hospitalisation Insurance
Flexi-Work Arrangement	Time-Off Benefit
Retirement	Memento for Long Service Employees
Others	Recreational Park Facility (Fitness Facilities and Clubhouse), Employee Share Option Scheme



i-Park, an Industrial Resort

AME holds a forward-thinking philosophy in its industrial park design, with an emphasis on fostering a balanced work-life dynamic and a community-centric environment. This approach, evident in its i-Park industrial parks, also termed as 'industrial resorts', marks a significant shift from the conventional industrial park concept that prioritise work and productivity above all else.

Instead of purely functional spaces, i-Park incorporate expansive green spaces and amenities designed to promote a harmonious 'work and play' lifestyle. The thoughtfully designed facilities serve as inviting communal spaces where operators and employees can engage, form deeper relationships, and bond with the broader local community.

Adding to the unique appeal of i-Park is the i-Privilege Club, a clubhouse brimming with amenities to enhance work-life balance. From a saltwater swimming pool to a fully equipped gym, these amenities are currently open to operators of i-Park and AME's employees.

In essence, AME's industrial park design philosophy embraces a more holistic approach, viewing industrial parks not just as places of work, but as vibrant, inclusive communities. By promoting social cohesion and employee wellbeing, AME's innovative approach is redefining what industrial parks can be.



Facilities at i-Park@Senai Airport City

Clubhouse Amenities and Facilities



Saltwater Swimming Pool



Gym



Studio



Multisport Court

Classes and Programmes at i-Privilege Club



Pilates



Circuit Training



Zumba

i-Park's Community Recreational Park



830m walking and jogging track



Outdoor Amphitheatre



Outdoor Fitness Equipment



Sitting Benches



Cycling Lane

To effectively communicate with all operating within i-Park, AME has developed an i-Park community app which functions to provide access for employees of operators and subcontractors to the industrial park. To safeguard security within i-Park, all operators must register for i-Park access through the application.

The application also serves as a platform for employees of operators to provide their feedback, complaints and enquiries to AME. It assists in the booking of various facilities and amenities provided. AME also utilises the app to notify all working within i-Park regarding upcoming holidays, parking availability and provide a platform for small businesses within i-Park to promote their stores and highlight any sales they offer.

Community App



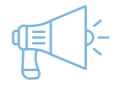
Visitor Management System which includes an integrated Smart Lock



Effective Feedback Mechanism



Facilities Booking System



Announcements on events and happenings within the community

It is also a key objective of the i-Park's management team to proactively bring surrounding communities together and strengthen neighbourhood bonds. AME organises annual and festive celebrations such as Christmas and Ramadan and with other community events like seminars and gotong-royong with i-Park operators. AME believes these activities encourage genuine rapport between the management and operators and contribute to improved productivity, wellness and appreciation for the natural environment.

Employee Wellbeing

AME understands the profound impact of a conducive work environment on employee productivity, talent retention, and attraction. To that end, AME's HQ has been strategically placed within easy reach of the recreational park in i-Park@Senai Airport City and i-Privilege Club, with employees actively encouraged to make full use of these facilities.

i-Privilege Club plays a significant role in this strategy. It provides a wide array of amenities and complimentary classes, enabling employees to enhance their fitness levels, maintain a healthy lifestyle, and ultimately, bolster their overall well-being and productivity. Moreover, these amenities allow employees to socialise and form connections outside the traditional office setting. Group classes, such as Pilates, Zumba, and Circuit Training, provide a relaxed and enjoyable platform for team interaction, fostering a sense of

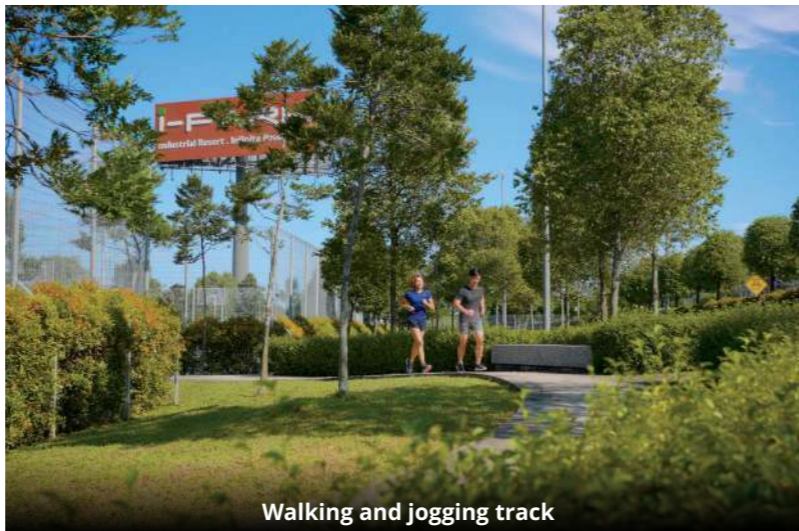
community and promoting positive workplace relationships. Such interactions nurture a healthy and supportive work culture.

Complementing i-Privilege Club is the community recreational park, an oasis for employees to engage in physical activities or unwind during breaks or after work. The access to outdoor parks and fitness equipment encourages employees to break away from their work routines and immerse themselves in nature, thus contributing positively to their mental and physical health.

By promoting a healthy, balanced lifestyle, AME effectively enhances employee productivity and job satisfaction. This multifaceted approach to employee well-being indicates AME's commitment to creating an environment where employees work, grow and thrive.



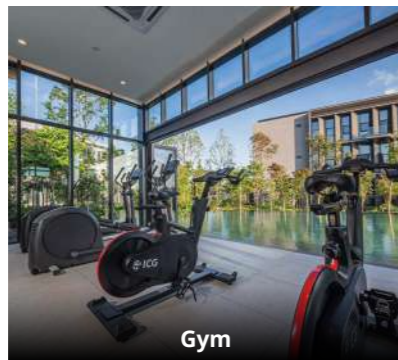
50m-long saltwater swimming pool



Walking and jogging track



Badminton court



Gym



Multifunctional hall



Sand volleyball court



Multipurpose court



Health studio

PERKESO Health Screening Program

In line with AME's commitment to prioritise employee wellbeing and ensuring their overall health, the Company has taken a proactive step by hosting PERKESO's Health Screening Program (HSP) for eligible employees. This program, which is a free health screening initiatives offered by PERKESO, aims to identify individuals at high risk for Non-Communicable Diseases (NCDs) among eligible SOCSO Insured Persons.

In recent years, there has been a concerning rise in the number of workers who are unable to perform their duties due to lifestyle-related illness. By providing access to the health screening program, AME enables employees to identify any potential health risks they may face. This early detection allows individuals to seek proper treatment, take preventive measures, and make necessary lifestyle changes to avoid sickness and complications. By encouraging regular health screenings and supporting employees in managing their health, companies like AME can retain experienced workers and enhance productivity.

Typically, SOCSO Insured Persons would need to make their own appointments for health screenings with available panel clinics. However, recognising the value of convenience and prioritising the health of AME's employees, the Company has taken the initiative to host the health screening program at i-Privilege Club. By providing an accessible and convenient location for the health screenings, AME aims to facilitate participation and ensure the well-being of its employees.

Diversity and Equality

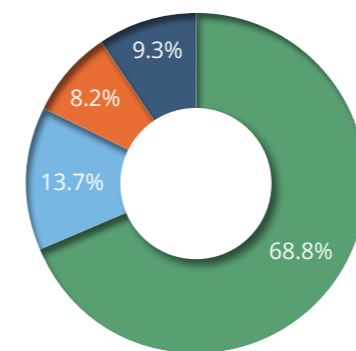
AME firmly believes in upholding diversity, inclusion and equality in the workplace. The Company practices a merit-based compensation and advancement system, with no discrimination based on race, religion, age, disability, nationality, or other demographic criteria. AME has also taken an extra step towards diversity and inclusivity in FY2023 by adopting a D&I Policy. This policy reaffirms AME's pledge to foster a work environment of mutual respect and appreciation, accentuating the vibrant and diverse culture at the heart of AME.

In FY2023, there were no reports of workplace discrimination at AME.

AME has a total workforce of 576 employees, of which 76% are male and 24% are female. The relatively lower percentage of female employees compared to male employees is mainly attributable to the male-dominated nature of the construction industry.

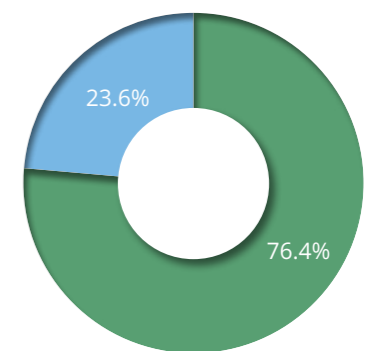
With regards to Board diversity, there is currently 25% women representation at the Board level. It is important to AME that its leadership consists of directors that provide a wide range of perspectives that can help AME in its decision-making process and achieve its strategic objectives. To increase diversity at the top, AME strives to achieve a representation of at least 30% of women at the Board level.

Breakdown of Workforce by Division in FY2023 (%)



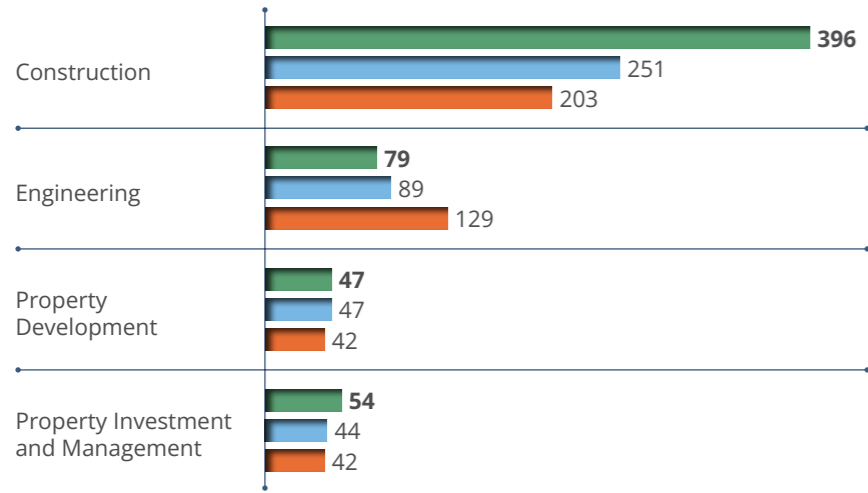
- Construction
- Engineering
- Property Development
- Property Investment and Management

Breakdown of Workforce by Gender in FY2023 (%)

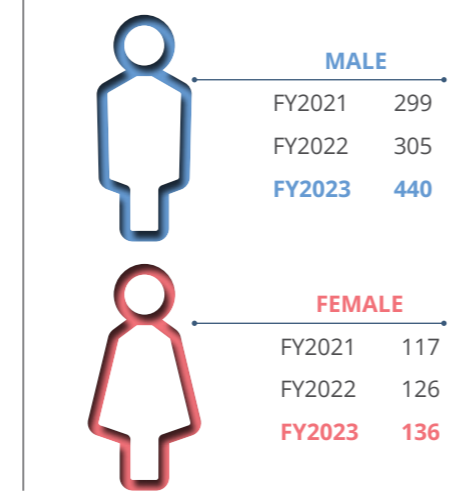


- Male
- Female

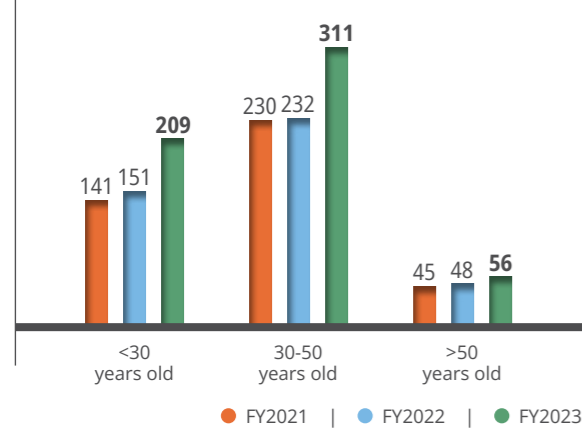
Breakdown of Workforce by Division



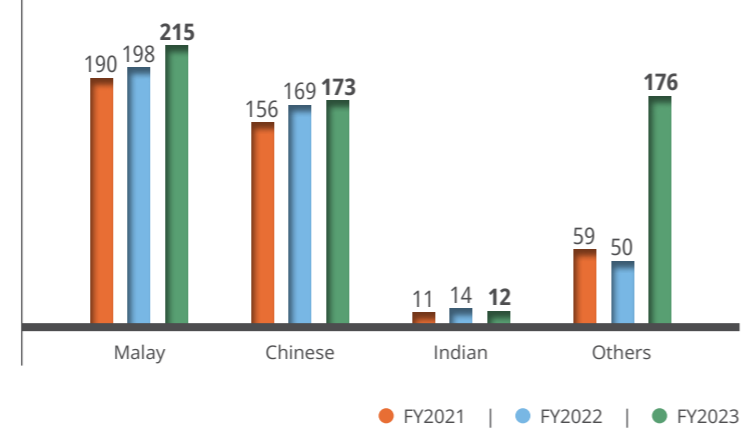
Employees by Gender



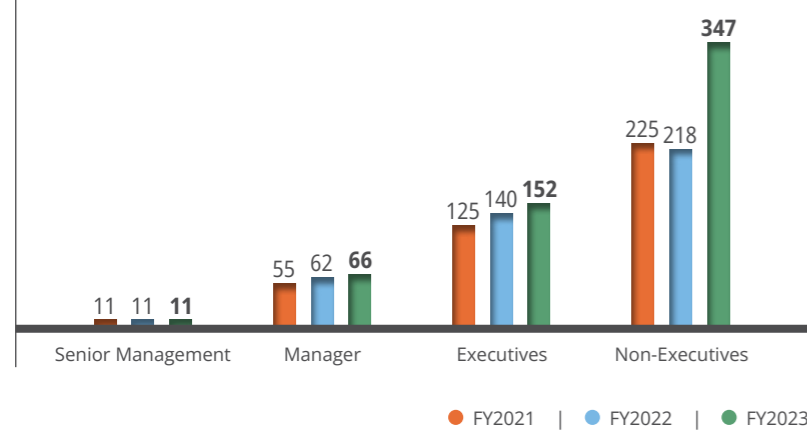
Employee by Age Group



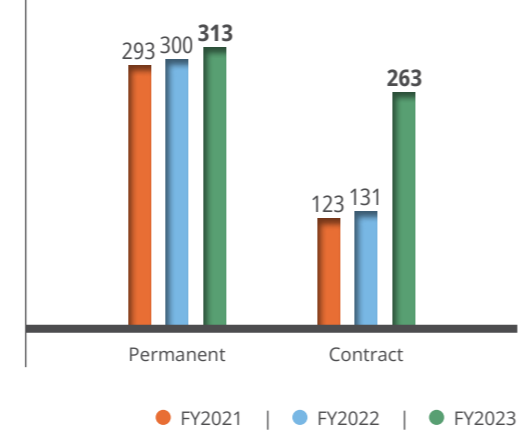
Employee by Ethnicity



Employee by Category



Employee by Contract Type



Across FY2023, a total of **31 students** joined AME in an internship to gain practical work experience in their respective fields of study they are undertaking.

Employee Engagement

AME places great emphasis on creating a vibrant and engaging workplace. Through carefully designed employee engagement initiatives, AME strives to provide its staff with opportunities to unwind, socialise and build meaningful relationships. This deep sense of engagement empowers AME's employees to take ownership of their roles and align themselves with the Company's mission, resulting in an even greater collective impact.



The Annual Dinner of AME was a remarkable occasion, with a captivating retro theme. Employees enthusiastically showcased their talents through engaging performances, vying to win exciting prizes. The event was a resounding success, complemented by delectable food, refreshing drinks, and live music that had everyone on their feet. This vibrant gathering celebrated the achievements of employees while fostering a strong sense of camaraderie.



AME's Ramadhan Dinner was organised to honor and celebrate AME's Muslim colleagues. Held at a local hotel, the event featured a delectable spread of food and drinks, creating a warm and inclusive atmosphere where colleagues could come together to break fast and share the blessings of the holy month of Ramadan.



As a gesture of appreciation for AME's hardworking employees, a Durian Party featuring more than 200kg of durian was held at the i-Privilege Club, allowing its employees to connect and bond over their shared passion for durian.



AME's 2022 Christmas Party brought together employees and i-Park operators, tenants and clients for a festive celebration. The event featured delectable food and drinks, accompanied by the lively tunes of a live band. This gathering was perfect occasion for employees to interact with i-Park operators and tenants, strengthening relationships and fostering a sense of community.



To promote teamwork and a healthy lifestyle, AME organised a friendly badminton match with its auditors in i-Privilege Club. The event was marked by spirited competition and camaraderie as employees and auditors engaged in friendly matches. This initiative fostered a sense of teamwork served as a platform for building connections and promoting a healthy work-life balance.



During Chinese New Year, AME visited i-Park's operators' and tenants' factories and offices to convey AME's warm wishes for a prosperous year. These visits allowed employees to personally connect with operators and tenants, fostering unity and understanding. The festivities were enhanced by enchanting dragon and lion dance performances, adding a touch of tradition and good fortune.



Dragon and lion dance crew performed at AME's HQ as part of the Chinese New Year celebration. The performance served as the centrepiece of the festivities, with firecrackers and traditional music enhancing the jubilant atmosphere. By integrating cultural traditions into workplace celebration, AME seeks to foster a sense of belonging and inclusivity within its diverse team.

EMPOWERING COMMUNITIES

AME is dedicated to improving the lives of the communities surrounding its operations as part of its commitment to sustainable development. The Company recognises that lasting progress can only be achieved when outcomes benefit all parties involved. With this in mind, AME actively engages with local communities to gather feedback and create opportunities for enhancing their living conditions and overall well-being.

One of the ways in which AME makes a positive impact on the local community is by contributing to its socio-economic growth. The Company achieves this by providing job opportunities, supporting the local supply chain, and generating tax revenues for state and federal government. AME's modern industrial spaces act as catalysts for the local manufacturing industry, stimulating economic growth and development. Moreover, i-Stay's high quality and respectable living spaces can house over 6,000 occupants, ensuring that residents from the local community are treated with equal respect and dignity.

AME also invests in community projects that foster social and economic development. AME's initiatives focus on disaster relief, community development, volunteering and charitable works. Before implementing these programs, AME carefully assesses the needs and priorities of the local community. By working closely with governments and non-governmental organisations, AME ensures that the supported initiatives bring maximum benefits to those who need them the most.

In the past year, AME contributed a total of RM343,951 to various community initiatives, including both financial assistance and in-kind offerings. These contributions encompass a wide range of programs, such as substantial contribution of RM100,000 to the Southern University College Fund, cash donation and sponsoring uniforms to Sekolah Kebangsaan Sedili Kecil in Kota Tinggi, Johor, donation of drinking water to residents in Johor Jaya affected by water supply disruptions, and establishment of flood response team that provides clean up assistance to flood-impacted houses, schools and mosques.

Through these collaborative efforts and contributions, AME strives to empower communities, foster social and economic progress, and improve the overall well-being of the local populations.

Financial Assistance to Former Employee of AME Suffering from Illness

AME deeply value the wellbeing and welfare of its employees, even after their tenure with the Company. In light of this, AME has extended its support to a former employee who faced a series of medical challenges that significantly impacted his health and livelihood.

The former employee was admitted to the intensive care unit due to a sudden heart attack and kidney problems. As his health deteriorated, he faced difficulties in continuing his work. This situation left him unable to provide for his family, which includes two dependent children and a pregnant wife.

Understanding the urgency and gravity of the situation, AME has stepped forward to offer financial aid to support the former employee and his family during this challenging time. The donation provided will assist with various essential needs, including house rent, medical equipment such as electrical nursing hospital bed for home use and a wheelchair, and expenses related to the upcoming birth of his child. These contributions aim to alleviate some of the financial burdens faced by the family, enabling them to focus on the former employee's recovery and the well-being of their growing family.



AME's Response to Flood

In response to the floods that occurred in Johor, AME swiftly established a dedicated flood response team. The aim was to provide assistance to affected households, offering much-needed support during this challenging time. The initiative covered several areas, including Segamat and Muar, which were severely impacted by the flood.

One key aspect of AME's response was to provide clean-up assistance to affected areas. AME's team worked tirelessly to help restore homes to their pre-flood condition, ensuring a safe and healthy environment for residents. This included tasks such as debris removal, sanitisation, and necessary repairs to damaged infrastructure.

Recognising the immediate needs of the affected communities, AME also extended support to the Batu Pahat flood evacuation centre. AME donated essential groceries items to assist in meeting the basic needs of those seeking refuge at the centre. By providing these supplies, AME aimed to alleviate some of the burdens faced by the flood-affected individuals and families.

To facilitate the relief efforts in Segamat and Muar, AME deployed machineries and equipment such as water jets, generator sets, and water pumps to aid in the removal of floodwater, expedite the restoration process and provide temporary relief to affected areas. This proactive approach allowed AME to contribute to the overall relief efforts to help communities recover more efficiently.



Donation of Drinking Water to Residents Affected by Water Disruption



In response to water supply disruptions affecting the Johor Jaya area, AME implemented a CSR initiative to distribute drinking water to affected residents. AME's effort focused on providing immediate relief by distributing 200 cartons of drinking water to ensure a sufficient supply of clean water for those facing the water disruption. Community representatives from Surau AlFalah Taman Molek, Majlis Perbandaran Pasir Gudang, and MCA Lead from Seri Alam were actively involved in receiving and distributing the drinking water to the affected residents.

Cash Donation and Uniform Sponsorship for School

AME is committed to making a positive impact on education, especially in underserved communities. Recognising the unique challenges faced by Sekolah Kebangsaan Sedili Kecil, a rural school where the majority of students come from fishing families belonging to the B40 group, AME selected it as the beneficiary of the Company's CSR efforts.

AME's support for Sekolah Kebangsaan Sedili Kecil aimed to align with the objectives set by the state education office and the school management. One of the pressing needs identified was the provision of KRJM uniforms for all students to participate in curriculum activities. Understanding the financial constraints faced by the students' families, AME's CSR team stepped forward to assist by providing necessary funds to ensure every student could have the required uniforms.

Additionally, AME's assessment revealed that several school facilities were in a non-functioning and dilapidated condition. Recognising the importance of having adequate infrastructure for students' educational experience, AME's CSR team made a cash donation to the school. This contribution will be utilised to improve the facilities, creating a safer and more conducive environment for students to learn and thrive.

Back to School Programme for Flood Affected Students

In addition to AME's support for Sekolah Kebangsaan Sedili Kecil, AME also extended its assistance to Sekolah Seri Benut as part of the Back to School program. In the aftermath of the Johor Flood, which affected the lives of many, including students, AME recognised the importance of ensuring a smooth transition back to school. Through this program, AME provided around 130 students with new uniforms for the new school term, enabling them to start afresh with dignity and pride. Additionally, recognising the water disruption issues faced by the school, AME donated a water pump to address the ongoing challenges to ensure that students have access to clean water for their daily needs.





MANAGING OUR ENVIRONMENTAL FOOTPRINT

AME is focused on effectively managing and mitigating its environmental impact while acknowledging the vital role of responsible environmental stewardship in ensuring the long-term success and resilience of the business. AME is committed to integrating sustainable practices across its operations, from sourcing raw materials to manufacturing processes, distribution, and waste management. Through adopting innovative technologies and implementing green initiatives, AME strives to minimise its carbon footprint, conserve precious natural resources, and preserve biodiversity. This steadfast dedication to managing environmental impact is reflected in its daily business operation, as AME collaborates with suppliers, customers, and stakeholders who share the goal of driving positive change and building a sustainable future for generations.

Furthermore, AME emphasises on implementing sustainability practices and prioritises performance data and reporting disclosure. This transparent approach enables stakeholders to better understand AME's efforts in managing environmental impacts. AME is committed to strengthening its ESG efforts and adhering to AME's Sustainability Framework to progress towards achieving sustainable development.



Recreational park at i-Park@Senai Airport City



Aerial view of recreational park at i-Park@Senai Airport City

WASTE & MATERIALS MANAGEMENT

AME is dedicated to driving a sustainable future by transitioning from using conventional resources to more sustainable resources with the aim of reducing carbon footprint. The construction of industrial properties in AME's industrial park focuses on fully and efficiently utilising all its components to minimise material consumption and avoid unnecessary wastage. Additionally, AME's sustainable raw material sourcing process ensures materials are produced from reliable vendors and reduce the volume of waste.

AME highly encourages the use of sustainable construction materials by optimising resource usage throughout their lifecycle, from production to consumption and disposal. By embracing these practices, AME aims to contribute to a greener and more sustainable future.

Sustainable Construction Materials

Utilising Recyclable and Reusable Materials

Material such as steel structure High Tensile Deformed (HTD) steel bars, plasterboard, mineral wool insulation, aluminium louvres and precast concrete (among others) are carefully selected over more conventional materials, without any compromise on quality. These reusable and recyclable materials help prevent wastage which will in turn reduce the consumption of raw materials, thereby effectively reducing the carbon footprint.



Environmentally Friendly Materials

AME prioritises the use of green label products that consist of eco-friendly ingredients. Specifically, products with low volatile organic compounds (VOCs) are favoured to minimise the release of harmful emissions. Furthermore, for AME's landscaping efforts, environmentally friendly fertilisers are preferred. These fertilisers effectively nurture plants and support the well-being of pondwater living organisms, all while ensuring the protection of the environment.



High Life Cycle Building Materials

Low maintenance and durable materials that require less maintenance such as IBS design system precast concrete wall and steel structure frame, galvanised wire mesh fencing and fibreglass insulation (among others) are selected over more conventional materials. This maximises the use of raw materials and reduces the usage of natural resources.



AME recognises that managing waste effectively is important towards minimising negative environmental impacts. Moving forward, AME aspires to improve data tracking and monitoring efforts within its operations and actively educates its workforce on the importance of managing the waste and ensuring the waste disposals are properly handled. The construction division ensures compliance with relevant environmental regulatory and legal requirements, such as the Environmental Quality (Scheduled Waste) Regulation 2005, and industry certifications like the Green Building Index (for selected projects). These practices align with AME's Sustainability Policy, which emphasises responsible waste management and adherence to applicable environmental regulations.

The total waste generated in FY2023 was 5,293 tonnes. The waste includes domestic waste and construction waste generated from the project sites.

AME is highly aware of the consequences of improper waste disposal, emissions and discharges which can result in legal penalties and environmental pollution. In FY2023, there were no compounds and fines from authorities on environmental issues.



Commitment to Reduce, Reuse, Recycle (3R)

AME continuously practices effective waste management to avoid waste generation and reduce waste sent to landfills. Waste that can be diverted is sent for recycling, minimising the reliance on virgin resources for future application. Licensed contractors responsibly dispose of waste that cannot be recycled or reused at designated waste collection points.



Reduce

AME seeks to reduce paper usage by encouraging the use of electronic copies of documents and avoiding the unnecessary printing. AME also minimises the usage of single-use items by using refillable amenities, such as hand soap gel, at i-Privilege Club. Additionally, AME has also reduced paper towel usage in AME's HQ and i-Privilege Club by installing hand dryers in the common toilets. Building material wastage is minimised at the construction project sites by utilising applications such as Industrialised Building System (IBS) and Building Information Modelling (BIM) to improve project efficiency and cost saving.

Reuse

AME promotes reuse practices across all divisions to fully maximise the utilisation of waste material and provide a second life to functional materials.

At AME's construction project sites, the formwork is reused at least 3 times to minimise material wastage. Concrete waste is repurposed as crusher run for access road and to cover potholes within project sites. Unusable concrete waste will be sent to a licensed landfill for disposal. Timber waste is predominantly reused for signage, storage facilities and other on-site facilities to prolong the material's life cycle.

In addition, natural waste such as trimmed branches and dry leaves are collected by AME's landscape maintenance team to be used as organic fertiliser for landscaping.

Recycle

Recycling is an essential practice that promotes sustainable living and is crucial in reducing waste and preserving the environment. To cultivate recycling awareness among AME's employees and customers, the Company organised various events and provides recycling bins within AME's offices and properties. AME's comprehensive waste management program involves on-site waste separation and collection. By categorising waste into recyclable and non-recyclable materials, the Company can divert recyclables from ending up in landfills.

Through its effort, AME has successfully recycled 696.93 tonnes of scrap metal from construction sites, contributing to reducing waste in these areas. Furthermore, for i-Stay dormitories, they have successfully diverted 1354 pieces of mattresses and 1125 pieces of pillows from landfills.



Waste No More Campaign

To raise recycling awareness among employees, informative video clips related to environmental awareness and general information on waste management are projected on televisions in the cafeteria area of AME's HQ. The aim is to educate and inform AME's employees about the importance of waste management and encourage active participation in recycling efforts.

Mobile Recycling Spot

AME, in collaboration with the Yellow Bin and United Park Management Sdn Bhd, organised the Mobile Recycling Spot event. The event took place at i-Privilege Club and had the primary goal of promoting the recycling of pre-loved items including textiles, accessories, homeware, empty bottles, books, cardboard, and other recyclables. The event successfully resulted in the recycling of more than 225kg of items.



Cloud Based Waste and Recycling Management System

To further enhance AME's waste management and monitoring effort, AME has implemented a cloud-based waste and recycling management system in its HQ. This system enables efficient data collection and provides valuable trend analysis. The output data can be used to improve AME's process efficiency, allowing for better waste management practices.



ENERGY MANAGEMENT

Carbon emissions resulting from the burning of fossil fuels, which are commonly used for energy generation, are widely acknowledged as one of the major contributors to climate change and global warming, posing significant threats to biodiversity and the overall health of the planet. AME recognises the importance of managing its environmental impact by monitoring and reducing energy consumption. By tracking and recording energy usage, the Company can identify areas where efficiency can be improved, and energy waste minimised.



Diesel Fuel Consumption ⁽¹⁾

Total Diesel Consumption in FY2022 ⁽²⁾

574,785.51 litres

Total Diesel Consumption in FY2023

794,513.49 litres

Purchased Electricity Consumption ⁽³⁾

FY2022

FY2023

	Electricity Consumption from Construction Site	436,876.89 kWh	848,915.84 kWh ⁽⁴⁾
	Electricity Consumption from Corporate Offices, Sales Galleries, i-Privilege Club and Common Areas Managed by AME	707,472.66 kWh	866,328.47 kWh ⁽⁵⁾
Total Purchased Electricity Consumption		1,144,349.55 kWh	1,715,244.31 kWh

Note:

⁽¹⁾ Estimation for diesel consumption in litres derived with reference to accounting data on volume of diesel purchased and weekly diesel prices specific to the operating locations.

⁽²⁾ FY2022 diesel consumption was restated to reflect the expansion of scope to include diesel consumption from all subsidiaries.

⁽³⁾ Actual purchased electricity consumption in kWh from TNB bill in FY2023.

⁽⁴⁾ Increase in electricity consumption from construction site in FY2023 is due to increase in construction activity.

⁽⁵⁾ Increase in electricity consumption from corporate offices, sales galleries, i-Privilege Club and common areas managed by AME is mainly due to expansion of scope to include additional offices.

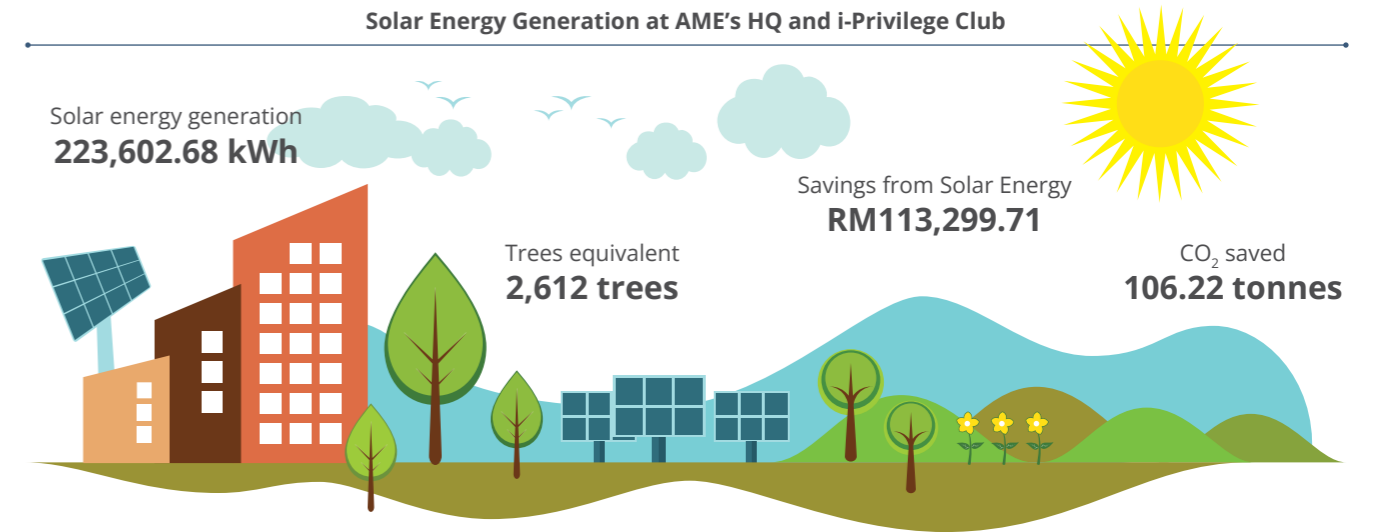


Solar panels at i-Privilege Club

Towards Green Energy

In tandem with its effort to reduce energy consumption, AME has employed the strategy to invest in renewable energy sources to generate clean and sustainable energy, reducing reliance on traditional energy sources. Aside from installing solar panels to generate solar power on-site at selected buildings, AME is also utilising solar powered lighting at its construction sites for activities that need to run at night.

Solar Energy Generation at AME's HQ and i-Privilege Club



Energy Saving Initiatives

Energy Efficient Industrial Building Design in AME's Industrial Park



Efficient Lighting Design

- Encouraging natural daylight in buildings by incorporating translucent sheetings
- Incorporating high ceiling, an up-lift jack roof system and low window height design for optimised natural lighting
- Utilising energy saving LED lighting where feasible



Efficient Thermal Design


- Low window height design to minimise the overall thermal transfer into the building
- Using reflective glaze and high solar reflectance roofing to minimise thermal transfer into the building
- Ensuring correct building orientation and sun shading fixture devices that reduce direct sun glaze and unnecessary heating
- Utilising Zinalume metal with thick fibreglass in roofing for efficient thermal insulation
- Using thicker glass for windows and doors to reduce thermal transfer into the building




Energy efficient industrial building design of industrial properties in AME's industrial park

Energy Saving Initiatives and Features at AME's HQ and i-Privilege Club


Efficient hot water system at i-Privilege Club's changing rooms, saves up to three times more energy than a conventional electrical resistance water heater.




Individual zone lighting at AME's HQ, i-Privilege Club and i-Stay dormitories, all zones and enclosed spaces are individually switched and lit separately.



Variable refrigerant flow (VRF) air conditioning mechanical ventilation system at AME's HQ provides better energy efficiency, zoned cooling and less downtime.



Centralised air conditioning and lighting at AME's HQ are set with a timer to switch off the system at off-peak times to reduce energy wastage.

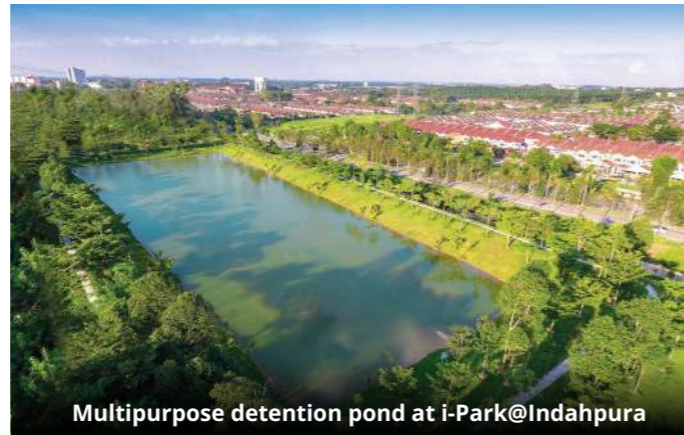


WATER MANAGEMENT

Water is widely consumed in various applications at construction sites including dust suppression, road-cleaning, personal hygiene, concrete curing, brickwork and cement rendering works. AME primarily relies on municipal potable water for its water consumption needs. However, the Company is committed to reducing reliance on municipal sources and increasing the use of recycled water, particularly for non-potable applications. To achieve this, AME implemented rainwater harvesting systems to collect and utilise water from precipitation for general cleaning purposes.



Water usage data from municipal potable water is recorded and monitored based on the monthly water bills, allowing AME to track its consumption patterns and identify areas for improvement.

In addition to water consumption, AME greatly emphasises managing wastewater effluent responsibly. Regular water quality inspections are conducted to ensure compliance with the standards set forth by the Environment Quality (Industrial Effluent) Regulations 2009, as guided by the Urban Stormwater Management Manual (MSMA). Before discharging wastewater into designated drainage locations and local waterways, AME ensures that the effluent meets the necessary requirements for environmental protection.



Multipurpose detention pond at i-Park@Indahpura

Water consumption data ⁽¹⁾

	FY2022	FY2023
 Water Consumption from Construction Sites	63,842.34 m ³	86,968.63 m ³ ⁽²⁾
 Water Consumption from Corporate Offices, Sales Galleries, i-Privilege Club and Common Areas Managed by AME	7,807.48 m ³	7,365.13 m ³
Total Water Consumption	71,649.82 m³	94,333.76 m³

Note:

⁽¹⁾ Actual water consumption in m³ from water bill.

⁽²⁾ Increase in water consumption from construction sites in FY2023 is due to increase in construction activity.

Water Saving Initiatives

AME is committed to reducing water consumption and preventing water pollution. Therefore, various water saving initiatives are made available at its corporate offices, sales galleries, development, and active construction sites.

Rainwater Harvesting System

The industrial buildings within i-Park have been equipped with a rainwater harvesting system with a capacity of 1000 litres. By capitalising on Malaysia's substantial annual rainfall, rainwater is collected, filtered, stored and recycled for various non-potable purposes such as watering gardens, flushing toilets and other similar activities.

Low Water Consumption Fixtures

The corporate offices, sales galleries and industrial buildings within i-Park have been fitted with low-water consumption fixtures to minimise water consumption.

Dust Suppression and Road Cleaning

Recycled water collected from rainwater recycling system and silt traps is used for dust suppression and general cleaning.

Drought-tolerant Native Vegetation

Special considerations were taken during the selection of trees and shrubs for landscaping of AME's industrial park and properties. Drought-tolerant plants and vegetations that requires minimal irrigation are favoured, thereby minimising the requirement for extensive irrigation.

Reusing and Recycling Water

i-Park's landscape maintenance reuses non-potable water from the wetland pond for irrigating the landscapes. Furthermore, water from testing and commissioning of pump flow system is reused and recycled for essential non-potable consumption activities.

Other Water Saving Practices

Water saving awareness has been promoted among employees, encouraging them to adopt various water saving practices to reduce water consumption, such as:

- (i) Turning off water tap when not in use
- (ii) Avoid repeated toilet flushing
- (iii) Conduct regular check for water leakages
- (iv) Reporting of water leakages to facilities management team



Reusing non-potable water from wetland pond for irrigating the landscapes

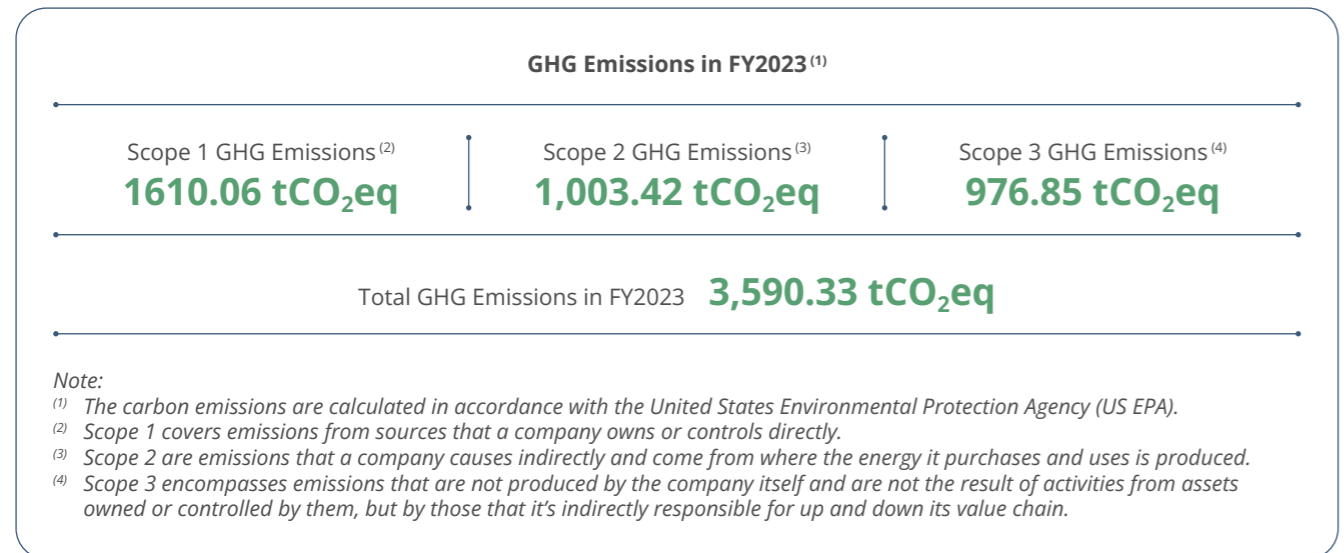


Rainwater harvesting system

ADDRESSING CLIMATE CHANGE

Climate change refers to long-term shifts in global or regional weather patterns, primarily attributed to human activities, particularly the emission of greenhouse gases into the atmosphere. Climate change has far-reaching effects on ecosystems, biodiversity, weather patterns, sea levels, and human societies. AME places great importance on monitoring its carbon footprint and addressing climate change issues. The Company is committed to regulatory compliance and adopts the best management practices to reduce its carbon footprint and impacts towards climate change.

Addressing climate change is a complex and multifaceted challenge that requires action at local, national, and international levels. By taking a proactive approach, companies like AME can contribute to mitigating the effect of climate change and creating a more sustainable future for generations to come. One important component of this effort is tracking and disclosing GHG emissions. This helps measure the environmental impact and set a baseline for further improvement efforts. AME recognises its role in mitigating the impacts of climate change and puts significant effort into managing energy use and efficiency as a call to action in reducing GHG emissions.



Green Initiatives

As a leading integrated industrial park developer, AME is dedicated to tailoring its services to clients' specific needs and providing green solutions for their projects. Creating a sustainable future requires concerted efforts, so AME supports customers in their ambitions to minimise their carbon footprint. The Company is committed to fulfilling the requests from customers to develop green buildings, aligning with its sustainability goals.

Several AME's development projects have obtained the Green Building Index ("GBI") Design Assessment certification to further support its commitment to sustainability. This accreditation is an important marker of sustainability and indicates that the buildings have met rigorous environmental standards and criteria. By obtaining GBI certification, AME fulfils its operators'/tenant's needs for a GBI (or similar) accredited building. It provides them with the assurance that their work environment is designed with sustainability in mind.

Furthermore, AME prioritises the working environment of its employees and the experience of its visitors. This is evident in the construction of its Corporate HQ and i-Park Experience Centre, which were built in accordance with GBI and awarded the Provisional GBI Silver Rating.



Building Green Spaces

I-Park incorporates ESG aspects in its planning, development and management, at least 20% of its development is designated as green spaces to create nature-oriented working and living environments for operators/tenants, as well as preserving the flora species native to the development location. This emphasis on green spaces enhances the aesthetic appeal and contributes to environmental conservation.

Besides that, AME's HQ has conserved about 1 acre, accounting for approximately 26% of the overall development, as green open spaces. These areas serve as valuable green lungs within the property.

To further support its sustainability efforts, AME maintains a nursery in i-Park where various trees and plants are cultivated to produce seedlings for the landscaping of these green spaces. This approach avoids unnecessary transportation-based emissions associated with procuring seedlings from external sources.

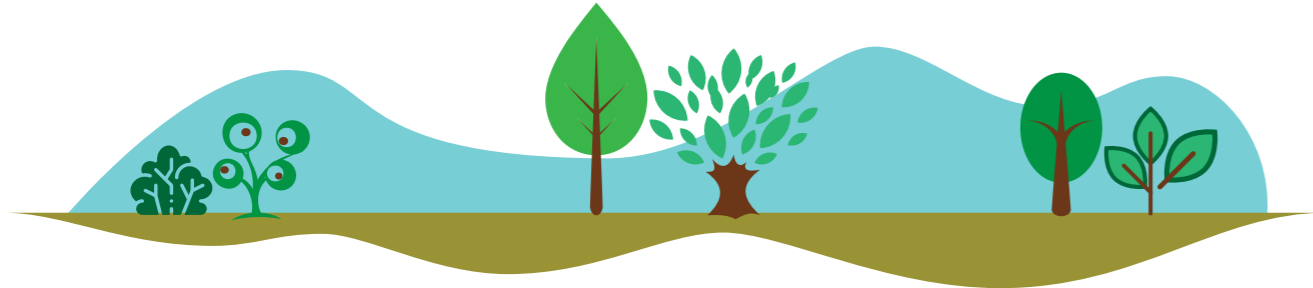


Flora Highlights at AME's HQ

Shrubs & low plants
32 species

Trees and palm
32 species

Plants
81,927



Encouraging Green Transportation

The daily movement of people for work, recreation and general commuting contributes significantly to carbon emissions. Recognising this, AME strongly emphasises promoting green transportation during the design and development stages of its development, including encouraging low-carbon mobility options.

To actively support the reduction of carbon footprints, designated parking areas for green vehicles were provided in i-Park. These initiatives encourage business operators and their employees to choose eco-friendly transportation. Additionally, i-Park@Senai Airport City's properties are equipped with EV charging power points, which facilitate the future installation of charging station by tenants. This initiative promotes the use of electric vehicles as a sustainable transportation option.

Cycling is another mode of transportation strongly encouraged within i-Park. To facilitate this, relevant infrastructure, such as a dedicated cycling path, has been provided, enabling convenient and safe cycling within i-Park.

The i-Stay worker's dormitories have been strategically located within walking distance of the workplace in i-Park, reducing the need for transportation. This proximity allows workers to easily commute by foot, significantly reducing carbon emissions associated with transportation. In support of this initiative, a sheltered pedestrian walkway between the i-Stay worker's dormitories and i-Park, has been provided, further encouraging workers staying in the dormitories to walk to their workplace in i-Park.



Cycling path in i-Park@Senai Airport City



Designated parking areas for green vehicles

Multipurpose Detention Pond at i-Park@Indahpura

To move away from traditional rainwater management systems, AME is utilising a multipurpose detention pond as a more sustainable method of collecting the rainwater and releasing it at a rate that prevents flooding or erosion. When not being utilised for flood prevention purposes, the area surrounding the detention pond is transformed into a recreational park for communities to enjoy. Considerable efforts have been implemented to beautify the detention pond which is the centrepiece of the park which is open to all.

The pond serves its functional role and provides a habitat for various freshwater fish. Surrounding the pond, a diverse array of trees has been planted, creating natural shading and further enhancing the park's beauty. To ensure the cleanliness and preservation of the park, i-Stay Management organises occasional Gotong-Royong events and invites its tenants to participate. During these events, participants join forces to pick up waste along the park and segregate it for recycling, fostering community engagement and environmental responsibility.



Tree Planting on Earth Day

Tree planting initiatives plays a vital role in mitigating climate change, enhancing biodiversity and improving air quality. Recognising the significance of these efforts, AME takes part in tree planting activities as a way to contribute to the restoration of ecosystems and promote a more vibrant, resilient, and harmonious relationship with nature. In conjunction of Earth Day, AME initiates tree planting activities that aim to create a positive impact on the environment and raise awareness about the importance of preserving our natural surroundings.



SUSTAINABILITY STATEMENT

Environmental Compliance

Given that AME is engaged in construction, engineering, property development and property investment activities, AME must prioritise strict adherence to environmental laws and regulations. This commitment is essential in effectively managing risks and ensuring environmental sustainability. AME's dedication to this principle aligns with the guidelines set forth in its Sustainability Policy, which underscores the importance of environmental responsibility.

To uphold these commitments, AME implements best management practices that significantly reduce the likelihood of non-compliance issues stemming from its operations.

Whenever necessary, an Environmental Impact Assessment (EIA) is undertaken prior to property development to assess the possible environmental implications of the proposed development and to identify solutions to better manage and minimise environmental harm. AME recognises that instances of environmental non-compliance cases such as improper waste disposal or chemical leakages can cause long term environmental damage and pose a risk to the Company's reputation. Therefore, AME strives to prevent such occurrences at its project sites.

Environmental Management Plan (EMP)

At i-Park, an environmental monitoring report is prepared monthly according to the status inspection of river water quality, quarterly sampling of ambient air and boundary noise monitoring. The environmental monitoring report complements AME's monitoring and audit program, which evaluates the efficacy of existing mitigating measures and identifies opportunities to implement further measures to ensure full compliance with environmental requirements.

Environmental Monitoring Components

Component	Frequency	Parameters
Project Site Discharge and River Water Quality	Monthly	National Water Quality Standard Class IIA/IIB pH, COD, BOD5, AN, E-Coli, O&G, TSS & DO
Ambient Air Quality	Monthly	PM10, PM2.5, NO2 SO2
Noise Level	Monthly	LReqR, LR90R, LR10R, LRmaxR, LRmin



Aerial view of i-Park@Senai Airport City

Yearly Environmental Compliance Audit Plan

The Environmental Compliance Audit (ECA) is an independent third-party audit that investigates an organisation's level of compliance with environmental statutes, regulations, local laws and other criteria. I-Park conducts environmental compliance audit plan yearly to demonstrate due diligence, to serve as an early warning of any potential environmental problems and prioritise their environmental upgrades.

The reports will detail the audit scope and the extent of the investigation program. Data collected during the audit will be compared to the audit criteria to determine the level of compliance with applicable environmental legislation and any unsatisfied criteria will be reported to AME. The audit report also outlines best management practices for specific environmental aspects where opportunities for improvement are identified.





**Tengku Azrina
Binti Raja Abdul Aziz**
Independent Non-Executive Chairperson

Female | Malaysian | Aged 50

DATE OF APPOINTMENT 5 September 2018
TENURE OF DIRECTORSHIP 4 Years and 10 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Advocate and solicitor of the High Court of Malaya
- Called to the Bar of England and Wales
- Master of Arts, University of Oxford, United Kingdom
- Bachelor of Arts (Jurisprudence), University of Oxford, United Kingdom

PROFESSIONAL EXPERIENCE

- Co-founder and Partner of Messrs Lee & Tengku Azrina (Apr 2005 – present)
- Associate/Senior Associate of Messrs Zaid Ibrahim & Co (Nov 2000 – Mar 2005)
- Associate of Messrs Wong & Partners (Jul 1999 – Sep 2000)
- Legal Executive of Tenaga Nasional Berhad (Jun 1998 – Jun 1999)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil



Lee Chai
Group Managing Director

Male | Malaysian | Aged 60

DATE OF APPOINTMENT 27 August 2018
TENURE OF DIRECTORSHIP 4 Years and 10 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Sijil Tinggi Persekolahan Malaysia Certificate, Sekolah Menengah Kebangsaan Sultan Ismail, Johor

PROFESSIONAL EXPERIENCE

- Director of I REIT Managers Sdn Bhd (Apr 2021 – present)
- Director of Quantum Renewable Energy Sdn Bhd (Jul 2020 – present)
- Director of Greenhill SILC Sdn Bhd (Jun 2020 – present)
- Director of Pentagon Land Sdn Bhd (Jun 2020 – present)
- Director of I Stay Management Sdn Bhd (Feb 2018 – present)
- Director of Ipark Development Sdn Bhd (Sep 2012 – present)
- Director of AME Engineering Industries Sdn Bhd (Sep 2008 – present)
- Director of AME Development Sdn Bhd (Jan 2008 – present)
- Director of AME Construction Sdn Bhd (Aug 1995 – present)
- Director of Asiamost Sdn Bhd (Dec 1994 – present)
- Director of Syarikat Asia Mechanical Engineering Sdn Bhd (Dec 1985 – Aug 2018)
- Contract Executive of Syarikat Asia Mechanical Engineering (Jan 1984 – Dec 1985)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

I REIT Managers Sdn Bhd, the Manager of AME Real Estate Investment Trust

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Lee Chai is the brother to Lee Sai Boon, brother-in-law to Lim Yook Kim, father to Lee Ling Sien, and uncle to Lim Khai Wen and Lim Pei Shi.



Lee Sai Boon
Executive Director

Male | Malaysian | Aged 58

DATE OF APPOINTMENT 27 August 2018
TENURE OF DIRECTORSHIP 4 Years and 10 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master of Business Administration, University of Dubuque, Iowa, United States of America
- Bachelor of Mechanical Engineering, Universiti Teknologi Malaysia

PROFESSIONAL EXPERIENCE

- Chairman of I REIT Managers Sdn Bhd (Mar 2022 – present)
- Director of I REIT Managers Sdn Bhd (Apr 2021 – present)
- Director of Quantum Renewable Energy Sdn Bhd (Jul 2020 – present)
- Director of Greenhill SILC Sdn Bhd (Jun 2020 – present)
- Director of Pentagon Land Sdn Bhd (Jun 2020 – present)
- Director of Ipark Development Sdn Bhd (Sep 2012 – present)
- Director of AME Development Sdn Bhd (Jan 2008 – present)
- Director of AME Engineering Industries Sdn Bhd (Sep 2008 – present)
- Director of AME Construction Sdn Bhd (Mar 1996 – present)
- Director of Asiamost Sdn Bhd (Dec 1994 – present)
- Production Manager of Tru-Tech Electronics (M) Sdn Bhd (Jul 1994 – Nov 1994)
- Process Engineer of Hewlett Packard Pte Ltd (Jan 1990 – Jul 1994)
- Process Engineer of PCI Printed Circuits International Pte Ltd, Singapore (Nov 1988 – Jan 1990)
- Assembly Engineer of Western Digital Malaysia Sdn Bhd (Oct 1988 – Nov 1988)
- Trainee Engineer of Oriental Assemblers Sdn Bhd (Jun 1988 – Sep 1988)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

I REIT Managers Sdn Bhd, the Manager of AME Real Estate Investment Trust

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Lee Sai Boon is the brother to Lee Chai, brother-in-law to Lim Yook Kim, and uncle to Lim Khai Wen, Lim Pei Shi and Lee Ling Sien.



Lim Khai Wen
Executive Director

Male | Malaysian | Aged 42

DATE OF APPOINTMENT 1 June 2023*
TENURE OF DIRECTORSHIP 2 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master of Science in International Business Management, University of East London, United Kingdom
- Diploma in Computer Science, Sydney Institute of Business and Technology, Australia

PROFESSIONAL EXPERIENCE

- Director of AME Construction Sdn Bhd (Jan 2022 – present)
- Marketing Director of Quantum Renewable Energy Sdn Bhd (Jul 2020 – present)
- Director of AME Engineering Industries Sdn Bhd (Sep 2008 – present)
- Marketing Director of W-Link Sdn Bhd (Mar 2003 – Nov 2018)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Lim Khai Wen is the son to Lim Yook Kim, brother to Lim Pei Shi, cousin to Lee Ling Sien and nephew to Lee Chai and Lee Sai Boon.

* In line with the Company's succession plan, Lim Khai Wen was appointed to the Board as Executive Director on 1 June 2023. He succeeds Lim Yook Kim, who has opted to resign as Executive Director effective on the same date.

BOARD OF DIRECTORS' PROFILE



Kang Koh Wei
Executive Director

Male | Malaysian | Aged 41

DATE OF APPOINTMENT 1 June 2023*
TENURE OF DIRECTORSHIP 2 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Bachelor of Engineering (Civil), Queensland University of Technology, Australia

PROFESSIONAL EXPERIENCE

- Managing Director of AME Construction Sdn Bhd (Oct 2021 – present)
- Director of AME Construction Sdn Bhd (Aug 2013 – present)
- Project Director of AME Construction Sdn Bhd (Jun 2013 – Jul 2013)
- Site Manager of AME Construction Sdn Bhd (May 2011 – Jun 2013)
- Project Engineer of AME Construction Sdn Bhd (Oct 2007 – May 2011)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Kang Koh Wei is the son to Kang Ah Chee.

* Kang Koh Wei was appointed to the Board as Alternate Director to Kang Ah Chee on 1 January 2021, a position which he ceased to hold, upon the resignation of Kang Ah Chee as Executive Director with effect from 1 June 2023. In line with the Company's succession plan, Kang Koh Wei has been appointed as Executive Director and succeeds Kang Ah Chee effective on the same date.



Tan Lay Beng
Independent Non-Executive Director

Female | Malaysian | Aged 69

DATE OF APPOINTMENT 5 September 2018
TENURE OF DIRECTORSHIP 4 Years and 10 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
— ARMC (Chairperson) — RC — NC

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Committee Member of Malaysia Institute of Accountants ("MIA") Johor Regional Office
- Johor Regional Chairman of the MIA (Jul 2018 – Nov 2021)
- Chairman for Southern Branch of Chartered Tax Institute of Malaysia ("CTIM") (Jun 2008 – May 2015)
- Fellow Member of the CTIM
- Chartered Accountant of the MIA
- Fellow of the Association of Chartered Certified Accountants ("ACCA")
- Associate of the Chartered Association of Certified Accountants (now known as ACCA)

PROFESSIONAL EXPERIENCE

- Director of Tee Tax Services Sdn Bhd (Apr 2001 – Mar 2021)
- Consultant of Tee Tax Services Sdn Bhd (Apr 1999 – Mar 2001)
- Senior Consultant of Price Waterhouse Tax Services Sdn Bhd (Jan 1992 – Mar 1999)
- Tax Manager of Tax Advisory and Management Services Sdn Bhd (Aug 1987 – Dec 1991)
- Audit Supervisor of Khoo & Co (Nov 1984 – Aug 1987)
- Senior Audit Clerk of Ling Kam Hoong & Co (Mar 1982 – May 1983)
- Audit cum Accounts Clerk of Soh & Co (Jan 1980 – Aug 1981)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- Solid Automotive Berhad
- Power Root Berhad

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

BOARD OF DIRECTORS' PROFILE



Chang Tian Kwang
Independent Non-Executive Director

Male | Malaysian | Aged 58

DATE OF APPOINTMENT 5 September 2018
TENURE OF DIRECTORSHIP 4 Years and 10 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
— ARMC — RC — NC (Chairperson)

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Chartered Accountant of the Malaysian Institute of Accountants
- Bachelor of Accounting, University of Malaya

PROFESSIONAL EXPERIENCE

- Alternate Director of V.S. Industry Berhad (Nov 2000 – Jul 2014)
- Joint Company Secretary of V.S. Industry Berhad (Aug 1998 – Jul 2014)
- Financial Controller of V.S. Industry Berhad (Jul 1996 – Jul 2014)
- Accountant of V.S. Industry Berhad (Sep 1994 – Jun 1996)
- Financial Controller cum Administration Manager of Vicmark Holdings Sdn Bhd (May 1994 – Aug 1994)
- Audit Assistant/ Audit Senior/ Audit Supervisor of KPMG Peat Marwick (Mar 1991 – Apr 1994)
- Audit Assistant of Kassim Chan & Co. (Apr 1990 – Mar 1991)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- Topmix Berhad

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil



Wee Soon Chit
Independent Non-Executive Director

Male | Malaysian | Aged 56

DATE OF APPOINTMENT 5 September 2018
TENURE OF DIRECTORSHIP 4 Years and 10 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
— ARMC — RC (Chairperson) — NC

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Fellow of the Institution of Surveyors, Malaysia
- Professional Member of The Royal Institution of Chartered Surveyors
- Registered Valuer and Registered Estate Agent with the Board of Valuers, Appraisers, Estate Agents & Property Managers Malaysia
- Bachelor of Surveying (Property Management), Universiti Teknologi Malaysia

PROFESSIONAL EXPERIENCE

- Director of Landserve (Johor) Sdn Bhd (Feb 2013 – present)
- Director of Regroup Associates (Johor) Sdn Bhd (later rebranded as CBRE (Johor) Sdn Bhd and now known as Savills (Johor) Sdn Bhd) (Jul 1997 – Jan 2013)
- Branch Manager of Knight Frank Baillieu, Johor Bahru (1996 – Jul 1997)
- Real Estate Manager of Olympia Land Berhad (end 1995 – 1996)
- Valuation Executive of Knight Frank Baillieu, Kuala Lumpur (Jul 1991 – end 1995)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

— ARMC Audit and Risk Management Committee — RC Remuneration Committee — NC Nomination Committee — Chairperson

BOARD OF DIRECTORS' PROFILE



Lim Yook Kim

Executive Director

Male | Malaysian | Aged 69

DATE OF APPOINTMENT 27 August 2018
(Resigned on 1 June 2023)*
TENURE OF DIRECTORSHIP 4 Years and 9 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)
• Primary Education at Sekolah Jenis Kebangsaan (C) Labis, Johor

PROFESSIONAL EXPERIENCE
• Director of Greenhill SILC Sdn Bhd (Jun 2020 – present)
• Director of Pentagon Land Sdn Bhd (Jun 2020 – present)
• Director of I Stay Management Sdn Bhd (Feb 2018 – present)
• Director of AME Development Sdn Bhd (Mar 2011 – present)
• Director of Asiamost Sdn Bhd (Dec 1994 – present)
• Director of AME Construction Sdn Bhd (Oct 1993 – present)
• Director of Syarikat Asia Mechanical Engineering Sdn Bhd (Dec 1985 – Aug 2018)
• Joint Proprietor of Syarikat Asia Mechanical Engineering (May 1977 – Dec 1985)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS
I REIT Managers Sdn Bhd, the Manager of AME Real Estate Investment Trust

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS
Lim Yook Kim is the brother-in-law to Lee Chai and Lee Sai Boon, and father to Lim Khai Wen and Lim Pei Shi, and uncle to Lee Ling Sien.

* In line with the Company's succession plan, Lim Yook Kim has opted to resign from his position as Executive Director with effect from 1 June 2023. Accordingly, Lim Khai Wen has been appointed as Executive Director and succeeds Lim Yook Kim effective on the same date.



Kang Ah Chee

Alternate Director to Kang Koh Wei

Male | Malaysian | Aged 68

DATE OF APPOINTMENT 1 June 2023*
TENURE OF DIRECTORSHIP 2 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)
• Secondary Education at Sekolah Menengah Kebangsaan Pekan Nenas, Johor

PROFESSIONAL EXPERIENCE
• Director of Greenhill SILC Sdn Bhd (Jun 2020 – present)
• Director of Pentagon Land Sdn Bhd (Jun 2020 – present)
• Director of I Stay Management Sdn Bhd (Feb 2018 – present)
• Director of AME Development Sdn Bhd (Mar 2011 – present)
• Director of Asiamost Sdn Bhd (Dec 1994 – present)
• Director of AME Construction Sdn Bhd (Oct 1993 – present)
• Director of Syarikat Asia Mechanical Engineering Sdn Bhd (Dec 1985 – Aug 2018)
• Joint proprietor of Syarikat Asia Mechanical Engineering (Feb 1981 – Dec 1985)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS
I REIT Managers Sdn Bhd, the Manager of AME Real Estate Investment Trust

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS
Kang Ah Chee is the father to Kang Koh Wei.

* Kang Ah Chee was appointed to the Board as Executive Director on 27 August 2018. In line with the Company's succession plan, Kang Ah Chee has opted to resign from his position as Executive Director with effect from 1 June 2023. Accordingly, Kang Koh Wei has been appointed as Executive Director and succeeds Kang Ah Chee effective on the same date. Kang Ah Chee was also appointed as Alternate Director to Kang Koh Wei on 1 June 2023.

BOARD OF DIRECTORS' PROFILE



Lim Pei Shi

Alternate Director to Lim Khai Wen

Female | Malaysian | Aged 35

DATE OF APPOINTMENT 1 June 2023*
TENURE OF DIRECTORSHIP 2 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)
• Bachelor of Education (Montessori Early Childhood Teaching), Auckland University of Technology, New Zealand

PROFESSIONAL EXPERIENCE
• Property Development Director of AME Development Sdn Bhd (Jul 2019 – present)
• Marketing Director of AME Development Sdn Bhd (Feb 2013 – Jul 2019)
• Assistant Marketing Manager of AME Development Sdn Bhd (Mar 2012 – Feb 2013)
• Marketing Administration Executive of AME Development Sdn Bhd (Aug 2011 – Mar 2012)
• Teacher of the Lollipops Albany Childcare Centre, New Zealand (Mar 2010 – Mar 2011)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS
I REIT Managers Sdn Bhd, the Manager of AME Real Estate Investment Trust

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS
Lim Pei Shi is the daughter to Lim Yook Kim, sister to Lim Khai Wen, cousin to Lee Ling Sien, and niece to Lee Chai and Lee Sai Boon.

* Lim Pei Shi was appointed to the Board as Alternate Director to Lim Yook Kim on 22 October 2018, a position which she ceased to hold, upon the resignation of Lim Yook Kim as Executive Director with effect from 1 June 2023. Lim Pei Shi was also appointed as Alternate Director to Lim Khai Wen on 1 June 2023.



Lee Ling Sien

Alternate Director to Lee Chai

Female | Malaysian | Aged 33

DATE OF APPOINTMENT 12 May 2020
TENURE OF DIRECTORSHIP 3 Years and 2 Months

MEMBERSHIP OF BOARD COMMITTEE(S)
Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)
• Bachelor of Business (Marketing and Management), Monash University, Australia

PROFESSIONAL EXPERIENCE
• Operations Manager of I REIT Managers Sdn Bhd (Apr 2022 – present)
• Marketing Manager of AME Development Sdn Bhd (Jan 2018 – Apr 2022)
• Business Development Executive of AME Development Sdn Bhd (Jul 2015 – Jan 2018)
• Marketing and Planning Executive of AME Development Sdn Bhd (Feb 2013 – Jul 2015)
• Marketing Executive of Axis REIT Managers Berhad (Jan 2013 – Feb 2013)
• Marketing Trainee of Axis REIT Managers Berhad (Oct 2012 – Jan 2013)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS
Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS
Lee Ling Sien is the daughter to Lee Chai, cousin to Lim Pei Shi and Lim Khai Wen, and niece to Lim Yook Kim and Lee Sai Boon.

Gregory Lui Poh Sek

Chief Financial Officer
Male | Malaysian | Aged 55

Chan Wai Leo

Chief Executive Officer / Executive Director
of I REIT Managers Sdn Bhd
Male | Malaysian | Aged 49

Law Han Meng

Project Director of AME Construction Sdn Bhd
Male | Malaysian | Aged 58

Razal Bin Ahmad

Managing Director of Asiamost Sdn Bhd
Male | Malaysian | Aged 50

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Chartered Accountant of the Malaysian Institute of Accountants
- Professional Member of the Australian Society of Certified Practising Accountants (now known as CPA Australia)
- Bachelor of Business, University of Southern Queensland, Australia

PROFESSIONAL EXPERIENCE

- Chief Financial Officer of AME Group (Jan 2023 – present)
- Group Financial Controller of AME Group (Oct 2016 – Dec 2022)
- Head of Sales System Compliance Southern Region of Edaran Tan Chong Motor (Selatan) Sdn Bhd (Jan 2016 – Oct 2016)
- Director of Edaran Tan Chong Motor (Selatan) Sdn Bhd (Dec 2013 – Oct 2016)
- General Manager of Finance of Edaran Tan Chong Motor (Selatan) Sdn Bhd (Aug 2013 – Oct 2016)
- Head of Corporate Services of Dialog Engineering Pte Ltd, Singapore (May 2012 – Jul 2013)
- Senior Vice President of Finance & Corporate Services of Iskandar Regional Development Authority (Jun 2010 – Apr 2012)
- Vice President of Finance & Corporate Services of Iskandar Regional Development Authority (Feb 2008 – Jun 2010)
- Finance Manager of Oriental Assemblers Sdn Bhd (2000 – Jan 2008)
- Accountant of Oriental Assemblers Sdn Bhd (a joint venture company between Honda Motor Japan and Oriental Holdings Berhad) (Feb 1996 – 2000)
- Audit Senior of Price Waterhouse (Sep 1994 – Feb 1996)
- Audit Assistant of Price Waterhouse (Jul 1988 – Oct 1991)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Chartered Accountant of the Malaysian Institute of Accountants
- Member of Association of Chartered Certified Accountants ("ACCA")
- Fellow member of ACCA

PROFESSIONAL EXPERIENCE

- Executive Director of I REIT Managers Sdn Bhd ("IRM"), the Manager of AME Real Estate Investment Trust, listed on Main Market of Bursa Malaysia Securities Berhad ("AME REIT") (Apr 2022 – present)
- Chief Executive Officer of IRM, the Manager of AME REIT (Nov 2021 – present)
- Co-founder and Director of Alpha REIT Managers Sdn Bhd, the Manager of Alpha Real Estate Investment Trust, a Shariah compliant unlisted REIT in Malaysia (Oct 2016 – Dec 2021)
- Chief Operating Officer to Chief Executive Officer of AREA Management Sdn Bhd (Jan 2016 – Oct 2021)
- Head of Originations and Investments of Axis REIT Managers Berhad, the Manager of AXIS Real Estate Investment Trust, listed on Main Market of Bursa Malaysia Securities Berhad ("AXIS REIT") (Jan 2011 – Dec 2015)
- Head of Business Development & Investor Relations of Axis REIT (Aug 2008 – Dec 2010)
- Senior Finance Manager of AXIS Development Sdn Bhd (Sep 2006 – Aug 2008)
- Assistant Vice-President, Financial Control, Global Consumer Banking of Citibank Berhad (Apr 2006 – Sep 2006)
- Group Accountant of Pacific Star Group (Singapore) (formerly known as Greenwich Group (Asia) Sdn Bhd) (Jan 2003 – Feb 2006)
- Audit Staff Assistant to Manager, Arthur Andersen & Co., Malaysia (now known as Ernst & Young Malaysia) (Dec 1996 – Dec 2002)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

I REIT Managers Sdn Bhd, the Manager of AME Real Estate Investment Trust

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Diploma course in Technology (Materials Engineering), Tunku Abdul Rahman University College (then known as Tunku Abdul Rahman College)

PROFESSIONAL EXPERIENCE

- Project Director of AME Construction Sdn Bhd (Aug 2005 – present)
- Site Manager of AME Construction Sdn Bhd (Jun 1996 – Jul 2005)
- Project Coordinator of AME Construction Sdn Bhd (Oct 1995 – Jun 1996)
- Founder of Pembinaan & Kejuteraan Cahaya Maju (Sep 1993 – Jul 1995)
- Surveyor of Nakano (Malaysia) Sdn Bhd (May 1991 – Sep 1993)
- Surveyor of Kajima (Malaysia) Sdn Bhd (Jul 1990 – May 1991)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Certificate of competency as an electrical charginer for the category of low voltage system (A4-2)
- Certificate of competency as a wireman for the category of three-phase and testing endorsement (PW4)
- Intermediate Malaysian Skills Certificate as a Domestic and Industry Electrician, Majlis Latihan Vokasional Kebangsaan

PROFESSIONAL EXPERIENCE

- Managing Director of Asiamost Sdn Bhd (Apr 2021 – present)
- Deputy Managing Director of Asiamost Sdn Bhd (Jun 2015 – Apr 2021)
- Project Director of Asiamost Sdn Bhd (Apr 2010 – Jun 2015)
- Project Manager of Asiamost Sdn Bhd (Feb 2008 – Apr 2010)
- Senior Project Co-ordinator of Asiamost Sdn Bhd (Jun 2001 – Feb 2008)
- Wireman of Asiamost Sdn Bhd (Apr 1996 – Jun 2001)
- Electrician of Felda Johore Bulkers Sdn Bhd (Jul 1994 – Apr 1996)
- Electrical Technician of Malaysian Sheet Glass Berhad (Mar 1993 – Jul 1994)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

Tan Yik Woei

Project Director
of AME Construction Sdn Bhd
Male | Malaysian | Aged 49

Chai Kian Fui

Project Director
of AME Construction Sdn Bhd
Male | Malaysian | Aged 41

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master's Degree in Engineering (Civil), Zhejiang University
- Bachelor's Degree in Engineering (Harbour & River Engineering), National Taiwan Ocean University

PROFESSIONAL EXPERIENCE

- Project Director of AME Construction Sdn Bhd (Dec 2018 – present)
- Project Manager of AME Construction Sdn Bhd (Apr 2009 – Dec 2018)
- Senior Project Engineer of Tiong Seng Pte Ltd (Jul 2008 – Oct 2008)
- Project Manager of Mahabuilders Sdn Bhd (Apr 2007 – Jul 2008)
- Project Manager of Shamho Construction Sdn Bhd (Oct 2004 – Apr 2007)
- Project Engineer of Mahabuilders Sdn Bhd (Apr 2004 – Oct 2004)
- Site Engineer of Kumpulan Jayaputera Sdn Bhd (Apr 2002 – Mar 2004)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

ACADEMIC/PROFESSIONAL QUALIFICATION(S)

- Master of Business Administration in Construction Management, Wawasan Open University
- Bachelor of Engineering (Civil), Universiti Teknologi Malaysia

PROFESSIONAL EXPERIENCE

- Project Director of AME Construction Sdn Bhd (Apr 2021 – present)
- Production and Project Director of AME Engineering Industries Sdn Bhd (Jul 2018 – Apr 2021)
- Production and Project Manager of AME Engineering Industries Sdn Bhd (May 2011 – Jul 2018)
- Senior Project Engineer of Pusat Antara Sdn Bhd (Sep 2008 – May 2011)
- Project Engineer of Pusat Antara Sdn Bhd (Apr 2008 – Sep 2008)
- Project Engineer of AME Construction Sdn Bhd (May 2005 – Apr 2008)

PRESENT DIRECTORSHIP(S) IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

Nil

FAMILY RELATIONSHIP WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Nil

ADDITIONAL INFORMATION

Conflict of Interest with the Company

None of the Directors and Key Senior Management has any conflict of interest with the Company.

Conviction for Offences

None of the Directors and Key Senior Management has conviction for any offences (other than traffic offences, if any) within the past five years and none of them has any public sanction or penalty imposed by the relevant bodies during the financial year ended 31 March 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of AME Elite Consortium Berhad (“**Company**”) is committed to upholding high standards of corporate governance through maintaining a robust governance framework that promotes ethical conduct, transparency and sustainable value creation. The Board believes that good corporate governance will result in long-term organisational success and growth by creating value for and safeguarding the interests of stakeholders.

This Corporate Governance Overview Statement (“**Statement**”) for the financial year ended 31 March 2023 (“**FY2023**”) is prepared pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”), with guidance drawn from Practice Note 9 of the Listing Requirements and the Corporate Governance Guide (4th Edition) issued by Bursa Malaysia.

The Statement provides an overview of how the Company and its subsidiaries (collectively referred to as the “**Group**”) have applied the corporate governance principles and practices as set out in the Malaysian Code on Corporate Governance 2021 (“**MCCG**”) during FY2023 as well as the Group’s key focus areas and future priorities in relation to corporate governance.

The Statement is to be read in conjunction with the Corporate Governance Report 2023 (“**CG Report**”), in which the Company explains its application of each of the MCCG’s best practices. The CG Report is disclosed to Bursa Malaysia in a prescribed format, published with this Annual Report and available on the Company’s website at www.ame-elite.com.

Overall, the Board believes that the Group has, in all material aspects, complied with the principles and practices set out in the MCCG throughout FY2023. The Company’s level of adoption across all the practices is summarised as follows:

Application	No. of Practices	No. of Step-up Practices	Total
1. Applied	37	–	37
2. Departure	4	–	4
3. Not Applicable	2	–	2
4. Adopted	–	4	4
5. Not Adopted	–	1	1
Total	43	5	48

The practices/step-up practice not applied/adopted by the Company are as follows:

Practice 1.4	The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.
Practice 5.9	The board comprises at least 30% women directors.
Practice 8.2	The board discloses on a named basis the top five senior management’s remuneration component including salary, bonus, benefits-in-kind and other emoluments in bands of RM50,000.
Step-up Practice 8.3	Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.
Practice 13.3	Listed companies should leverage technology to facilitate: <ul style="list-style-type: none"> • voting including voting in absentia; and • remote shareholders’ participation at general meetings. Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

The following disclosure statements summarise the Group’s application of the principles set out in the MCCG during FY2023.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

PART I: BOARD RESPONSIBILITIES

1.0 Board’s Leadership on Objectives and Goals

1.1 Strategic Aims, Values and Standards

The Board’s primary role is to provide leadership to the Company towards promoting overall business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value while considering the interest of other stakeholders. The Board sets the Company’s goals, values and standards and ensures that adequate resources are in place to meet its strategic aims and desired business culture.

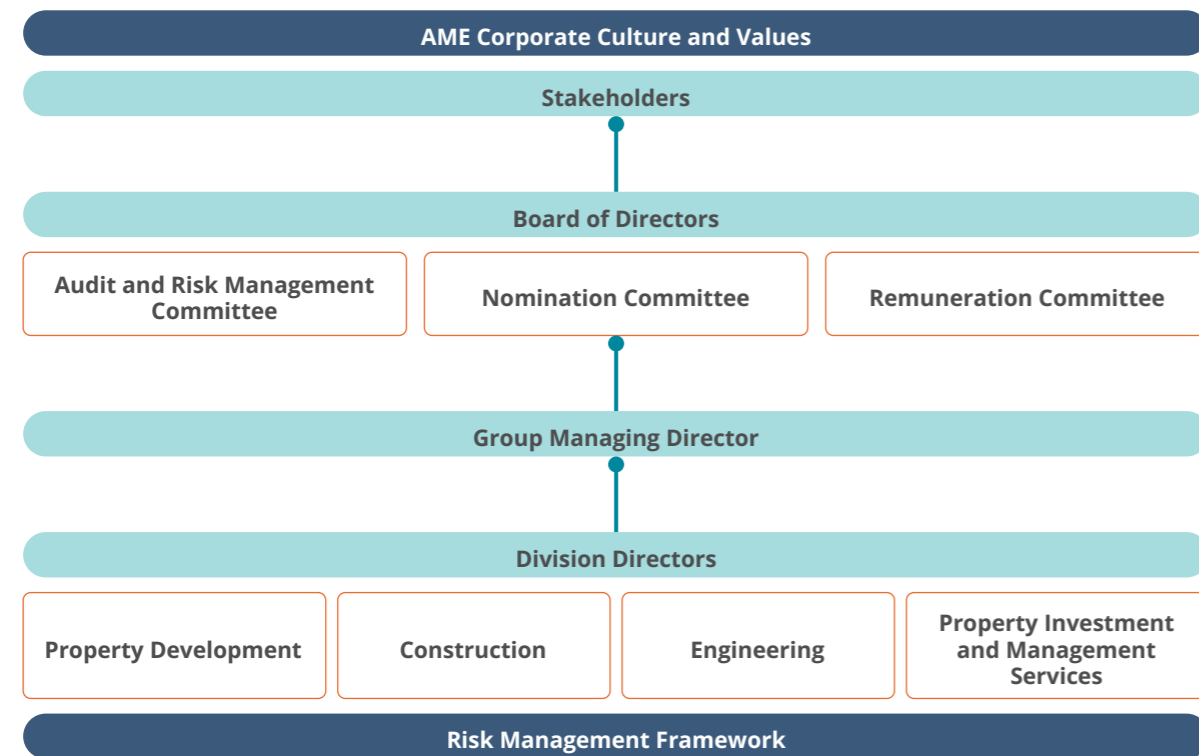
PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART I: BOARD RESPONSIBILITIES (CONTINUED)

1.0 Board's Leadership on Objectives and Goals (continued)

1.1 Strategic Aims, Values and Standards (continued)

As stewards of the Company, the Board's responsibilities include oversight of corporate governance, risk management and internal control, succession planning, management performance, stakeholder communication and corporate reporting and disclosure. In this regard, the Board has established and implemented the following governance framework to assist the Board in focusing on the key areas of responsibility that may affect the long-term success of the Group.



Embedding with the Company's culture, values and beliefs, the governance framework of the Group is founded on stakeholder accountability, competent leadership and effective risk management and internal control system.

The Board has established the following Board Committees, each entrusted with specific tasks. It operates within terms of reference approved by the Board, primarily to support in carrying out the Board's duties and to assist in the execution of the Board's duties and responsibilities, namely:

- a) Audit and Risk Management Committee ("ARMC");
- b) Nomination Committee ("NC"); and
- c) Remuneration Committee ("RC").

The Board Committees assists the Board in overseeing and managing different aspects of the Group's governance and compliance. The Board Committee Chairpersons report and update the Board on significant issues and concerns discussed and make the necessary recommendations to the Board.

While the Board has granted authority and delegated responsibilities to Board Committees to deliberate and decide on certain key and operational matters, the Board recognises that the ultimate responsibility for the final decision on all matters lies with the entire Board.

The Terms of Reference of the Board Committees are available on the Company's website at www.ame-elite.com.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART I: BOARD RESPONSIBILITIES (CONTINUED)

1.0 Board's Leadership on Objectives and Goals (continued)

1.1 Strategic Aims, Values and Standards (continued)

Schedule of Matters Reserved for the Board

While specific functions are delegated to Board Committees and day-to-day operations are delegated to management, matters which have a critical bearing on the Group are reserved explicitly for decision or consideration by the Board, including amongst others:

- a) Group and divisional strategies, plans and budgets;
- b) Major acquisitions, disposals and transactions;
- c) Appointment, re-appointment and removal of Directors, Group Managing Director and Company Secretary;
- d) Establishment of Board Committees and approval of their Terms of Reference; and
- e) Changes in the key policies, procedures and authority limits.

Board Activities and Tasks in FY2023

Overall, during FY2023, the Board in meeting its goals and the Company's objectives, has undertaken, either directly or through the respective Board Committees and/or Senior Management, the following activities and tasks:

Strategic Plans and Investments

- a) Reviewed the Group's overall strategic plan and direction;
- b) Overseen the progress of ongoing corporate exercises;
- c) Reviewed and approved prospectus in relation to the listing of AME Real Estate Investment Trust ("AME REIT") on the Main Market of Bursa Malaysia ("AME REIT Listing"); and
- d) Reviewed proposals and provided strategic direction for potential industrial property development and investment projects including land acquisitions and joint ventures;

Financial and Operational

- a) Reviewed and approved quarterly and year-end financial results;
- b) Reviewed any related party transaction and conflict of interest situation that may arise within the Group; and
- c) Reviewed and overseen capital expenditure, project budget, cash flow, sales target and utilisation of the proceeds raised from the Company's Initial Public Offering on the Main Market of Bursa Malaysia ("Listing") and AME REIT Listing;

Risk Management and Internal Control

- a) Overseen the continuous risk management plans from time to time;
- b) Reviewed major audit findings and management's response with management and external auditors, including the status of previous audit recommendations;
- c) Reviewed internal audit reports and internal audit follow-up reports to ensure that appropriate and prompt remedial action is taken by management on major deficiencies in controls or procedures that are identified; and
- d) Reviewed the risk profile of the Group, including risk measurement, risk matrix as well as risk registers with key risk factors identified and risk control measures put in place for the corporate office and the respective business divisions.

Succession Planning, Evaluation and Remuneration

- a) Reviewed performance and effectiveness of the Board as a whole, Board Committees and individual Directors based on the assessment results tabled by the NC; and
- b) Reviewed management performance and approved performance bonus and annual salary increment;

Corporate Governance

- a) Reviewed and enhanced the overall corporate governance framework to ensure good practice in line with the MCCG; and
- b) Reviewed policies in place to ensure that the Group complies with the Companies Act 2016 ("CA 2016"), the Listing Requirements and other legislative and reporting requirements.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART I: BOARD RESPONSIBILITIES (CONTINUED)****1.0 Board's Leadership on Objectives and Goals**
(continued)**1.1 Strategic Aims, Values and Standards**
(continued)**Sustainability**

- Reviewed and adopted the Sustainability Framework and the Sustainability Guidebook for Directors and employees, which includes the Group's sustainability strategies, goals, focus areas and implementation plans over short, medium and long term;
- Reviewed sustainability updates from management to ensure sustainability progress is on track with the pre-determined strategies and plans; and
- Reviewed annual sustainability statement.

Stakeholders' Communication

- Ensured timely public announcements and disclosures made to Bursa Malaysia; and
- Oversaw investor-related activities, including quarterly financial results briefings, media press releases, as well as site visits and meetings with investors, fund managers and research analysts.

Details on the key activities undertaken by each Board Committee during FY2023 are disclosed separately in the ensuing paragraphs of this Statement.

1.2 Board Chairperson

The Board is led by an Independent Non-Executive Chairperson who is responsible for ensuring the Board is functioning properly, with sound corporate governance practices and procedures.

1.3 Separation of Positions of Board Chairperson and Group Managing Director

The role of the Board Chairperson is distinct and separate from that of the Group Managing Director to enhance their respective independence, accountability and responsibility. While the Board Chairperson is primarily responsible for providing leadership to the Board, instil good corporate governance practices and ensuring the effective functioning of the Board, the Group Managing Director, with the assistance of Executive Directors and Senior Management, has the responsibility to oversee the overall operations of the Group, including the implementation of strategies and policies.

1.4 Detachment of Board Chairperson from the Board Committees

The Board Chairperson has resigned as a member of all the Board Committees with effect from 1 March 2022. The Board Committees invite the Board Chairperson to participate in the Board Committees' meetings on a needs basis to leverage on her knowledge and experience.

The Board believes that the attendance of the Board Chairperson, who is also an Independent Non-Executive Director, in the Board Committees' meetings has no implication to the Board Committees in achieving its objective and independent discussion. All the standing Board Committees, being ARMC, NC and RC comprise exclusively Independent Non-Executive Directors in accordance with the MCCG's recommendations. In the annual assessment of Board Committees' effectiveness, all the Board Committees are evaluated to be performing and effective in discharging their roles and responsibilities as per the Terms of Reference.

In addition, the Board considers that given the diverse skills, and competencies of its Directors, including Independent Directors, who are appointed to form a strong and balanced Board with an appropriate mix of skills, knowledge, experience and attributes, the participation by the Board Chairperson at the Board Committees level should be determined by the Board Chairperson's ability to contribute and participate objectively. Through the annual assessment of the Independent Directors, the Board is satisfied with the level of independence demonstrated by all the Independent Directors (including the Board Chairperson) and their ability to act in the best interest of the Company.

Notwithstanding the above, the Board is mindful of the recommendation from the MCCG. The Board Committees will continue to assess the requirements of inviting the Board Chairperson to attend the Board Committees' meetings.

1.5 Company Secretaries

The Board is supported by two (2) qualified, experienced and competent Company Secretaries who provide active support on secretarial functions to the Board and Board Committees. The Company Secretaries attend Board and Board Committee meetings and ensure meeting procedures are followed and minutes of meetings accurately reflect the deliberations and decisions of the Board, including any concerns raised by individual Directors or dissenting views expressed.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART I: BOARD RESPONSIBILITIES (CONTINUED)****1.0 Board's Leadership on Objectives and Goals**
(continued)**1.5 Company Secretaries (continued)**

The Company Secretaries are also responsible for guiding and advising the Board on its roles and responsibilities, corporate disclosures, the Company's Constitution and other compliance matters relevant to company and securities laws, including the CA 2016, Listing Requirements and the Capital Markets and Services Act 2007.

1.6 Access to Information and Advice

All Directors are required to keep abreast with the Group's business activities and development. In executing his/her duties and responsibilities, every Director has full and unrestricted access to all the Group's information and the advice and services of the Company Secretaries. The Directors also have the right to seek independent professional advice at the Group's expense should they consider it necessary to carry out their duties.

To ensure effective deliberation at the Board and Board Committee meetings, notices and agendas of meetings and other financial and non-financial related materials are circulated at least seven (7) days before the meeting to ensure Directors have sufficient information and time to prepare and review.

Further, with the assistance of the Company Secretaries, minutes of meeting are prepared and circulated to all the Directors for their review and comment within twenty-one (21) days from the meetings. Action items identified during the meeting are highlighted for follow-up action to be undertaken by the management.

2.0 Demarcation of Responsibilities between the Board, Board Committees and Management**2.1 Board Charter**

The Board is guided by a Board Charter for the effective discharge of its fiduciary duties. The Board Charter serves as the framework for Board roles and responsibilities, Board structure and composition, Board authorities, schedule of matters reserved for the Board, proceeding of Board meeting, Directors' induction and training, liability insurance for Directors and Officers, disclosure of conflict of interest, compliance of code of conduct and ethics as well as investor relations and shareholder communication. It also sets out the roles and responsibilities of individual Directors, Independent Directors, the Board Chairperson, the Group Managing Director and the Company Secretaries.

The Board reviews the Board Charter periodically to ensure its relevance and effectiveness. The Board adopted the Board Charter on 26 February 2020 and reviewed it on 25 July 2022. It is published on the Company's website at www.ame-elite.com.

3.0 Good Business Conduct and Corporate Culture**3.1 Code of Conduct and Ethics**

The Board has a Code of Conduct and Ethics ("Code") which sets the tone and standards for the Group's ethical conduct. It guides the actions and behaviours of all Directors and employees of the Group.

In line with the Guidance to Practice 3.1 of the MCCG, the Code describes measures put in place to deal with the following core areas of conduct:

- Conflict of interest;
- Corruption, acceptance and provision of gifts;
- Money Laundering;
- Confidential information;
- Insider information and securities trading;
- Protection of the Group's assets and funds;
- Records management and control;
- Fair dealing;
- Workplace health and safety;
- Sexual harassment and violence;
- Fair and courteous behaviour; and
- Compliance with laws, rules and regulations.

The Board reviews the Code periodically to ensure its relevance and effectiveness. The Board adopted the Code on 26 February 2020 and reviewed it on 24 February 2023. It is published on the Company's website at www.ame-elite.com. The Board communicates the Code to all Directors and employees upon their appointment or employment and the Code forms part of their terms and conditions of service.

3.2 Whistleblowing Policy

The Board has a Whistleblowing Policy to provide employees and stakeholders with proper channels and guidance to report any legitimate concerns over any wrongdoing within the Group relating to unlawful conduct, financial malpractice or danger to the public or the environment. It encourages reporting any suspected improper conduct within the Group appropriately that is in line with good corporate governance practices. Any party who makes a report of improper conduct in good faith will be protected against reprisals and retaliation and is encouraged to disclose the improper conduct through the following reporting channels:

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART I: BOARD RESPONSIBILITIES** (CONTINUED)**3.0 Good Business Conduct and Corporate Culture**
(continued)**3.2 Whistleblowing Policy** (continued)

Name : **Chang Tian Kwang**
(Chairperson,
Nomination Committee)

By mail : **Boardroom Corporate Services Sdn. Bhd. (Johor Branch)**
Suite 9D, Level 9, Menara Ansar,
No. 65 Jalan Trus, 80000 Johor Bahru,
Johor Darul Takzim, Malaysia.

Via e-mail : whistleblow@ame-elite.com

To facilitate an independent and equitable investigation, all whistleblowing reports are channelled directly to the NC Chairperson, who is also an Independent Non-Executive Director.

The Board reviews the Whistleblowing Policy periodically to ensure its relevance and effectiveness. The Board adopted the Whistleblowing Policy on 26 February 2020 and reviewed it on 24 February 2023. It is published on the Company's website at www.ame-elite.com.

During FY2023, there was no complaint or whistleblowing report channelled through the whistleblowing channel.

3.3 Anti-Bribery and Anti-Corruption Policy

Following the introduction of the corporate liability provision for bribery and corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"), the Board, on 12 May 2020, adopted an Anti-Bribery and Anti-Corruption Policy which reflects the Group's stand on zero-tolerance against all forms of bribery and corruption as well as its commitment to lawful and ethical conduct at all times.

The Policy serves to guide all Directors, Employees, Customers, Suppliers, Contractors and any person associated with the Group (collectively referred to as the "Designated Parties") on how to deal with improper solicitation, bribery and other corrupt activities to achieve business or personal gains for themselves or others, that can be construed as having contravened the anti-corruption laws of Malaysia. Topics covered include gifts, entertainment, hospitality, donations, sponsorships, political contributions and facilitation payments.

The Policy is disseminated to all Designated Parties and published on the Company's website at www.ame-elite.com. The Board reviewed the Policy on 24 February 2023 to ensure its relevance and effectiveness.

4.0 Sustainability Oversight and Management**4.1 Commitment and approach to Sustainability**

The Board recognises the importance of sustainable development and is committed to embedding sustainability principles and values into the Group's strategic plans, targets, business processes and risk management.

To ensure the Group has an effective system to govern sustainability matters, the Board has adopted a Sustainability Policy and established a Sustainability Steering Committee, which is spearheaded by the Company's Alternate Director to the Group Managing Director and comprises members from the key business divisions of the Group. The Sustainability Steering Committee has the primary role of supporting the Board in implementing and managing sustainability strategies, initiatives and processes which are aligned with the Group's business strategy and goals. It is responsible for reviewing and updating sustainability progress, report significant sustainability issues, and make necessary sustainability recommendations for implementation to the Board. A Sustainability Framework has also been developed and adopted in FY2023 which is in line with the Group's commitment to improve sustainability practices.

The Sustainability Steering Committee provides regular updates to the Board in the quarterly Board meetings on the progress of the Group's sustainability priorities and initiatives. Significant sustainability issues and concerns, if any, are also reported to the Board to ensure Directors keep abreast of the Group's sustainability matters and make informed decisions. On an annual basis, the Sustainability Steering Committee provides a detailed presentation to the Board on the Sustainability Statement which covers specific knowledge and updates on integrating sustainability matters into the Group's business model and the emergence of sustainability risks and opportunities.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART I: BOARD RESPONSIBILITIES** (CONTINUED)**4.0 Sustainability Oversight and Management**
(continued)**4.1 Commitment and approach to Sustainability**
(continued)

The Sustainability Steering Committee is assisted by a Sustainability Working Group in the day-to-day management of sustainability matters at the respective divisions and/or departments of the

Group. The Sustainability Working Group is also tasked with sustainability initiatives research to enhance the Group's sustainability performance, data collection, assisting in the development of action plans, identifying and highlighting key challenges that require resolution or escalation as well as progress tracking and reporting to the Sustainability Steering Committee.

Further details of the Group's sustainability framework and activities undertaken are set out in the Sustainability Statement of this Annual Report.

PART II: BOARD COMPOSITION**5.0 Board Objectivity****5.1 Board Composition**

In line with the Company's succession plan, the following changes have been made to the Board composition with effect from 1 June 2023:

Name	Previous Designation in the Company	New Designation in the Company
Lim Khai Wen	-	Executive Director
Kang Koh Wei	Alternate Director to Kang Ah Chee	Executive Director
Lim Pei Shi	Alternate Director to Lim Yook Kim	Alternate Director to Lim Khai Wen
Kang Ah Chee	Executive Director	Alternate Director to Kang Koh Wei
Lim Yook Kim	Executive Director	-

Following the changes, the Board comprises eight (8) members with the composition as set out below:

Name	Directorship
Tengku Azrina Binti Raja Abdul Aziz	Independent Non-Executive Chairperson
Lee Chai (his alternate, Lee Ling Sien)	Group Managing Director
Lee Sai Boon	
Lim Khai Wen (his alternate, Lim Pei Shi)	Executive Director
Kang Koh Wei (his alternate, Kang Ah Chee)	
Tan Lay Beng	
Chang Tian Kwang	Independent Non-Executive Director
Wee Soon Chit	

The profile of each Director is detailed in the Board of Directors' Profile Section of this Annual Report.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

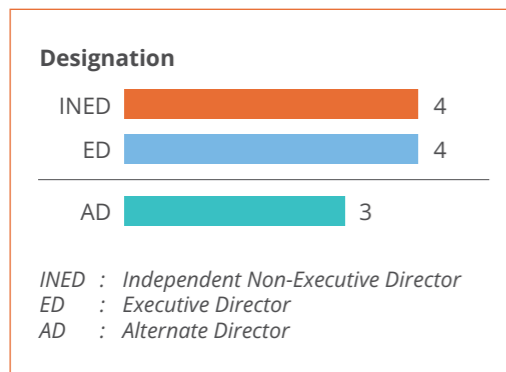
PART II: BOARD COMPOSITION (CONTINUED)

5.0 Board Objectivity (continued)

5.1 Board Composition (continued)

The current Board composition with an even balance of four (4) Executive Directors and four (4) Independent Non-Executive Directors goes beyond the Listing Requirements which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors. It also conforms with Practice 5.2 of the MCCG, which calls for independent directors to make up at least half of the Board membership. The Board considers that this composition enhances oversight of the management and supports independent deliberation, review and decision-making.

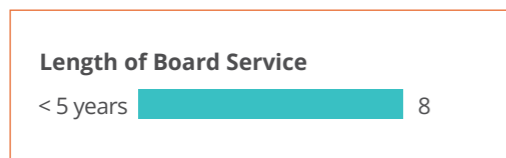
If any vacancy in the Board composition results in non-compliance with the Listing Requirements, the Company shall fill the vacancy within three (3) months.



5.2 Tenure of Independent Directors

The Board recognises the importance of maintaining a moderate tenure of service for its Independent Directors. In this regard, the Board, through its Board Charter, has adopted a policy to limit the tenure of its Independent Directors to nine (9) years without further extension.

Currently, all members of the Board including Independent Directors have served for less than five (5) years on the Board.



5.3 Diversity of Board and Senior Management

The Board sees a diverse Board and Senior Management as vital to sustainable development and growth. It is committed to promoting a diverse, inclusive and equitable workplace.

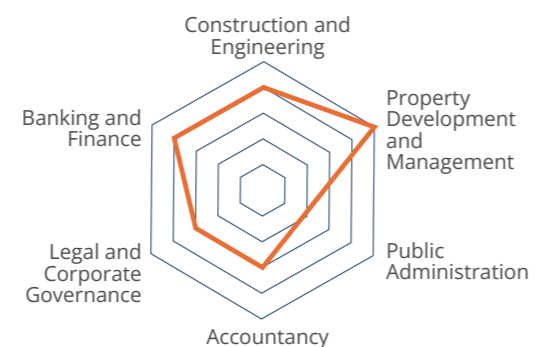
In nominating candidates for directorship, the NC will consider the fitness and properness of the candidate which include, amongst others, the required mix of diversity in skills, experience, age, cultural background, gender, character, integrity, competence and time commitment of the candidates, including those who retire and offer themselves for re-election.

In accordance with the amendments to Paragraph 15.01A of the Listing Requirements, which took effect on or after 1 July 2022, the Board has adopted a Directors' Fit and Proper Policy to set out the criteria for the selection of candidates that are proposed to be appointed as Directors, including Directors who are seeking for re-election. The policy is published on the Company's website at www.ame-elite.com.

In addition, the Board has adopted the MCCG's recommendation in its Board Charter to avoid appointing an active politician as a member of the Board to mitigate potential conflict of interest situations.

Through an annual assessment conducted by the NC on the Board, the Board has considered that its current composition is well-balanced with an appropriate mix of skills, knowledge, experience and attributes in meeting its needs and objectives. The Board comprises suitably qualified and experienced professionals in construction and engineering, property development and management, property consultancy, accountancy, banking and finance, and legal and corporate governance. The diverse combination creates a breadth of perspective among Directors, enabling them to oversee the dynamic and emerging business of the Group.

The current Board composition in terms of skills and background experience are illustrated as follows:



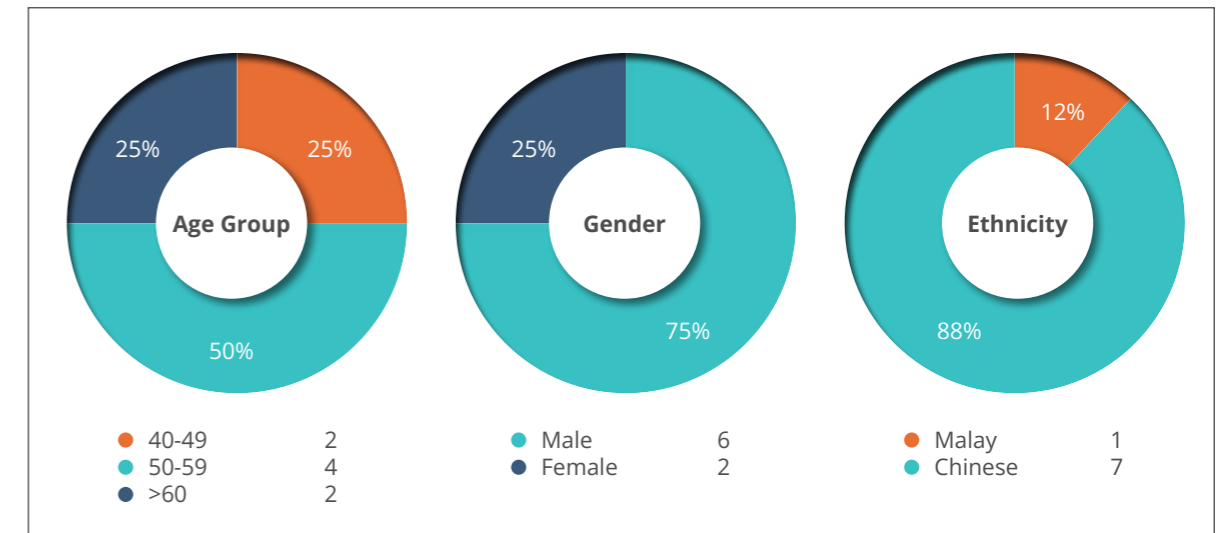
PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II: BOARD COMPOSITION (CONTINUED)

5.0 Board Objectivity (continued)

5.3 Diversity of Board and Senior Management (continued)

The composition of age, gender and ethnicity of the Board is as follows:



Details on the Board Assessment conducted by the NC are as set out in Section 5.6 of this Statement.

5.4 Gender Diversity

The Board has established a Diversity and Inclusion Policy to set out its approach to diversity and inclusion within the Group.

The Board's commitment to workplace diversity includes embracing and promoting differences in terms of, but not limited to, gender, age, ethnicity, religion, physical appearance and cultural background. This includes practising non-discrimination throughout the Group's employment processes, including recruitment and retention, performance evaluation, promotion, training, career development and succession planning.

For gender diversity, the Board is committed to supporting the representation of women in the composition of the Board and Senior Management. It will utilise the following strategies in attaining its gender diversity commitment:

- a) recruiting from a diverse pool of candidates for female positions;
- b) identifying specific factors to take into account in the recruitment and selection processes to encourage gender diversity; and
- c) reviewing succession plans to ensure an appropriate focus on gender diversity.

In addition, the Board recognises its current Board composition with two (2) female Directors out of the total eight (8) Directors, representing 25% women Directors, is below the 30% gender diversity recommended by the MCCG. It has taken cognisance of the recommendation and will continue to look out for suitable women candidates based on a set of criteria relevant to the Group's businesses.

In October 2018 and subsequently, in May 2020, the Board took the initial steps of appointing two (2) female Alternate Directors to act as substitutes for two (2) Executive Directors. The Board has plans to groom the Alternate Directors to assume greater board responsibilities. The appointments are also a part of the Board's succession planning to foster future leaders and successors.

In addition, the Board, through the NC, will continue to actively search for other suitable and well-qualified female directors to join the Board.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART II: BOARD COMPOSITION** (CONTINUED)**5.0 Board Objectivity** (continued)**5.5 Diverse Sources for New Candidates for Board Appointment**

While the Board considers that its composition and size remain balanced and able to reinforce effective oversight and independent review function, the Board, through the NC, continues to identify suitable and qualified individuals to meet the Company's future needs, considering diverse perspectives and insights.

In identifying candidates for the appointment of directors, the Board extends its considerations beyond and above recommendations from existing Directors, shareholders and

During FY2023, the NC comprises solely Independent Non-Executive Directors as set out below:

Name	Designation	Directorship
Chang Tian Kwang	Chairperson	Independent Non-Executive Director
Tan Lay Beng	Member	Independent Non-Executive Director
Wee Soon Chit	Member	Independent Non-Executive Director

The NC shall meet at least once a year, with additional meetings to be convened as and when required.

Among the key activities of the NC during/for FY2023 were as follows:

- Reviewed the evaluation forms for annual assessment of the Board, including training needs, to be in line with the Listing Requirements and the MCCG before undertaking the evaluation process;
- Evaluated the effectiveness of the Board as a whole, reviewed and considered the size, structure and composition of the Board, including the required right mix of skills and experience, Board diversity and effective and efficient functioning of the Board;
- Evaluated and assessed the effectiveness of each Director by undertaking an evaluation process involving self-assessment as well as their peers' performance by individual Directors;
- Assessed the independence of the Independent Directors and their ability to exercise independent judgement by way of a self-assessment by each Director based on the criteria set out in the Listing Requirements;

management to independent sources and business associates. Appointments are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

5.6 Nomination Committee

The NC oversees the selection and assessment of Directors and Board Committees. It evaluates the effectiveness of the Board as a whole, Board Committees and each Director, identifies the training needs of Directors, and leads the succession planning and appointment of Board and Board Committee members.

The Terms of Reference of the NC is available on the Company's website at www.ame-elite.com.

- Assessed the effectiveness of the ARMC, NC and RC;
- Assessed the training needs of each Director;
- Nominated for re-election the Directors who will be retiring at the forthcoming Annual General Meeting ("AGM") and recommended to the Board for their re-election be tabled at the AGM; and
- Reviewed the Terms of Reference and the Statement of Activities of the NC.

5.7 Election and Re-election

In line with the Company's Constitution and the Listing Requirements, one-third (1/3) of the Directors or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office and be eligible for re-election, provided always that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART II: BOARD COMPOSITION** (CONTINUED)**5.0 Board Objectivity** (continued)**5.7 Election and Re-election** (continued)

At the 4th AGM of the Company held on 28 September 2022, the retiring Directors, Lee Chai, Tan Lay Beng and Chang Tian Kwang, being eligible, had been re-elected as Directors of the Company. All retiring Directors had undergone a performance evaluation conducted by the NC and were evaluated as effective and valuable to the Board. The NC was satisfied with the level of independence demonstrated by all the retiring Independent Directors and their ability to act in the best interest of the Company. The tenure of the retiring Independent Directors was less than nine (9) years. Based on the assessments, the NC had recommended to the Board, their re-election as Directors at the 4th AGM and their re-election was subsequently approved by the shareholders.

At the 5th AGM, Lee Sai Boon, Tengku Azrina Binti Raja Abdul Aziz, Lim Khai Wen and Kang Koh Wei will be retiring and eligible for re-election. Profiles of the Directors are published in the Board of Directors' Profile Section of this Annual Report and on the Company's website. These include their age, gender, tenure of service, position in the Company, qualification, working experience, directorship in other public companies and listed issuers, conflict of interest (if any) as well as family relationship with any Director and/or major shareholder of the Company.

Other information such as meeting attendance, records of training attended, remuneration and shareholdings in the Company and its subsidiaries, are also set out in the relevant sections of this Annual Report.

The Board and the NC's assessment and recommendation on the re-appointment of retiring Directors will be provided in the notice of AGM and the statement accompanying notice of AGM.

6.0 Effectiveness of the Board, Board Committees and Individual Directors**6.1 Board Assessment**

On an annual basis, the Board, through the NC, evaluates the performance and effectiveness of the Board as a whole, Board Committees and individual Directors, including the Board Chairperson, the Group Managing Director and each Independent Director (collectively referred to as the "Board Effectiveness Evaluation"). The process of the Board Effectiveness

Evaluation is internally facilitated and conducted through prescribed evaluation forms covering assessment criteria, as set out below:

- Evaluation of the Board;**
Size and composition, mix of skills and experience, quality of information and decision-making, and boardroom activities.
- Evaluation of the Board relating to ESG or Sustainability;**
- Evaluation of the Board Committees (including the Chairperson of respective Committees);**
Size, composition and governance, meeting administration and conduct, skills and competencies, duties and responsibilities, and disclosure.
- Self and Peer Evaluation of Individual Directors (including the Board Chairperson and the Group Managing Director); and**
Contribution and performance, time commitment, personal knowledge and experience, and calibre and personality.
- Self-assessment by Independent Directors.**
Background, economic relationship, family relationships and term of office.

The Board Effectiveness Evaluation for FY2023 was conducted in May 2023. Overall, the Board was satisfied with the performance and effectiveness of the Board as a whole. All the Board Committees were evaluated to be performing and effective in discharging their roles and responsibilities as per the Terms of Reference.

Further, the self and peer evaluation of each individual Director indicated that all the Directors believed that each of them, including the Board Chairperson and the Group Managing Director, had performed their respective roles and functions effectively and responsibly. Each member was satisfied with each other's contribution in sharing their insights and active participation in the Board and Board Committees' discussions.

The Board was also satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the Company's best interest. All members of the Board, including Independent Directors, have served for less than five (5) years on the Board.

Through the evaluation, the Board has also identified specific areas (with lower rating) that require improvement or attention and has determined follow-up actions to be undertaken by the Board and/or Management.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II: BOARD COMPOSITION (CONTINUED)

6.0 Effectiveness of the Board, Board Committees and Individual Directors (continued)

6.2 Directors' Training

All Directors, including newly appointed Directors, are required to attend the Mandatory Accreditation Programme (“MAP”) as prescribed by Bursa Malaysia from time to time.

In addition to the mandatory programme, the Board, with the assistance of the NC, evaluates and determines the training needs of its members to ensure Directors attend relevant training courses or seminars at periodic intervals to keep themselves updated on developments on the oversight function of directors. Through continuing education programmes, the Directors are required to update their knowledge and skills to sustain their active participation in Board deliberations and effectively discharge their duties.

Details of trainings attended by the Directors during FY2023 are as follow:

Directors	Training Attended	Date
Executive Directors		
Lee Chai	• Malaysia Construction Midyear Market Update	4 August 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Internal Training: Board Sustainability Training	24 February 2023
	• Using Derivatives to Manage Equity Portfolio	13 March 2023
	• Derivatives Trading for the Palm Oil Industry	20 March 2023
Lee Sai Boon	• Malaysia Construction Midyear Market Update	4 August 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Internal Training: Board Sustainability Training	24 February 2023
	• Anti-Money Laundering – Part 1	30 March 2023
Lim Khai Wen (Appointed on 1 June 2023)	• TOP 萨提亚自我成长课程	April to October 2022
	• Malaysia Construction Midyear Market Update	4 August 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Internal Training: Board Sustainability Training	24 February 2023
Kang Koh Wei (Ceased as Alternate Director to Kang Ah Chee and appointed as Executive Director on 1 June 2023)	• Malaysia Construction Midyear Market Update	4 August 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Internal Training: Board Sustainability Training	24 February 2023
Independent Non-Executive Directors		
Tengku Azrina Binti Raja Abdul Aziz	• Board of Directors Series 101 Program (Module 1 to 3)	5 to 7 April 2022
	• Insights into Task Force on Climate-Related Financial Disclosures and Sustainable Finance	21 April 2022
	• 2022 Board and Audit Committee Priorities	31 May 2022
	• Navigating through the evolution of Corporate Governance with the introduction of Tax Corporate Governance Framework (“TCGF”)	13 July 2022
	• Conference on Corporate and Commercial Law	17 to 21 October 2022
	• Understanding the requirements in Bursa’s enhanced sustainability reporting framework	2 November 2022
	• 2022 MFRS Updates Seminar	13 December 2022
	• Internal Training: Board Sustainability Training	24 February 2023

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II: BOARD COMPOSITION (CONTINUED)

6.0 Effectiveness of the Board, Board Committees and Individual Directors (continued)

6.2 Directors' Training (continued)

Directors	Training Attended	Date
Independent Non-Executive Directors (continued)		
Tan Lay Beng	• Board of Directors Series 101 Program (Module 1 to 3)	5 to 7 April 2022
	• MIA Webinar Series: Advanced Data Analytics for Accountants	20 April 2022
	• Insights into Task Force on Climate-Related Financial Disclosures & Sustainable Finance	21 April 2022
	• Seminar on Quarterly Tax Updates 2022	28 April 2022
	• Virtual Tax Conference 2022, Tackling Practical Problems Faced by Taxpayers	9 May 2022
	• Virtual MIA International Accountants Conference 2022	8 & 9 June 2022
	• MIA Webinar Series: Amazing Microsoft Excel Time Saving Workshop	19 September 2022
	• Tax issues for SMEs	26 October 2022
	• Internal Training: The Board Sustainability Training	24 February 2023
	• Johor Corporate Sustainability Programme	9 March 2023
Chang Tian Kwang	• Board of Directors Series 101 Program (Module 1 to 3)	5 to 7 April 2022
	• Insights into Task Force on Climate-Related Financial Disclosures and Sustainable Finance	21 April 2022
	• Auditing Accounting Estimates and Related Disclosures with a Focus on Property Valuation Confirmation	15 September 2022
	• 2022 MFRS Updates Seminar	13 December 2022
	• Internal Training: Board Sustainability Training	24 February 2023
	• Bursa Malaysia Immersive Experience. The Board ‘Agender’	13 March 2023
Wee Soon Chit	• Board of Directors Series 101 Program (Module 1 to 3)	5 to 7 April 2022
	• Insights into Task Force on Climate-Related Financial Disclosures and Sustainable Finance	21 April 2022
	• Empowering and Rewarding the “Boardroom Brigade” – A Board Remuneration Masterclass	18 May 2022
	• 15 th Malaysian Property Summit 2023	8 February 2023
	• Internal Training: Board Sustainability Training	24 February 2023
	• PEPS Charity Dinner 2023, featuring 3 talks:	27 February 2023
	1) Property Market Outlook 2023 2) The ideal Haven – Sutera Utama Township 3) Factors influencing the evolution of Malaysian Property Market	
Alternate Directors		
Lim Yook Kim (Resigned on 1 June 2023)	• Malaysia Construction Midyear Market Update	4 August 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Internal Training: Board Sustainability Training	24 February 2023
Kang Ah Chee (Resigned as Executive Director and appointed as Alternate Director to Kang Koh Wei on 1 June 2023)	• Malaysia Construction Midyear Market Update	4 August 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Internal Training: Board Sustainability Training	24 February 2023

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II: BOARD COMPOSITION (CONTINUED)

6.0 Effectiveness of the Board, Board Committees and Individual Directors (continued)

6.2 Directors' Training (continued)

Directors	Training Attended	Date
Alternate Directors (continued)		
Lim Pei Shi <i>(Ceased as Alternate Director to Lim Yook Kim and appointed as Alternate Director to Lim Khai Wen on 1 June 2023)</i>	• Malaysia Construction Midyear Market Update	4 August 2022
	• Industrial Estates Asia Seminar	22 & 23 February 2023
	• Internal Training: Board Sustainability Training	24 February 2023
	• Malaysia Business & Investment Strategy	30 March 2023
Lee Ling Sien	• Workshop on Climate Change for The Construction Sector	13 & 14 April 2022
	• MIRA WEBINAR: Everything Investor Relations Managers need to Know about ESG Reporting	26 April 2022
	• FMM Certificate in Facility Maintenance Management	9 to 10 & 24 to 26 Sep 2022
	• Malaysia Market Outlook 2023: Earnings Resilience to Weather Macro Headwinds	12 January 2023
	• Industrial Estates Asia	22 & 23 February 2023
	• Internal Training: The Board Sustainability Training	24 February 2023
	• TCFD 101 – Introduction to climate-related financial disclosures	2 March 2023
	• Using Derivatives to Manage Equity Portfolio	13 March 2023
• Derivatives Trading for the Palm Oil Industry	20 March 2023	

6.3 Board and Board Committee Meeting

Directors are required to give sufficient time and attention to the affairs of the Company. Any Director must not hold more than five (5) directorships in other public listed companies as prescribed by the Listing Requirements. Directors are required to notify the Board Chairperson before accepting any new directorship. Such notification shall include an indication of the time that will be spent on the new appointment.

Regular Board and Board Committee meetings are scheduled a year in advance to facilitate maximum attendance. An annual tentative meeting calendar is circulated to all Directors to allow Directors to plan and schedule their time.

During FY2023, all directors have recorded attendance exceeding the minimum 50% attendance requirement in respect of Board meetings as stipulated in the Listing Requirements. The Board was satisfied with the time commitment given by the Directors as illustrated by their attendance at the Board and Board Committee meetings.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II: BOARD COMPOSITION (CONTINUED)

6.0 Effectiveness of the Board, Board Committees and Individual Directors (continued)

6.3 Board and Board Committee Meeting (continued)

Details on the number of meetings attended/held during FY2023 are shown below:

Directors	No. of Meetings Attended/Held			
	The Board	The ARMC	The NC	The RC
Executive Directors				
Lee Chai	6/6	5/5 ⁽ⁱ⁾	–	–
Lee Sai Boon	6/6	5/5 ⁽ⁱ⁾	–	–
Lim Khai Wen ⁽ⁱ⁾	6/6	4/4 ⁽ⁱⁱ⁾	–	–
Kang Koh Wei ⁽ⁱ⁾	6/6	4/4 ⁽ⁱⁱ⁾	–	–
Independent Non-Executive Directors				
Tengku Azrina Binti Raja Abdul Aziz	6/6	5/5 ⁽ⁱ⁾	1/1 ⁽ⁱⁱ⁾	1/1 ⁽ⁱⁱ⁾
Tan Lay Beng	6/6	5/5	1/1	1/1
Chang Tian Kwang	6/6	5/5	1/1	1/1
Wee Soon Chit	6/6	5/5	1/1	1/1
Alternate Directors				
Lim Yook Kim ⁽ⁱ⁾	6/6	4/4 ⁽ⁱⁱ⁾	–	–
Kang Ah Chee ⁽ⁱ⁾	5/6	4/4 ⁽ⁱⁱ⁾	–	–
Lim Pei Shi ⁽ⁱ⁾	6/6	4/4 ⁽ⁱⁱ⁾	–	–
Lee Ling Sien	6/6	4/4 ⁽ⁱⁱ⁾	–	–
Total number of meetings held	6	5	1	1

Note:

⁽ⁱ⁾ The resignation/ appointment of their current directorship in the Company took effect from 1 June 2023. The meeting attendance represents their attendance at the meetings during their previous role within the Company or subsidiary companies.

⁽ⁱⁱ⁾ The Executive Directors, Board Chairperson, Alternate Directors and Senior Management personnel who are not members of the Committees attended Committee meetings by invitation from the respective Committee Chairpersons.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**PART III: REMUNERATION****7.0 Level and Composition of Remuneration****7.1 Remuneration Policy**

The Board has formalised a Remuneration Policy to govern principles and matters in relation to Directors' and Senior Management's remuneration.

Under the Remuneration Policy, the remuneration components of Executive Directors and Senior Management include, where applicable, fixed monthly salaries, Directors' fees, performance-based bonuses, benefits-in-kind and other incentives. As for Non-Executive Directors, the remuneration package comprises fixed Directors' fees, Board Committees' fees and meeting allowances for attending Board and Board Committees' meetings.

In determining the remuneration package for Directors and Senior Management, the Board shall give due regard and consideration to, but not limited to, the individuals' merit, qualification, experience and competence as well as the Group's operating results, individual performance, comparable market statistics and industry benchmark.

Name	Designation	Directorship
Wee Soon Chit	Chairperson	Independent Non-Executive Director
Tan Lay Beng	Member	Independent Non-Executive Director
Chang Tian Kwang	Member	Independent Non-Executive Director

The RC shall meet at least once a year, with additional meetings to be convened as and when required.

Among the key activities of the RC during/for FY2023 were as follows:

- Reviewed and discussed the performance of each Director with reference to the Board Effectiveness Evaluation conducted by the NC;
- Reviewed and recommended the Directors' Fees and benefits payable to be tabled and approved by shareholders at the forthcoming AGM;
- Reviewed and assessed the Executive Directors' salaries, annual bonuses and other emoluments; and
- Reviewed the Terms of Reference and the Statement of Activities of the RC.

Further, Executive Directors shall be refrained from voting on their remuneration to avoid conflict of interest. Still, they may attend the RC meeting at the invitation of the RC Chairperson, if their presence is required. Similarly, Non-Executive Directors are not required to determine their remuneration.

The Board reviews the Remuneration Policy periodically to ensure its relevance and effectiveness. The Board adopted the policy on 12 May 2020 and reviewed it on 26 May 2023. It is published on the Company's website at www.ame-elite.com.

7.2 Remuneration Committee

The RC assists the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of Directors and Senior Management. It reviews the Directors' and Senior Management's remuneration, ensuring that the Company continues to attract, retain and motivate high-calibre individuals with the skills, experience and knowledge to drive its long-term objectives.

The Terms of Reference of the RC is available on the Company's website at www.ame-elite.com.

During FY2023, the RC comprises solely Independent Non-Executive Directors as set out below:

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**PART III: REMUNERATION (CONTINUED)****8.0 Remuneration of Directors and Senior Management****8.1 Details of Directors' Remuneration**

The Directors' remuneration for FY2023 was reviewed by the RC and considered appropriate with due regard made to the market competitiveness and conditions, financial performance of the Group and performance of the Directors. It was recommended to the Board for approval and was subsequently approved by the Board without the participation of the respective Directors in determining their remuneration.

Pursuant to the CA 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a General Meeting. The Board will seek shareholders' approval at the 5th AGM for the payment of Directors' fees and benefits for Directors of the Company and a wholly owned subsidiary of the Company, I REIT Managers Sdn Bhd ("IRM"), the Manager of AME Real Estate Investment Trust ("AME REIT").

Details of the Directors' remuneration for FY2023 are as follows:

	Company (i)			Subsidiaries (ii)						Grand-Total
	Fees	Meeting Allowances	Sub-Total	Fees	Meeting Allowances	Salaries and Bonuses	Defined Contribution Plans	Benefits-in-kind	Sub-Total	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	
Executive Directors										
Lee Chai	72,000	4,000	76,000	60,000	3,500	3,430,000	413,720	28,000	3,935,220	4,011,220
Lee Sai Boon	72,000	4,000	76,000	72,000	3,500	2,758,000	334,966	28,000	3,196,466	3,272,466
Lim Khai Wen ⁽ⁱ⁾	-	-	-	-	-	411,000	50,381	20,785	482,166	482,166
Kang Koh Wei ⁽ⁱⁱ⁾	-	-	-	-	-	441,000	53,981	13,325	508,306	508,306
Independent Non-Executive Directors										
Tengku Azrina Binti Raja Abdul Aziz	115,200	4,500	119,700	-	-	-	-	-	-	119,700
Tan Lay Beng	91,200	4,500	95,700	-	-	-	-	-	-	95,700
Chang Tian Kwang	79,200	4,500	83,700	-	-	-	-	-	-	83,700
Wee Soon Chit	79,200	4,500	83,700	-	-	-	-	-	-	83,700
Alternate Directors										
Lim Yook Kim ⁽ⁱⁱⁱ⁾	72,000	4,000	76,000	-	-	974,000	117,832	12,700	1,104,532	1,180,532
Kang Ah Chee ⁽ⁱⁱⁱ⁾	72,000	3,500	75,500	-	-	974,000	117,832	15,500	1,107,332	1,182,832
Lim Pei Shi ⁽ⁱⁱⁱ⁾	-	-	-	-	-	626,000	76,180	23,950	726,130	726,130
Lee Ling Sien	-	-	-	-	-	355,000	45,087	8,800	408,887	408,887

Note:

⁽ⁱ⁾ Received from the Company.

⁽ⁱⁱ⁾ Received or receivable from subsidiary companies in respect of their executive role, including fees and meeting allowances receivable from IRM, the Manager of AME REIT, in respect of their Board role in the company.

⁽ⁱⁱⁱ⁾ The resignation/ appointment to their current directorship in the Company took effect from 1 June 2023. The Directors' remuneration represents the entire remuneration received or receivable in respect of their previous role within the Company and/or subsidiary companies during FY2023.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS
(CONTINUED)**PART III: REMUNERATION** (CONTINUED)**8.0 Remuneration of Directors and Senior Management**
(continued)**8.2 Details of the Top Five (5) Senior Management Personnel's Remuneration**

Remuneration of the Group's top five (5) Senior Management personnel for FY2023 are disclosed in bands of RM50,000 as follows:

Range of Remuneration ⁽ⁱ⁾ (RM)	Number of Senior Management ⁽ⁱⁱ⁾
400,001 – 450,000	2
600,001 – 650,000	1
900,001 – 950,000	1
1,100,001 – 1,150,000	1
Total	5

Note:

⁽ⁱ⁾ Received from subsidiary companies in respect of their executive role.

⁽ⁱⁱ⁾ The disclosure does not include Senior Management personnel who holds directorship in the Company. Details of their remuneration are provided in the Directors' remuneration table.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT**PART I: AUDIT AND RISK MANAGEMENT COMMITTEE****9.0 Effective and Independent ARMC****9.1 ARMC Chairperson**

The Board has established an effective and independent ARMC which is led by an Independent Non-Executive Director. The position of ARMC Chairperson is distinct and separate from that of the Board Chairperson to enhance the objectivity of the Board's review of the ARMC's findings and recommendations.

9.2 Policy Requiring Former Audit Partner to Observe three (3) Years Cooling-Off Period

The Board is committed to ensuring the effectiveness and independence of its ARMC. This includes requiring a former partner of the Company's external audit firm and/or the affiliate firm (including those providing advisory services and tax consulting services) to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. No former partner of the Company's external audit firm and/or the affiliate firm has been appointed to the Board thus far.

9.3 External Auditors Assessment

On an annual basis, the ARMC assesses the suitability, objectivity and independence of the Company's External Auditors and makes subsequent recommendations to the Board on the appointment, re-appointment or termination of the External Auditors. The assessment is conducted through a prescribed evaluation form covering assessment criteria, as set out below:

- Calibre of external audit firm;
- Quality processes/performance;
- Audit team;
- Independence and objectivity;
- Audit scope and planning;
- Audit fees; and
- Audit communications.

The evaluation of the External Auditors, Messrs KPMG PLT ("KPMG"), for FY2023 was conducted in May 2023. Overall, no major concern had arisen from the assessment and the ARMC was satisfied with the performance of the External Auditors in terms of their quality of service and their exercise of audit independence. Written assurance was obtained from the External Auditors confirming that they are, and have been, independent throughout the audit engagement under the terms of all relevant professional and regulatory requirements.

The ARMC had also considered that the provision of non-audit services by the External Auditors and their affiliates during FY2023 did not conflict with the External Auditors' audit services and did not compromise their independence and objectivity. Details on the audit and non-audit fees paid or payable to the External Auditors and their affiliates for FY2023 are set out in the Additional Compliance Information Section of this Annual Report.

Accordingly, the re-appointment of Messrs KPMG as Auditors of the Company for FY2024 was recommended by the ARMC to the Board. The Board shall seek shareholders' approval for the re-appointment at the 5th AGM.

9.4 Composition of the ARMC

The ARMC comprises solely Independent Non-Executive Directors. Details on the ARMC composition and key activities undertaken during FY2023 are set out in the ARMC Report in this Annual Report.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT
(CONTINUED)**PART I: AUDIT AND RISK MANAGEMENT COMMITTEE**
(CONTINUED)**9.0 Effective and Independent ARMC** (continued)**9.5 Diversity in skills of the ARMC**

The current ARMC comprises members in the fields of accountancy, taxation, banking and finance, property consultancy, and corporate governance. The ARMC has the necessary skills to discharge its duties and responsibilities. Two (2) members of the ARMC, including the ARMC Chairperson, are qualified as the Chartered Accountants of the Malaysian Institute of Accountants. All members of the ARMC are financially literate and can understand matters under the purview of the ARMC, including the financial reporting process. Biographical particulars of each member of the ARMC are set out in the Board of Directors' Profile Section of this Annual Report.

Members of the ARMC continue to undertake professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules. Details on the training courses attended by the ARMC members during FY2023 are set out in Section 6.2 of this Statement.

PART II: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK**10.0 Effective Risk Management and Internal Control Framework****10.1 Established an Effective Risk Management and Internal Control**

The Board oversees the Group's risk management and internal control framework. It provides guidance and instructions on matters relevant to risk management, ensuring effective internal controls are in place to manage risks confronted by the Group.

The Board, with the assistance of the ARMC, has formalised a Risk Management Framework to govern principles and policies against managing the Group's risks. The Framework outlines the risk organisation structure and the roles and responsibilities of each management level. It also sets out the risk management processes and the risk appetite and tolerance of the Group.

The Board has also appointed an independent professional services company to function as the Group's Internal Auditors in reviewing the state of internal control of the Group and to highlight areas for management and operational improvement.

10.2 Disclosure of the Features of Risk Management and Internal Control Framework

Key features of the Risk Management Framework and details of the Company's internal control system are disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

10.3 Risk Management Committee

The ARMC assists the Board in fulfilling its oversight function of risk management and internal control. The ARMC is responsible for reviewing and recommend risk management policies and procedures for the Board's approval. It assesses the risk management process, the risk profile of the Group, including risk registers and the risk management team's plans to mitigate business risks as identified occasionally.

Details on the key activities undertaken in relation to the risk management and internal control by the ARMC during FY2023 are set out in the ARMC Report in this Annual Report.

11.0 Effective Governance, Risk Management and Internal Control**11.1 Effective and Independent Internal Audit Function**

The internal audit function of the Group is outsourced to Sterling Business Alignment Consulting Sdn Bhd ("Internal Auditors"), an independent professional service company. The Internal Auditors assist the ARMC in managing the risks and establishing the internal control system and processes of the Group by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The Internal Auditors report directly to the ARMC and are authorised with full and unrestricted access to all of the Group's records, physical properties and personnel pertinent to carrying out any engagement.

The ARMC is responsible for reviewing and assessing the adequacy of the scope, functions, competency and resources of the internal audit functions. In developing the scope of the internal audit function, the ARMC is satisfied that:

- the person responsible for the internal audit has relevant experience, sufficient standing and authority to discharge his/her functions effectively;
- the firm appointed to carry out the Group's internal audit function has sufficient resources and can access information to carry out its role effectively; and

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)**PART II: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONTINUED)****11.0 Effective Governance, Risk Management and Internal Control (continued)****11.1 Effective and Independent Internal Audit Function (continued)**

- c) the personnel assigned to undertake internal audits have the necessary competency, experience and resources to carry out the function effectively.

The Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role as Internal Auditors.

To ensure that the responsibilities of Internal Auditors are fully discharged, the ARMC has established an Internal Audit Function Evaluation Form to evaluate the performance of the Internal Auditors annually.

The evaluation of the Internal Auditors for FY2023 was conducted in May 2023. Based on the evaluation, the ARMC concluded that the Internal Auditors have sufficient experience and resources to satisfy their terms of reference and adequately deliver quality services to the Group. The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively.

During FY2023, there were two (2) internal audit reports and six (6) internal audit follow-up reports presented to the ARMC, covering assessment of the key functional areas of the Group. Areas for improvement were highlighted to the ARMC and the implementation of recommendations has consistently been monitored. The Internal Auditors have assured the ARMC that none of the internal control weaknesses has resulted in any material losses, contingencies or uncertainties that would require disclosure in this Annual Report.

Further details of the internal audit function and key activities undertaken are set out in the Statement on Risk Management and Internal Control and the ARMC Report in this Annual Report.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**PART I: ENGAGEMENT WITH STAKEHOLDERS****12.0 Engagement with Stakeholders****12.1 Effective, Transparent and Regular Communication with Stakeholders**

The Board recognises the importance and value of effective dialogue with its stakeholders. It is committed to ensuring the Group maintains transparent and regular communication channels to build a long-term relationship with various stakeholders.

The communication channels in place, amongst others, are as follows:

a) Announcement to Bursa Malaysia

The Company makes timely public announcements and disclosures to Bursa Malaysia, which include quarterly financial results, material transactions involved, changes in Directors/Substantial Shareholders' interests, corporate proposals as well as any other material information that is reasonably expected to have a substantial impact on the Company's Securities and/or investors' decision-making.

b) Investors and Research Analysts Briefing and Dialogue

After quarterly results are released, the Company conducts engagement sessions with investors and research analysts, to discuss the Group's financial performance and results, as well as immediate and long-term strategies, along with their implications.

c) Company Website

The Company maintains a regularly updated and informative corporate website at www.ame-elite.com. The website has a dedicated "Investor Relations" section, in which all relevant corporate information on the Group are provided, including financial calendar, corporate governance documents and policies, regulatory announcements and disclosures, annual reports, corporate governance reports, quarterly results, corporate presentations, press releases, and analyst reports.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)**PART I: ENGAGEMENT WITH STAKEHOLDERS (CONTINUED)****12.0 Engagement with Stakeholders (continued)****12.1 Effective, Transparent and Regular Communication with Stakeholders (continued)****d) Investor Relations Function**

The Company has a separate investor relations function managed by designated personnel. The investor relations function serves as a conduit between the Company and various investors/financial communities on the Group's corporate development strategies and financial plans. It facilitates and manages investor-related activities such as investor roadshows, quarterly financial result briefings, press releases, site visits, and meetings with institutional investors, fund managers and analysts.

Any enquiries on investor-related matters may be directed to the email address, corporate@ame-elite.com or may also be conveyed to the following persons:

Gregory Lui
Chief Financial Officer
Contact No.: +607-5959 666
Email: gregory.lui@amedev.com.my

Julia Pong
Investor Relations Officer
Contact No.: +603-2711 1391
Email: ame-elite@investor.net.my

While the Company endeavours to disseminate timely information to investors and financial communities through the above channels, the Company is also mindful that all corporate disclosures consider the prevailing legislative restrictions and requirements. The Company will avoid instances of disseminating unpublished price-sensitive information and will not provide undisclosed material information to a specific group.

PART II: CONDUCT OF GENERAL MEETINGS**13.0 Encourage Shareholders' Participation at General Meeting****13.1 Notice for Annual General Meeting**

The Company values its General Meetings as an important avenue for dialogue with shareholders.

The Company had disseminated its notice of the 4th AGM held on 28 September 2022 with explanatory notes to shareholders at least twenty-eight (28) days before the AGM to encourage shareholders' participation. The additional time given allowed shareholders to make necessary arrangements to attend and participate in person or through corporate representatives, proxies or attorneys. It also empowered shareholders with sufficient preparation time to consider the proposed resolutions and to make informed voting decisions at the AGM.

13.2 Directors to Attend General Meetings

All Directors, including all the Board Committee Chairpersons, and the Company's External Auditors attended the 4th AGM held on 28 September 2022. Similarly, all Directors and the respective Principal Advisors, Legal Due Diligence Solicitors and other consultants also attended the Extraordinary General Meeting ("EGM") held on 11 May 2022.

All proposed resolutions were explained before the commencement of poll voting. The Board Chairperson had invited all shareholders to raise questions so that shareholders could make an informed judgement and vote accordingly.

An independent scrutineer was appointed to monitor the poll voting process and validate the votes cast at the general meetings. The outcome of the general meetings was announced to Bursa Malaysia on the same meeting day and published on the Company's website.

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

PART II: CONDUCT OF GENERAL MEETINGS (CONTINUED)

13.0 Encourage Shareholders' Participation at General Meeting (continued)

13.3 Leveraging on Technology for Voting in Absentia and Remote Shareholders' Participation

The EGM held on 11 May 2022 was conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities via online meeting platform, provided by the appointed poll administrator, Boardroom Share Registrars Sdn Bhd ("Boardroom").

The RPEV facilities provided by Boardroom enabled shareholders to exercise their right as a member of the Company to participate by posing questions to the Board and/or the Management in advance or via real time submission of typed texts and voting remotely.

For the 4th AGM held on 28 September 2022, the general meeting was conducted physically at i-Park@Senai Airport City Sales Gallery, No. 2, Jalan I-Park SAC 1/1, Taman Perindustrian I-Park SAC, 81400 Senai, Johor Darul Takzim. The decision to conduct the Company's AGM physically was made with due regard to the shareholders' structure, accessibility of the meeting location as well as the aim of enhancing shareholders' engagement through meeting the shareholders in person.

To further promote active shareholders' engagement, shareholders who could not attend the 4th AGM had been allowed to appoint their respective proxies to participate, speak and vote on their behalf at the AGM.

The Board is mindful of the recommendation from the MCCG. The forthcoming 5th AGM of the Company will be conducted on a fully virtual basis through live streaming and online remote voting using RPEV facilities.

13.4 Interactive and meaningful general meeting

The EGM held on 11 May 2022 was conducted on a fully virtual basis through live streaming and online remote voting using RPEV facilities via online meeting platform, provided by Boardroom.

The online meeting platform was organised from <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) and is recognised as a meeting venue or place for purpose of Section 327(2) of the CA 2016 as clarified in the Frequently Asked Questions (FAQs) on Virtual General Meetings issued by Companies Commission of Malaysia on 8 June 2021.

The RPEV facilities allow shareholders to submit their votes on the resolutions at any time from the start of the general meetings and before the end of the voting session. The poll administrator also briefed the shareholders through its video presentation on the e-voting procedures to facilitate the e-voting process. The poll results were verified by the independent scrutineers and announced by the Board Chairperson.

For both general meetings held in FY2023, the Board Chairperson encouraged all shareholders to pose questions before putting resolutions for poll voting. Shareholders were given sufficient time and opportunity to pose questions during the general meetings. Questions that were submitted before the general meetings (if any) and those that were posed during the meetings were addressed by the respective Directors, Management, advisors and/or consultants.

At the 4th AGM, the Board Chairperson informed shareholders that the Company had received a letter from the Minority Shareholders Watch Group (MSWG) on questions relating to the operational and financial matters of the Group and corporate governance matters. The Board Chairperson read out all questions and the respective Executive Directors and the Board Committees' Chairpersons responded accordingly.

The Group Financial Controller (promoted to Chief Financial Officer in January 2023) also took the opportunity to engage with shareholders at the 4th AGM by giving a presentation on the operational highlights and financial performance of the Group.

13.5 Circulation of minutes of general meetings to shareholders within 30 business days

The minutes of the EGM held on 11 May 2022 and the 4th AGM (including proceedings of the meeting, questions raised by the shareholders and MSWG, and responses from the Directors, Management, advisors and/or consultants) were made available on the Company's website at www.ame-elite.com within 30 business days after the general meetings.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("Board") of AME Elite Consortium Berhad ("Company") is pleased to present the Audit and Risk Management Committee ("ARMC") Report for the financial year ended 31 March 2023 ("FY2023").

COMPOSITION

The ARMC comprises three (3) members as follows:

Name	Designation	Directorship
Tan Lay Beng	Chairperson	Independent Non-Executive Director
Chang Tian Kwang	Member	Independent Non-Executive Director
Wee Soon Chit	Member	Independent Non-Executive Director

The ARMC consists solely of Independent Non-Executive Directors, qualified individuals with the required skills and expertise to discharge the ARMC's functions and duties. The ARMC Chairperson is not the Chairperson of the Board of Directors of the Company.

The Chairperson of the ARMC, Tan Lay Beng is a Fellow Member of the Association of Chartered Certified Accountants, a Fellow Member of the Chartered Tax Institute of Malaysia and a Chartered Accountant of the Malaysian Institute of Accountants ("MIA"). She is presently a committee member of the MIA Johor Regional Office. Chang Tian Kwang, another member of the ARMC is also a Chartered Accountant of the MIA.

The profiles of the members are set out in the Board of Directors' Profile in the Annual Report 2023.

MEETING

The ARMC held five (5) meetings during FY2023. The attendance of the ARMC members is set out as follows:

Name	Number of Meetings Attended
Tan Lay Beng	5/5
Chang Tian Kwang	5/5
Wee Soon Chit	5/5

The ARMC meetings were conducted with sufficient quorum. Meeting materials, both digital and printed copies, were sent to ARMC members before the date set for meetings to enable ample time for ARMC members to review the information and obtain such details and explanations where necessary. The Company Secretary was appointed as the secretary of the ARMC.

The representatives of the External Auditors and Internal Auditors, Executive Directors, Chief Financial Officer and members of the management and employees of the Group, at the invitation of the ARMC, attended the ARMC meetings to present their reports and/or findings or explanations.

The Chairperson of the ARMC reported on key issues and matters discussed at each ARMC meeting to the Board in the Board meetings and, where appropriate, made necessary recommendations to the Board.

The minutes of each ARMC meeting were recorded and distributed electronically for ARMC's confirmation at subsequent ARMC meetings, and thereafter, all minutes of ARMC meetings were presented to the Board for discussion and notation.

TERMS OF REFERENCE

The detailed terms of reference of the ARMC are published and available on the Company's website at www.ame-elite.com.

SUMMARY OF ACTIVITIES

The activities carried out by the ARMC for FY2023 in discharging its functions and duties are summarised as follows:

1. Financial Reporting

- Reviewed the unaudited quarterly interim financial reports (“**Interim Financial Reports**”) and year-end financial statements (“**Annual Financial Statements**”) for FY2023 before they were presented to the Board for approval as recommended.
- In its review of the Interim Financial Reports and the Annual Financial Statements for FY2023, discussed with Management and External Auditors the financial reporting standards applied, including judgments exercised in the application of those standards and significant accounting estimates and assumptions used in arriving at the reported amounts in the Interim Financial Reports and the Annual Financial Statements for FY2023.
- Discussed the accounting standards, interpretations and amendments of the Malaysia Financial Reporting Standards (“**MFRS**”) issued by the Malaysian Accounting Standards Board but have not been adopted by the Management and the External Auditors.
- Discussed the implication of adopting new accounting standards, interpretations and amendments of the MFRS during FY2023 with the Management and the External Auditors.
- Met with the External Auditors once without the presence of the Management during the financial year to discuss issues encountered during the review of the Interim Financial Reports and audit of the Annual Financial Statements for FY2023. The External Auditors highlighted no major concerns and received full support and cooperation from the Management.

2. External Audit

- Reviewed the Audit Plan and Strategy for FY2023 prepared by the External Auditors, covering the engagement team, materiality, scope, methodology, timing, involvement of other experts, significant accounting policies and disclosures, audit focus areas, key milestones and newly effective financial reporting standards.
- Reviewed the review findings of the Interim Financial Reports and audit findings of the Annual Financial Statements for FY2023, as well as year-end audit report and management letter with the Management’s response for FY2023 prepared by the External Auditors.

- Reviewed and evaluated the suitability, objectivity and independence of External Auditors, the ARMC received confirmation from the External Auditors through their Audit Plan and Strategy for FY2023 on their independence. During the presentation of the audit report to the ARMC on the audit results, the External Auditors also reaffirmed that their independence was not compromised during the audits and that they are in compliance with relevant By-laws and Standards of relevant professional bodies. The ARMC was satisfied that, throughout the audit engagement, the External Auditors had conducted themselves in accordance with the terms of all relevant professional and regulatory requirements, and made recommendations to the Board on their re-appointment.

- Reviewed the fees of the External Auditors.

3. Internal Audit

- Reviewed the adequacy of scope, functions, competency and resources of the internal audit functions.
- Reviewed the internal audit programmes and plans for FY2023.
- Reviewed the internal audit report, including audit findings and recommendations for improvement prepared by the Internal Auditors and the corresponding actions taken by the Management, including follow-up reviews carried out by the Internal Auditors.
- An operational audit report issued for the newly listed AME Real Estate Investment Trust (“**AME REIT**”) and the minutes of ARMC meeting were submitted to the ARMC by I REIT Managers Sdn. Bhd. (“**I REIT**”), the management company of AME REIT. ARMC was satisfied that I REIT’s independent board of directors has provided adequate oversight over the operations and financial performance of AME REIT.

4. Related Party Transactions

- Reviewed the related party transactions (“**RPTs**”) of the Company and its subsidiaries (collectively referred to as “**Group**”).
- Reviewed RPTs of the Group and satisfied that the RPTs were transacted on an arm’s length basis and on normal commercial terms, which were not unfavourable to the Group.
- Reviewed the recurrent RPTs of the Group and satisfied that the recurrent RPTs did not exceed the threshold prescribed under Bursa Malaysia Securities Berhad’s Main Market Listing Requirements which require the Company’s shareholder approval.

SUMMARY OF ACTIVITIES (CONTINUED)

5. Risk Management

- Reviewed the adequacy of scope, functions, competency and resources of the risk management functions.
- Reviewed the adoption of a risk management governance framework and the adequacy of risk awareness trainings.
- Reviewed the risk profile, including risk measurement, risk matrix and risk registers with key risk factors identified and risk control measures put in place for corporate office and respective business divisions.

6. Others

- Reviewed the provision of non-audit services provided to the Group by the External Auditors and the relevant non-audit fees payable to the External Auditors to ensure their independence and objectivity as the performance of such non-audit services would not impair external auditors.
- Reviewed the following statements/reports before they were presented to the Board for approval as recommended for inclusion in the annual report:
 - Management’s Discussion & Analysis;
 - Sustainability Statement;
 - Corporate Governance Overview Statement;
 - ARMC Report;
 - Statement on Risk Management and Internal Control; and
 - Directors’ Responsibility Statement

INTERNAL AUDIT FUNCTION

The Board has outsourced the internal audit functions of the Group to an independent professional services firm, namely Sterling Business Alignment Sdn Bhd (“**Internal Auditors**”). The Internal Auditors carry out the internal audit functions of the Group to assist the ARMC in discharging its duties and responsibilities. The Internal Auditors also assist the Group in meeting its business objectives by establishing and maintaining a systematic and disciplined approach to evaluate and improve the effectiveness of the Group’s Risk Management Framework.

The Internal Auditors adopt risk-based audit methodology to develop their internal audit plan and activities. The internal audit functions of the Group are carried out according to the internal audit plan as approved by the ARMC. Greater focus and appropriate review are set for higher risk functions and significant internal controls, including compliance with the Group’s policies, procedures and regulatory responsibilities.

The Internal Auditors provide the audit findings and recommendations for improvement to the Management, who would respond to the actions to be taken after that. The Internal Auditors present their internal audit report to the ARMC. The ARMC then monitors the timely and proper implementation of required corrective or preventive or improvement measures undertaken by the Management to improve the system of internal controls of the Group continuously.

The assignments carried out by the Internal Auditors during FY2023 in discharging their duties and responsibilities were to gauge the internal control environment of the Management Information System of the Group, as well as the Finance and Accounts functions of a subsidiary of the Group, AME Construction Sdn. Bhd.

The internal audit report with details on background, audit scope and approach, reporting method and process flows was issued to the ARMC and the Board, and tabled at the ARMC’s meeting. The internal audit report incorporated the Internal Auditors’ findings, recommendations for improvement and follow-up reviews of the implementation of the recommendations and the actions taken by the Management.

The internal audit fee incurred for the Group in FY2023 was RM69,000.

EVALUATION

The Board, through the Nomination Committee, has evaluated the performance of the ARMC and its members. Based on the assessment conducted for FY2023, the ARMC and its members are found to have effectively discharged their duties and responsibilities in accordance with the ARMC’s terms of reference.

1. UTILISATION OF PROCEEDS

- a) The Company was listed on the Main Market of Bursa Malaysia Securities Berhad on 14 October 2019 (“Listing”). In conjunction with the Listing, the Company undertook a public issue of 85,423,000 new ordinary shares at an issue price of RM1.30 per share, raising gross proceeds of RM111.05 million. The gross proceeds had been fully utilised as at the end of the financial year ended 31 March 2023 (“FY2023”).
- b) On 20 September 2022, the Company announced that the disposal of 31 industrial properties and 3 dormitories amounting to RM557.0 million by its subsidiaries to AME Real Estate Investment Trust (“AME REIT”) had been completed. The disposal consideration had been satisfied by AME REIT via the issuance of 520.0 million AME REIT units and a cash consideration of RM37.0 million.

The Company, as the sponsor of AME REIT, had also carried out a public offering of 254.8 million AME REIT units via its subsidiaries as part of its listing of AME REIT on the Main Market of Bursa Malaysia Securities Berhad (“REIT Listing”). The offer price for the public offering was fixed at RM1.13 per unit, raising gross proceeds of RM287.92 million (“Offering Proceeds”).

As at the end of FY2023, the utilisation of the Offering Proceeds is as follows:

Details of use of proceeds	Estimated timeframe for the use of proceeds upon REIT Listing	Initial proposed utilisation ⁽ⁱ⁾ RM'000	Revised proposed utilisation RM'000	Actual utilisation RM'000	Percentage utilised %
Future industrial property development and investment projects including land acquisitions and joint ventures	Within 24 months	173,469	⁽ⁱⁱ⁾ 174,404	-	-
Repayment of borrowings	Within 3 months	110,000	110,000	110,000	100
Estimated listing expenses	Within 1 month	4,455	3,520	⁽ⁱⁱⁱ⁾ 3,520	100
		287,924	287,924	113,520	

- (i) The utilisation of the Offering Proceeds as disclosed above should be read in conjunction with the Announcement made on 1 September 2022.
- (ii) The actual listing expenses incurred of RM3.52 million are lower than the estimated amount of RM4.46 million. The excess amount of RM0.94 million will be used for future industrial property development and investment project.

1. UTILISATION OF PROCEEDS (CONTINUED)

- c) On 5 December 2022, the Company announced that AME Development Sdn Bhd and Ipark Development Sdn Bhd, subsidiaries of the Company had on 5 December 2022 entered into three conditional sale and purchase agreements with RHB Trustees Berhad, being the trustee of AME REIT to dispose 3 industrial properties, being Plot 15 Indahpura, Plot 16 Indahpura and Plot 43 SAC for a total consideration of RM69.25 million (“Disposals”).

The disposal of Plot 15 Indahpura and Plot 43 SAC was completed on 24 March 2023 whilst the disposal of Plot 16 Indahpura is expected to be completed by the first quarter of calendar year 2024.

As at the end of FY2023, the utilisation of the disposal consideration is as follows:

Details of use of proceeds	Estimated timeframe for the use of proceeds from the date of completion of the respective Disposals	Proposed utilisation ⁽ⁱ⁾ RM'000	Actual utilisation RM'000	Percentage utilised %
Repayment of Borrowings for Plot 43 SAC	Within 1 month	4,063	4,063	100
Future industrial property development and investment projects and working capital purposes	Within 36 months	⁽ⁱⁱ⁾ 64,987	-	-
Estimated expenses for the Disposals	Within 1 month	200	108	54
		69,250	4,171	

- (i) The utilisation of the proceeds from the Disposal as disclosed above should be read in conjunction with the Announcement made on 5 December 2022.
- (ii) The balance disposal consideration of RM25.97 million for Plot 16 Indahpura is expected to be received by the first quarter of calendar year 2024.

2. AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's external auditors and a firm affiliated to the external auditors' firm by the Group and the Company for FY2023 are as follows:

Type of fees	The Company RM	The Group RM
Audit fees	45,000	460,000
Non-audit fees	⁽ⁱ⁾ 245,500	⁽ⁱⁱ⁾ 448,500
Total	290,500	663,000

- (i) The non-audit fees of the Company were incurred mainly for the advisory services in connection with the proposed establishment and listing of an industrial real estate investment trust on the Main Market of Bursa Malaysia Securities Berhad and quarterly review of the Company's interim financial reports.
- (ii) Save for the services as disclosed in item (i), the non-audit fees of the Group comprise mainly of advisory services in connection with the proposed disposal of 3 industrial properties to AME Real Estate Investment Trust by the external auditors, corporate tax computation and submission services rendered to the Group by a firm affiliated to the external auditors.

3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS, CHIEF EXECUTIVE OR MAJOR SHAREHOLDERS

Saved as disclosed below, there were no other material contracts entered into by the Company and its subsidiaries involving the interests of its Directors, chief executive who is not a director, or major shareholders, either still subsisting at the end of FY2023, or entered into since the end of previous financial year.

- (i) sale and purchase agreements dated 19 July 2022 for the disposals of 31 industrial properties and 3 dormitories by the subsidiaries of the Company to RHB Trustees Berhad (“Trustee”), being the trustee of AME REIT for a total consideration of RM557.0 million satisfied by issuance of 520 million units of AME REIT at an issue price of RM1.00 per unit and cash consideration of RM37.0 million; and
- (ii) sale and purchase agreements dated 5 December 2022 for the proposed disposals of 3 industrial properties by the subsidiaries of the Company to the Trustee for a total cash consideration of RM69.25 million.

Certain Directors and/or major shareholders of the Company and/or persons connected with them have interest, direct or indirect, in the above-mentioned disposals/proposed disposals, as disclosed in the prospectus of AME REIT dated 17 August 2022 and the circular to unitholders of AME REIT dated 10 February 2023.

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

There were no recurrent related party transactions of a revenue or trading nature that required shareholders’ mandate during FY2023.

5. EMPLOYEES’ SHARE OPTION SCHEME

The Company had on 26 August 2021 obtained the shareholders’ approval on the establishment of an employees’ share option scheme (“ESOS” or “Scheme”) of up to 10% of the total number of issued shares of AME at any point in time during the duration of the Scheme. On 3 January 2022, the Company announced that the effective date for the implementation of the ESOS is 3 January 2022, being the date on which the Company fully complied with the requirements under Paragraph 6.43(1) of the Listing Requirements. As at the date of this Annual Report, no ESOS options or shares have been granted.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (“Board”) of AME Elite Consortium Berhad (“Company”) is pleased to present the Statement on Risk Management and Internal Control (“Statement”) for the financial year ended 31 March 2023 (“FY2023”), prepared in compliance with Paragraph 15.26(b) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), Principle B of the Malaysian Code of Corporate Governance, and with guidance from the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

This Statement does not cover joint ventures or listed subsidiary companies as the internal control systems of these companies are managed by the respective management teams.

BOARD’S RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining sound risk management and internal control systems (“Systems”) to safeguard the shareholders’ investments and the Company and its subsidiaries (collectively referred to as “Group”)’s assets, and to discharge its stewardship responsibility in identifying and evaluating risks and ensuring the implementation of the appropriate Systems to manage these risks. The Board has established an ongoing process for identifying, evaluating and managing the significant risks the Group faces. The Management assists the Board in implementing the policies and procedures on risk management and internal control by identifying and assessing the risks faced, and in designing and monitoring appropriate internal controls to mitigate these risks.

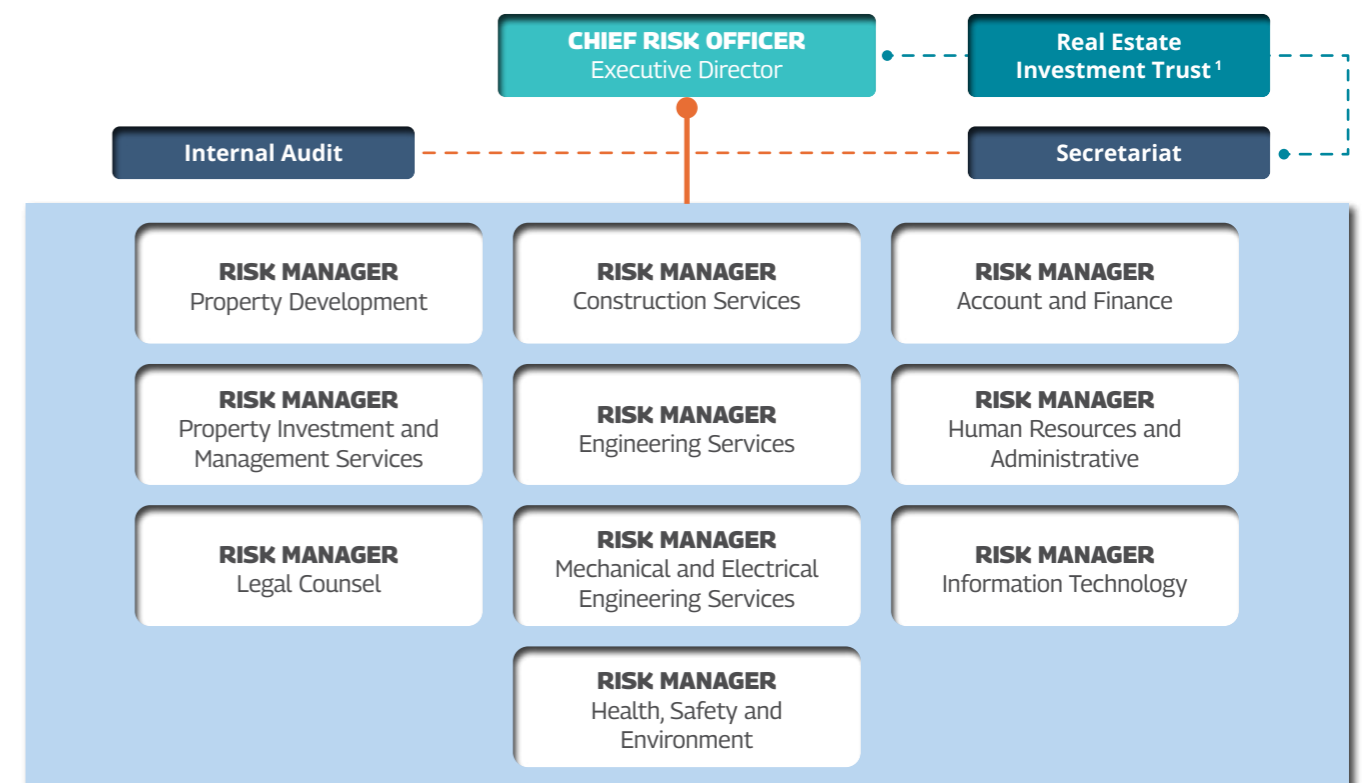
RISK MANAGEMENT FRAMEWORK

The Group has established and adopted a Risk Management Framework (“Framework”), which outlines the Group’s risks and the on-going process for identifying, evaluating, managing and reporting the key risks faced by the Group throughout the financial year under review up to the date of approval of this Statement.

The Group’s Risk Organisation Structure is set out as below:



The Group’s Risk Management Working Group (“RMWG”) is set out as below:



RISK MANAGEMENT FRAMEWORK (CONTINUED)

1. For AME Real Estate Investment Trust (“**AME REIT**”), a subsidiary of the Company which was listed on the Main Market of Bursa Malaysia Securities Berhad on 20 September 2022, the risk management is carried out by I REIT Managers Sdn. Bhd. (“**I REIT**”), the management company of AME REIT and a wholly owned subsidiary of the Company. As for I REIT, the risk management shall be delegated to the Board of I REIT, its ARMC and/or their delegates.

Any significant risk management matters of AME REIT and I REIT shall be reported to the Chief Risk Officer of the Group. In addition, an operational audit report and the minutes of ARMC of AME REIT were submitted to the ARMC by I REIT.

The Audit and Risk Management Committee (“**ARMC**”) consists of three (3) Independent Non-Executive Directors. The Board has delegated its authority to the ARMC to oversee the Framework and risk management policies, assess the adequacy and effectiveness of the risk management process, and review the risk profile of the Group. The ARMC also oversees in ensuring compliance with the Listing Requirements of Bursa Malaysia and other applicable laws. The ARMC is assisted by the RMWG, which is headed by an Executive Director and consists of Heads of Divisions/Functions (“**Heads**”) who are delegated the responsibilities to manage risks related to their respective division/function units.

The roles and responsibilities of the RMWG include the following:

1. Implementation of the Framework as approved by the Board;
2. Assess, develop and implement the risk management process;
3. Ensure the risk management practices are aligned with the Group’s strategies;
4. Periodic review of risk management methodologies applied and update of key risk registers; and
5. Update the ARMC on the changes to the key risk registers periodically.

The RMWG is also responsible for creating an awareness culture to ensure a greater understanding of the importance of effective Systems and that its principles are embedded in key operational processes. This is undertaken through the Group’s Code of Conduct and Ethics, policies and procedures manuals, staff briefings and leadership by example.

The process involves identifying and assessing relevant types of risks in terms of likelihood and magnitude of impact, as well as identifying and evaluating the adequacy and effectiveness of applying the mechanism to manage and mitigate these risks. Key risks relating to the Group’s operations are deliberated at the regular meetings attended by the Executive Directors and Senior Management team, where significant risks are reported to the Board at their scheduled meetings. The process of identifying, evaluating, monitoring and managing risks is embedded in the various work processes and procedures of the respective operational functions. The risk-mitigating processes are implemented in the following aspects:

1. Legal and Regulatory

Compliance with laws and regulations that are relevant to our Group’s business, such as compliance with industry legislation and the Listing Requirements, where all announcements should be made on time.

2. Political, Legislative and Economic Risk

Ensure that the Group is updated in accordance with changes in, if any, the economic, political situation, government economic plans and policies in Malaysia.

3. Financial

Liquidity risk management processes ensure that the Group effectively and efficiently manages its financial resources and meets its financial obligations.

4. Business

Business risk management approach which identifies key business risks and their financial impact. Identified business risks are assessed and ranked based on their severity of consequences and the likelihood of occurrence for mitigating actions to be taken.

5. Operational

Key operational risks identified, such as risks affecting the quality and timeliness of project delivery, are monitored by risk owners to ensure remedial and mitigating actions.

RISK MANAGEMENT FRAMEWORK (CONTINUED)**6. Health, Safety and Environment**

Adopt stringent monitoring controls on health, safety and environment, such as the COVID-19 pandemic, which are of utmost importance to the business. Monitoring control and measures include complying with the statutory guidelines and procedures, delegating duties and responsibilities, scheduling tasks and implementing control measures.

The monitoring of the risk management process by the Group is enhanced by the internal audits conducted by the outsourced internal audit function with specific audit objectives and business risks identified for each internal audit cycle based on the internal audit plans.

The Board will continually review and evaluate the existing Framework, risk profile and risk management practices to ensure the Framework, risk profile, and risk management practices are appropriate and remain relevant to the Group’s requirements.

INTERNAL AUDIT FUNCTION

The Group’s internal audit function is outsourced to an independent professional services firm to assist the Board and ARMC by providing an independent assessment of the adequacy and effectiveness of the Group’s risk management and internal control systems. This is also to ensure that the internal audit function is free from any relationships or conflicts of interest, which may impair objectivity and independence. Further details of the Internal Audit Function are set out in the Audit and Risk Management Committee Report in the Annual Report 2023.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group’s Internal Controls are as follows:

1. An organisation structure with defined scopes of responsibility, clear lines of accountability, appropriate segregation of duties and delegation of authority;
2. A set of documented internal policies and procedures, which is subject to regular review by the Management;
3. A Health, Safety and Environment Policy to raise the awareness of quality, health, safety and environment practices throughout the Group and monitors the compliances with relevant regulations and best practices;
4. A Whistleblowing Policy to assist stakeholders in raising concerns on any malpractices they may observe in the Group, without fear of retaliation;
5. An Anti-Bribery and Anti-Corruption Policy to prohibit all forms of bribery and corruption practices, and the Group is committed to conducting business free from any acts of bribery or corruption in upholding high standards of ethics and integrity;
6. A Code of Ethics for all employees, which defines the ethical standards and conduct at work, is communicated to all employees upon their employment.
7. The Executive Directors are closely involved in the running of the Group’s businesses and operations, and they report to the Board on significant changes in the business and external environment, if any;
8. Several board committees include the ARMC, Nomination Committee and Remuneration Committee, which have been delegated with specific duties to review and consider all matters within their scope of responsibilities as defined in their respective terms of reference;
9. Management meetings are conducted regularly with the Executive Directors and Senior Management in attendance;
10. Board meetings are scheduled to review the business plan, business strategies and performance of the Group, from financial and operational perspectives;
11. Budgets for the financial year are reviewed yearly, and significant variances are investigated and followed up, if any, and remedial actions are taken where necessary;
12. Regular and comprehensive information provided to the Management, covering financial and operational performance and key business indicators, for effective monitoring and decision making;

OTHER KEY ELEMENTS OF INTERNAL CONTROL (CONTINUED)

13. Report by the Management to the Board on significant operational matters and other issues affecting the Group;
14. Regular visits to operating units and/or project sites by the Group Managing Director, Executive Directors and Senior Management;
15. Adequate insurance coverage on the Group's major assets, and resources and against any mishap that may result in unexpected financial losses to the Group;
16. The Internal Audit Function carries out internal audit reviews to ascertain the adequacy and effectiveness of operational and financial procedures;
17. During the ARMC and Board meetings, quarterly results, interim financial reports, annual financial statements, related party transactions and updates on business development are reviewed, and key risks highlighted by the Management are deliberated upon; and
18. Ongoing investment in training and development of staff ensures that they are kept up to date with the necessary competencies to carry out their duties effectively and efficiently.

REVIEW OF STATEMENT BY EXTERNAL AUDITOR

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 March 2023, and reported to the Board that nothing has come to their attention that caused them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- b) 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 of Directors and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will remedy the problems.

BOARD ASSURANCE AND LIMITATION

The Board is of the view that the Group's Systems in place are adequate and effective to safeguard the shareholders' investments and the Group's assets, and is not aware of any material misstatements, financial losses or fraud during the FY2023 as a result of weaknesses in internal control that would require disclosure in the Annual Report.

The Board has also received assurance from the Group Managing Director and Chief Financial Officer that the Group's Systems are operating adequately and effectively, in all material aspects, based on the Group's Framework.

The Board undertakes to continuously improve and strengthen the Group's Systems. Nonetheless, the Board wishes to clarify that the Group's Systems are designed to manage risks reasonably rather than to eliminate risks of failure to achieve the Group's business objectives. Therefore, the Group's Systems can only provide reasonable, not absolute, assurance against material misstatements, financial losses or fraud.

DIRECTORS' RESPONSIBILITY STATEMENT
FOR THE AUDITED FINANCIAL STATEMENTS
(PURSUANT TO PARAGRAPH 15.26(A) OF THE MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD)

The Directors are required by the Companies Act 2016 ("Act") to prepare the financial statements for each financial year in accordance with applicable Financial Reporting Standards, the requirements of the Act and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible for ensuring the financial statements give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements for the year ended 31 March 2023, the Directors have deliberated:

- i. appropriate and relevant accounting policies have been adopted and applied consistently;
- ii. judgements and estimates have been made on a reasonable and prudent basis;
- iii. all applicable accounting standards have been followed; and
- iv. the financial statements have been prepared on a going concern basis.

In addition, the Directors have a responsibility to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are also responsible for taking such steps which are reasonably available to them to safeguard the assets of the Group and the Company to detect and prevent fraud and other irregularities.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company consists of those relating to investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

RESULTS

	Group RM	Company RM
Profit for the year attributable to:		
Owners of the Company	101,555,093	183,279,613
Non-controlling interests	40,459,160	-
	142,014,253	183,279,613

RESERVES AND PROVISIONS

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

DIVIDENDS

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows:

- i) In respect of the financial year ended 31 March 2022:
 - an interim dividend of 2.5 sen per ordinary share totalling RM16,016,816 declared on 26 May 2022 and paid on 7 July 2022.
- ii) In respect of the financial year ended 31 March 2023:
 - a special single-tier dividend of 1.0 sen per ordinary share totalling RM6,406,727 declared on 27 September 2022 and paid on 28 October 2022.
 - an interim dividend of 3.0 sen per ordinary share totalling RM19,172,779 declared on 26 May 2023 and paid on 7 July 2023. The financial statements for the current financial year do not reflect this dividend and it will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2024.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS OF THE COMPANY

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

Directors	Alternate
Mr. Lee Sai Boon	Ms. Lee Ling Sien
YM Tengku Azrina binti Raja Abdul Aziz	
Ms. Tan Lay Beng	
Mr. Chang Tian Kwang	
Mr. Wee Soon Chit	
Mr. Lim Yook Kim ⁿ¹ (resigned on 1 June 2023)	
Mr. Lim Khai Wen ⁿ¹ (appointed on 1 June 2023)	Ms Lim Pei Shi ⁿ¹
Mr. Kang Koh Wei ⁿ²	Mr. Kang Ah Chee ⁿ²

ⁿ¹ – In line with the Company's succession plan, Mr. Lim Yook Kim has opted to resign from his position as Executive Director with effect from 1 June 2023. Accordingly, Mr. Lim Khai Wen has been appointed as Executive Director and succeeds Mr. Lim Yook Kim effective on the same date. Following Mr. Lim Yook Kim's resignation, Ms. Lim Pei Shi ceased to be his Alternate Director. Ms. Lim Pei Shi was reappointed as Alternate Director to Mr. Lim Khai Wen on the same date.

ⁿ² – In line with the Company's succession plan, Mr. Kang Ah Chee has opted to resign from his position as Executive Director with effect from 1 June 2023. Accordingly, Mr. Kang Koh Wei has been appointed as Executive Director and succeeds Mr. Kang Ah Chee effective on the same date. Mr. Kang Ah Chee was also appointed as Alternate Director to Mr. Kang Koh Wei on 1 June 2023.

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Mr. Chan Wai Leo	Mr. Pu Suan Aik
Datin Cheryl Kaur Pola	Mr. Liaw Tien Min
Mr. Yau Yin Wee	Mr. Teo Kee Chong
Mr. Wee Beng Chuan	Mr. Bi Shengyang
Mr. Pu Wah Jian	Mr. Neoh Eng Qi

DIRECTORS' INTERESTS IN SHARES

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

Name of Directors	Number of ordinary shares			
	At 1 April 2022	Bought	Sold	At 31 March 2023
Company				
Direct interest				
Mr. Lee Chai	112,701,650	954,800	-	113,656,450
Mr. Lim Yook Kim	113,841,150	-	-	113,841,150
Mr. Kang Ah Chee	111,591,150	-	-	111,591,150
Mr. Lee Sai Boon	36,987,000	-	-	36,987,000
Ms. Lim Pei Shi	435,000	-	-	435,000
Ms. Lee Ling Sien	336,150	-	-	336,150
Mr. Kang Koh Wei	487,800	100,000	-	587,800
YM Tengku Azrina binti Raja Abdul Aziz	150,000	-	-	150,000
Ms. Tan Lay Beng	45,000	-	-	45,000
Mr. Chang Tian Kwang	225,000	105,000	-	330,000
Mr. Wee Soon Chit	210,000	-	-	210,000

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

Name of Directors	Number of ordinary shares			
	At 1 April 2022	Bought	Sold	At 31 March 2023
Deemed Interest				
Mr. Lee Chai	5,881,650	2,899,200	-	8,780,850
Mr. Lim Yook Kim	6,243,450	2,999,200	-	9,242,650
Mr. Kang Ah Chee	6,031,650	2,799,200	-	8,830,850
Mr. Lee Sai Boon	5,731,650	2,799,200	-	8,530,850
Mr. Lee Chai's, Mr. Lim Yook Kim's and Mr. Kang Ah Chee's direct interest each in:				
Subsidiaries				
- Active Gold Services Sdn. Bhd.	150,000	-	-	150,000
- AME Integrated Sdn. Bhd.	30	-	-	30
Mr. Lee Sai Boon's direct interest in:				
Subsidiaries				
- Active Gold Services Sdn. Bhd.	50,000	-	-	50,000
- AME Integrated Sdn. Bhd.	10	-	-	10
Ms. Lim Pei Shi's direct interest in:				
Subsidiary				
- Symphony Square Sdn. Bhd.	90,000	-	-	90,000
Mr. Lee Chai's, Mr. Lim Yook Kim's, Mr. Kang Ah Chee's and Mr. Lee Sai Boon's deemed interest each in:				
Subsidiaries				
- Active Gold Services Sdn. Bhd.	500,000,000	-	-	500,000,000
- Symphony Square Sdn. Bhd.	300,000,000	-	-	300,000,000
- Ipark Development Sdn. Bhd.	4,000,000	-	-	4,000,000
- Quantum Renewable Energy Sdn. Bhd.	510,000	510,000	-	1,020,000
- AME Integrated Sdn. Bhd.	100,000	-	-	100,000
- I Stay Management Sdn. Bhd.	70,000	-	-	70,000
- Dynamic Innovative Venture Sdn. Bhd. [#]	51	-	-	51
- Landscape Artist Sdn. Bhd. [@]	-	700	-	700
[#] Dynamic Innovative Venture Sdn. Bhd. was incorporated on 17 May 2022.				
[@] Landscape Artist Sdn. Bhd. was acquired by AME Building Management Sdn. Bhd. on 26 April 2022.				

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

Name of Directors	At 20 September 2022*	Number of units		At 31 March 2023
		Bought	Sold	
Subsidiary				
AME Real Estate Investment Trust				
Direct interest				
Mr. Lee Chai	24,540,400	-	-	24,540,400
Mr. Lim Yook Kim	22,768,230	-	-	22,768,230
Mr. Kang Ah Chee	22,318,230	-	-	22,318,230
Mr. Lee Sai Boon	7,697,400	-	-	7,697,400
Ms. Lim Pei Shi	437,000	-	-	437,000
Ms. Lee Ling Sien	352,300	-	-	352,300
Mr. Kang Koh Wei	847,600	-	-	847,600
YM Tengku Azrina binti Raja Abdul Aziz	600,000	-	-	600,000
Ms. Tan Lay Beng	180,000	-	-	180,000
Mr. Chang Tian Kwang	660,000	-	-	660,000
Mr. Wee Soon Chit	272,000	-	-	272,000
Deemed interest				
Mr. Lee Chai	266,942,130	974,949	-	267,917,079
Mr. Lim Yook Kim	267,298,690	894,979	-	268,193,669
Mr. Kang Ah Chee	266,546,330	894,979	-	267,441,309
Mr. Lee Sai Boon	266,346,330	894,979	-	267,241,309
Ms. Lim Pei Shi	60,000	-	-	60,000

* AME Real Estate Investment Trust was listed on the Main Market of Bursa Malaysia Securities Berhad on 20 September 2022.

Name of Directors	At 1 April 2022	Number of preference shares		At 31 March 2023
		Bought	Redeemed	
Mr. Lee Chai's, Mr. Lim Yook Kim's, Mr. Kang Ah Chee's and Mr. Lee Sai Boon's deemed interest each in:				
Subsidiary				
- Ipark Development Sdn. Bhd.	7,680	-	(7,680) [^]	-

[^] Ipark Development Sdn. Bhd. has redeemed the redeemable preference shares on 15 March 2023.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

Name of Directors	At 1 April 2022	Number of Warrants		
		Acquired	Sold	At 31 March 2023
Company				
Direct interest				
Mr. Lee Chai	28,100,366	-	-	28,100,366
Mr. Lim Yook Kim	28,398,033	-	-	28,398,033
Mr. Kang Ah Chee	27,898,033	-	-	27,898,033
Mr. Lee Sai Boon	9,252,666	-	-	9,252,666
Ms. Lim Pei Shi	96,666	-	-	96,666
Ms. Lee Ling Sien	74,700	-	-	74,700
Mr. Kang Koh Wei	108,400	-	-	108,400
YM Tengku Azrina binti Raja Abdul Aziz	33,333	-	-	33,333
Ms. Tan Lay Beng	10,000	-	-	10,000
Mr. Chang Tian Kwang	40,000	-	-	40,000
Mr. Wee Soon Chit	46,666	-	-	46,666
Deemed interest				
Mr. Lee Chai	1,307,033	-	-	1,307,033
Mr. Lim Yook Kim	1,387,433	-	-	1,387,433
Mr. Kang Ah Chee	1,340,366	-	-	1,340,366
Mr. Lee Sai Boon	1,273,700	-	-	1,273,700

Mr. Lee Chai's deemed interest represents shares, units and Warrants held by his spouse, his son and by companies in which he has substantial financial interest. Mr. Lim Yook Kim's deemed interest represents shares, units and Warrants held by his son and by companies in which he has substantial financial interest. Mr. Kang Ah Chee's deemed interest represents shares, units and Warrants held by his son, his daughter and by companies in which he has substantial financial interest. Mr. Lee Sai Boon's deemed interest represents shares, units and Warrants held by companies in which he has substantial financial interest.

Mr. Lee Chai's deemed interest does not include shares, units and Warrants held by his daughter, Ms. Lee Ling Sien as she is an alternate Director to Mr. Lee Chai. Mr. Lim Yook Kim's deemed interest does not include shares, units and Warrants held by his daughter, Ms. Lim Pei Shi as she is an alternate Director to Mr. Lim Yook Kim. Mr. Kang Ah Chee's deemed interest does not include shares, units and Warrants held by his son, Mr. Kang Koh Wei as he is an alternate Director to Mr. Kang Ah Chee.

In addition to Mr. Lee Chai's, Mr. Lim Yook Kim's, Mr. Kang Ah Chee's and Mr. Lee Sai Boon's deemed the ordinary shares and preference shares of the subsidiaries as disclosed above, by virtue of their substantial interests in the shares of the Company, they are also deemed to have interest in the ordinary shares of all the subsidiaries of the Company as disclosed in Note 7 to the financial statements during the financial year to the extent that the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than professional fees, contract revenue and service income paid to firms or companies in which certain Directors have financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2023 are as follows:

	From the Company RM	From subsidiary companies RM
Directors of the Company:		
Fees	652,800	132,000
Remuneration and contributions to state plans	33,500	10,724,598
Estimated money value of any other benefits	-	130,275
	686,300	10,986,873

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

ISSUE OF SHARES

At the Annual General Meeting held on 28 September 2022, the shareholders of the Company granted their approval for the Company to repurchase its own shares. During the financial year, the Company repurchased from the open market a total of 1,580,000 of its issued ordinary shares with an average repurchase price of RM1.3015. The repurchase transactions were financed by internally generated funds and the repurchased shares are being held as treasury shares and carried at cost.

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

ISSUE OF WARRANTS

The Company issued 142,371,453 free Warrants on the basis of one (1) free Warrant for every three (3) existing shares held in the Company, which were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 30 September 2021.

The Warrants are constituted by the deed poll dated 6 September 2021.

The main features of the Warrants are as follows:

- i) Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at the exercise price of RM1.93 during the exercise period, subject to the adjustments in accordance with the Deed Poll constituting the Warrants;
- ii) The Warrants may be exercised at any time on or after 30 September 2021 until the end of the tenure of the Warrants. The tenure of the Warrants is for a period of five (5) years from 23 September 2021;
- iii) The new shares to be issued upon the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respects with the then existing share of the Company except that they will not be entitled to any dividends, rights, allotments and/or distributions declared, made or paid by the Company prior to be the relevant date of allotment and issue of the new shares to be issued pursuant to the exercise of the Warrants;
- iv) For purpose of trading on Bursa Securities, a board lot for the Warrants shall comprise one hundred (100) Warrants carrying right to subscribe for 100 new shares at any time during the exercise period or such denomination as determined by Bursa Securities; and
- v) The Deed Poll and accordingly the Warrants are governed by and shall be construed in accordance with the laws of Malaysia.

No Warrants were exercised during the financial year. As at year end, 142,371,453 Warrants remained unexercised.

OPTIONS GRANTED OVER UNISSUED SHARES

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

The Company had on 26 August 2021 obtained the shareholders' approval on the establishment of an employees' share option scheme ("ESOS" or "Scheme") of up to 10% of the total number of issued shares of the Company at any point in time during the duration of the Scheme. On 3 January 2022, the Company announced that the effective date for the implementation of the ESOS is 3 January 2022, being the date on which the Company fully complied with the requirements under Paragraph 6.43(1) of the Listing Requirements. As at 31 March 2023, no ESOS options or shares have been granted.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of premium paid for insurance effected for Directors and officers of the Company is RM22,164.

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

QUALIFICATION OF SUBSIDIARIES' FINANCIAL STATEMENTS

The auditors' reports on the audited financial statements of Company's subsidiaries did not contain any qualification or any adverse comments.

OTHER STATUTORY INFORMATION

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

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

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

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

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) except as disclosed in Note 28 to the financial statements, no contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

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

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

AUDITORS

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

The details of remuneration paid or payable by the Group and the Company to auditors of the Group and the Company during the financial year are as follows:

	Group RM	Company RM
Auditors' remuneration		
- Statutory audit, KPMG PLT	460,000	45,000
- Non-audit fees, KPMG PLT	273,500	206,500
	733,500	251,500

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

Lee Chai
Director

Lee Sai Boon
Director

Date: 20 July 2023

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Assets					
Property, plant and equipment	3	149,341,551	134,625,302	4,193	-
Right-of-use assets	4	12,739,809	12,421,020	-	-
Inventories	5	8,661,560	8,661,560	-	-
Investment properties	6	548,400,000	324,400,000	-	-
Investments in subsidiaries	7	-	-	515,837,325	512,837,325
Investments in joint ventures	8	2,334,764	15,181,494	-	-
Deferred tax assets	9	11,251,255	7,026,845	-	-
Loan to a joint venture	10	10,000,000	-	-	-
Total non-current assets		742,728,939	502,316,221	515,841,518	512,837,325
Inventories	5	534,068,049	649,896,299	-	-
Contract costs	11	49,146,240	47,825,045	-	-
Contract assets	12	60,158,471	40,833,226	-	-
Trade and other receivables	13	111,395,130	82,306,367	45,582	2,372,823
Due from subsidiaries	14	-	-	279,298,087	108,113,180
Due from a joint venture	15	192,800	-	-	-
Current tax assets		3,166,090	2,123,426	-	-
Cash and cash equivalents	16	326,923,397	187,245,071	7,297,989	22,684,531
Total current assets		1,085,050,177	1,010,229,434	286,641,658	133,170,534
Total assets		1,827,779,116	1,512,545,655	802,483,176	646,007,859

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

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Equity					
Share capital	17	620,139,959	620,139,959	620,139,959	620,139,959
Reserves	17	190,856,033	85,874,833	181,679,573	22,879,837
Equity attributable to owners of the Company		810,995,992	706,014,792	801,819,532	643,019,796
Non-controlling interests	7	309,799,449	40,665,634	-	-
Total equity		1,120,795,441	746,680,426	801,819,532	643,019,796
Liabilities					
Loans and borrowings	18	64,709,776	210,217,017	-	-
Lease liabilities		105,752	-	-	-
Due to minority shareholders	19	-	10,000,000	-	-
Trade and other payables	20	231,678,397	250,705,891	-	-
Deferred tax liabilities	9	6,537,336	15,969,612	-	-
Total non-current liabilities		303,031,261	486,892,520	-	-
Loans and borrowings	18	119,169,635	39,192,991	-	-
Lease liabilities		472,568	-	-	-
Trade and other payables	20	229,872,831	214,500,090	375,153	1,913,920
Contract liabilities	12	37,361,071	18,970,027	-	-
Due to subsidiaries	14	-	-	2,110	1,000,000
Due to minority shareholders	19	1,980,271	2,490,276	-	-
Current tax liabilities		15,096,038	3,819,325	286,381	74,143
Total current liabilities		403,952,414	278,972,709	663,644	2,988,063
Total liabilities		706,983,675	765,865,229	663,644	2,988,063
Total equity and liabilities		1,827,779,116	1,512,545,655	802,483,176	646,007,859

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

**STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Revenue	21	575,912,187	398,386,772	183,234,699	19,994,006
Cost of sales		(459,157,523)	(294,447,115)	(299)	(200,000)
Gross profit		116,754,664	103,939,657	183,234,400	19,794,006
Other income		120,702,220	11,877,170	140,604	127
Distribution expenses		(6,440,195)	(1,944,573)	-	-
Administrative expenses		(43,690,081)	(34,791,498)	(2,182,417)	(1,669,351)
Other expenses		(4,065,072)	(4,499,140)	(641,190)	(258,761)
Results from operating activities		183,261,536	74,581,616	180,551,397	17,866,021
Finance income	22	4,993,192	3,772,985	3,557,466	1,546,267
Finance costs	22	(18,488,268)	(11,072,621)	-	-
Net finance (costs)/income		(13,495,076)	(7,299,636)	3,557,466	1,546,267
Share of profit of equity-accounted joint ventures, net of tax		3,153,270	1,623,277	-	-
Profit before tax		172,919,730	68,905,257	184,108,863	19,412,288
Tax expense	23	(30,905,477)	(16,388,295)	(829,250)	(355,785)
Profit for the year/Total comprehensive income for the year	24	142,014,253	52,516,962	183,279,613	19,056,503
Profit attributable to:					
Owners of the Company		101,555,093	48,559,722	183,279,613	19,056,503
Non-controlling interests		40,459,160	3,957,240	-	-
Profit for the year/Total comprehensive income for the year		142,014,253	52,516,962	183,279,613	19,056,503
Basic and diluted earnings per ordinary share (sen)	25	15.85	7.58		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

Group	Note	Attributable to owners of the Company		Non-distributable		Distributable		Total equity RM
		Share capital RM	Treasury shares RM	Merger reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	
At 1 April 2021		620,139,959	-	(452,311,093)	506,710,808	674,539,674	37,708,394	712,248,068
Profit and total comprehensive income for the year		-	-	-	48,559,722	48,559,722	3,957,240	52,516,962
<i>Contributions by and distributions to owners of the Company</i>								
Dividend to owners of the Company/ Total transactions with owners of the Company	26	-	-	-	(17,084,604)	(17,084,604)	-	(17,084,604)
Dividends to non-controlling interests in a subsidiary		-	-	-	-	-	(1,000,000)	(1,000,000)
At 31 March 2022/1 April 2022		620,139,959	-	(452,311,093)	538,185,926	706,014,792	40,665,634	746,680,426
Profit and total comprehensive income for the year		-	-	-	101,555,093	101,555,093	40,459,160	142,014,253
<i>Contributions by and distributions to owners of the Company</i>								
Own shares acquired	17	-	(2,056,334)	-	-	(2,056,334)	-	(2,056,334)
Dividend to owners of the Company	26	-	-	-	(22,423,543)	(22,423,543)	-	(22,423,543)
Transaction arising from listing of a subsidiary	34.3	-	-	-	28,008,654	28,008,654	253,015,317	281,023,971
Changes in ownership interests in a subsidiary that does not result in a loss of control	7	-	(2,056,334)	-	5,585,111	3,528,777	253,015,317	256,544,094
Total transactions with owners of the Company		-	-	-	(102,670)	(102,670)	102,670	-
Acquisition of a subsidiary	34.1	-	(2,056,334)	-	5,482,441	3,426,107	253,117,987	256,544,094
Issuance of shares to non-controlling interests		-	-	-	-	-	299,336	299,336
Redemption of redeemable preference shares in a subsidiary	7.1	-	-	-	-	-	490,064	490,064
Dividends to non-controlling interests in subsidiaries		-	-	-	-	-	(19,200,000)	(19,200,000)
At 31 March 2023		620,139,959	(2,056,334)	(452,311,093)	645,223,460	810,995,992	309,799,449	1,120,795,441

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Attributable to owners of the Company			Total equity RM
		Share capital RM	Treasury share RM	Retained earnings RM	
Company					
At 1 April 2021		620,139,959	-	20,907,938	641,047,897
Profit and total comprehensive income for the year		-	-	19,056,503	19,056,503
<i>Contributions by and distributions to owners of the Company</i>					
Dividends to owners of the Company/ Total transactions with owners of the Company	26	-	-	(17,084,604)	(17,084,604)
At 31 March 2022/1 April 2022		620,139,959	-	22,879,837	643,019,796
Profit and total comprehensive income for the year		-	-	183,279,613	183,279,613
<i>Contributions by and distributions to owners of the Company</i>					
Own shares acquired	17	-	(2,056,334)	-	(2,056,334)
Dividends to owners of the Company	26	-	-	(22,423,543)	(22,423,543)
Total transactions with owners of the Company		-	(2,056,334)	(22,423,543)	(24,479,877)
At 31 March 2023		620,139,959	(2,056,334)	183,735,907	801,819,532
		Note 17	Note 17	Note 17	

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Cash flows from operating activities				
Profit before tax	172,919,730	68,905,257	184,108,863	19,412,288
Adjustments for:				
Impairment loss/(Reversal of impairment loss) on:				
- trade receivables	3,562,473	(129,780)	-	-
- other receivables	5,332	-	-	-
Bad debt recovered	-	(347)	-	-
Depreciation of:				
- property, plant and equipment	5,562,305	5,949,138	299	200,000
- right-of-use assets	440,858	404,311	-	-
(Gain)/Loss on disposal of:				
- property, plant and equipment	(527,293)	3,291,183	-	258,761
- right-of-use assets	-	(11,081,778)	-	-
Property, plant and equipment written off	152,991	-	-	-
Share of profit of equity-accounted joint ventures, net of tax	(3,153,270)	(1,623,277)	-	-
Finance costs	18,488,268	11,072,621	-	-
Finance income	(4,993,192)	(3,772,985)	(3,557,466)	(1,546,267)
Unrealised foreign exchange gain	(306,830)	(6,289)	-	-
Dividend income	-	-	(183,234,699)	(19,994,006)
Change in fair value of investment properties	(116,263,734)	3,298,719	-	-
Operating profit/(loss) before changes in working capital	75,887,638	76,306,773	(2,683,003)	(1,669,224)
Change in inventories	16,307,596	8,631,217	-	-
Change in trade and other receivables	(31,758,136)	11,797,904	2,327,241	(1,836,444)
Change in trade and other payables	(14,367,317)	(31,432,714)	(1,538,767)	500,184
Change in contract assets/(liabilities)	(934,201)	(63,005,228)	-	-
Change in contract costs	(1,321,195)	(34,703,790)	-	-
Cash generated from/(used in) operation	43,814,385	(32,405,838)	(1,894,529)	(3,005,484)
Interest received	4,800,392	3,772,985	3,557,466	1,546,267
Interest paid	(8,124,281)	(8,342,767)	-	-
Tax paid	(34,270,819)	(19,705,612)	(617,012)	(433,949)
Net cash from/(used in) operating activities	6,219,677	(56,681,232)	1,045,925	(1,893,166)

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM	RM	RM	RM
Cash flows from investing activities					
Acquisition of:					
- property, plant and equipment	27	(16,980,042)	(32,936,586)	(4,492)	-
- investment properties		(8,766,862)	(2,098,719)	-	-
- a subsidiary, net of cash and cash equivalents	34.1	219,115	-	-	-
Proceeds from disposal of:					
- property, plant and equipment		828,932	16,712	-	24,572
- right-of-use assets		-	19,901,083	-	-
Dividend received from a joint venture		16,500,000	5,000,000	-	-
Dividend received from subsidiaries		-	-	24,989,011	19,996,004
Change in pledged deposits		(304,348)	(1,897,194)	-	-
Investments in subsidiaries		-	-	(3,000,000)	(200)
Investment in a joint venture		(500,000)	-	-	-
Loan to a joint venture		(10,000,000)	-	-	-
(Loan to)/Repayment from subsidiaries		-	-	(90,841,605)	6,334,071
Due from/(to) subsidiaries		-	-	76,904,496	(72,011,638)
Net cash (used in)/from investing activities		(19,003,205)	(12,014,704)	8,047,410	(45,657,191)
Cash flows from financing activities					
Repayment of hire purchase liabilities		(988,348)	(1,113,586)	-	-
Repayment of term loans		(175,171,865)	(51,329,079)	-	-
Drawdown of term loans		10,488,109	36,774,099	-	-
Net proceeds from short term borrowings		94,270,480	16,255,529	-	-
Subscription of shares by non-controlling interests		281,514,035	-	-	-
Hire purchase interest paid		(165,033)	(82,853)	-	-
Due to a minority shareholder		(10,666,405)	-	-	-
Payment for repurchase of treasury shares		(2,056,334)	-	(2,056,334)	-
Payment of lease liabilities		(181,327)	-	-	-
Settlement of redemption of redeemable preference shares to non-controlling interest		(19,200,000)	-	-	-
Dividends paid to:					
- owners of the Company		(22,423,543)	(17,084,604)	(22,423,543)	(17,084,604)
- non-controlling interests		(6,032,732)	(1,000,000)	-	-
Net cash from/(used in) financing activities		149,387,037	(17,580,494)	(24,479,877)	(17,084,604)
Net increase/(decrease) in cash and cash equivalents		136,603,509	(86,276,430)	(15,386,542)	(64,634,961)
Cash and cash equivalents as at 1 April		169,664,883	255,941,313	22,684,531	87,319,492
Cash and cash equivalents as at 31 March	16	306,268,392	169,664,883	7,297,989	22,684,531

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

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

Cash outflows for leases as a lessee

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Included in net cash from operating activities					
Payment relating to short-term leases	24	25,722,218	12,035,577	-	-
Interest paid in relation to lease liabilities	22	21,979	-	-	-
Included in net cash from financing activities					
Payment of lease liabilities		181,327	-	-	-
Total cash outflows for leases		25,925,524	12,035,577	-	-

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

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

Reconciliation of movement of liabilities to cash flows arising from financing and investing activities

Group	At 1 April 2021		Net changes from investing cash flows		Net changes from financing cash flows		At 31 March 2022/ 1 April 2022		Drawdown of term loan/ Acquisition of new hire purchase		Acquisition through business combination		Acquisition of new lease		Net changes from investing cash flows		Net changes from financing cash flows		At 31 March 2023	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Term loans	244,566,904	(51,329,079)	-	-	-	-	36,774,099	230,011,924	(164,683,756)	-	-	-	-	-	-	-	-	-	-	65,328,168
Hire purchase liabilities	2,285,663	(1,113,586)	-	-	-	-	993,200	2,165,277	(988,348)	-	-	1,458	3,099,100	4,277,487	-	-	-	-	-	-
Short term borrowings	-	16,255,529	-	-	-	-	16,255,529	94,270,480	94,270,480	-	-	-	-	110,526,009	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	-	(181,327)	-	-	759,647	-	578,320	-	-	-	-	-	-
Due to a minority shareholder	10,000,000	-	-	-	-	-	10,000,000	10,000,000	(10,000,000)	-	-	-	-	-	-	-	-	-	-	-
Total liabilities from financing/ investing activities	256,852,567	(36,187,136)	-	-	-	-	37,767,299	258,432,730	(71,582,951)	(10,000,000)	759,647	1,458	3,099,100	180,709,984	-	-	-	-	-	(4,214,678)
Company																				
Due (from)/to subsidiaries - non-trade/																				
Total liabilities from financing activities	(9,107,536)	-	(72,011,638)	-	(81,119,174)	-	-	-	76,904,496	-	-	-	-	-	-	-	-	-	-	-

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

AME Elite Consortium Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

No. 2, Jalan I-Park SAC 1/1
Taman Perindustrian I-Park SAC
81400 Senai
Johor

Registered office

Suite 9D, Level 9
Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in joint ventures. The financial statements of the Company as at and for year ended 31 March 2023 do not include other entities.

The principal activity of the Company consists of those relating to investment holding. The principal activities of its subsidiaries are disclosed in Note 7.

These financial statements were authorised for issue by the Board of Directors on 20 July 2023.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

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

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules*

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

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

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

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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company upon their first adoption.

1. BASIS OF PREPARATION (CONTINUED)

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

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

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

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

- Note 6 - valuation of investment properties
- Note 21 - revenue from contract with customers

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has *de facto* power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (Continued)

(ii) Business combinations (continued)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised in the consolidated financial statements at the carrying amounts recognised previously. The components of equity of the acquired entities are added to the same components within Group's equity and any resulting gain or loss is recognised directly in equity.

(v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(vi) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as "joint operation" when the Group or the Company has rights to the assets and obligations for the liabilities relating to an arrangement. The Group and the Company account for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.
- A joint arrangement is classified as "joint venture" when the Group or the Company has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method. Investments in joint venture are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(vii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (Continued)

(vii) Non-controlling interests (continued)

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(viii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss.

(c) Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

The category of financial assets at initial recognition is as follows:

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial assets (continued)

(a) Amortised cost (continued)

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(k)(i)) where the effective interest rate is applied to the amortised cost.

Financial assets are subject to impairment assessment (see Note 2(k)(i)).

Financial liabilities

The category of financial liabilities at initial recognition is as follows:

(a) Amortised cost

Financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting in the current year.

Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Settlement date accounting refers to:

- (a) the recognition of an asset on the day it is received by the Group or the Company, and
- (b) derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Group or the Company.
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- (c) Financial instruments (continued)

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Group or the Company applies settlement date accounting unless otherwise stated for the specific class of asset.

(iv) 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 in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- The amount of the loss allowance; and
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

(v) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment (Continued)

(iii) Depreciation (continued)

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

Buildings	50 - 60 years
Plant, machinery, tools and equipment	5 - 10 years
Office equipment, furniture and fittings	3 - 10 years
Building improvement	3 - 5 years
Motor vehicles	5 years

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

(e) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

(a) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Leases (Continued)

(ii) Recognition and initial measurement (continued)

(a) As a lessee (continued)

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

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

(b) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

(iii) Subsequent measurement

(a) As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) As a lessor

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of the "revenue".

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(f) Investment properties****(i) Investment property carried at fair value**

Investment properties are properties which are owned or right-of-use asset held under a lease contract to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Right-of-use asset held under a lease contract that meets the definition of investment property is initially measured similarly as other right-of-use assets.

Subsequently, investment properties are measured at fair value with any change therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

The fair value of investment properties held by the Group as a right-of-use asset reflects the expected cash flows. Accordingly, where valuation obtained for a property is net of all payments expected to be made, the Group added back any recognised lease liability to arrive at the carrying cost amount of the investment property using the fair value model.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(ii) Reclassification to/from investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised in other comprehensive income and accumulated in equity as revaluation reserve. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

(g) Inventories**(i) Raw materials and consumables**

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

The cost of inventories is calculated using the first-in first-out method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

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

(ii) Completed properties held for sale

Completed properties held for sale are measured at the lower of cost and net realisable value.

Costs comprise land costs and development costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Inventories (Continued)****(iii) Freehold land held for future development**

Freehold land held for future development consists of land or such portions thereof on which no development activities have been carried out. Such land is classified as non-current asset and is stated at cost less any accumulated impairment losses.

Development land held for future development is reclassified as current assets at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the Group's operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

(iv) Properties under development

Inventories are measured at the lower of cost and net realisable value. Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses and the anticipated costs to completion, or by management estimates based on prevailing marketing conditions.

Inventories comprise costs of land and development costs incurred during the development period. On completion, the inventories are transferred to completed properties held for sale.

Inventories are classified as current assets when the construction of the relevant properties commences unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

(h) Contract costs**(i) Incremental cost of obtaining a contract**

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

(ii) Cost to fulfil a contract

The Group recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(i) Contract assets/(liabilities)

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, *Financial Instruments* (see Note 2(k)(i)).

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from customers.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(k) Impairment****(i) Financial assets**

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost and contract assets. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost is credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets, deferred tax assets and investment properties measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(k) Impairment (Continued)****(ii) Other assets (continued)**

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(l) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(iii) Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares in the statement of changes in equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

Where the treasury shares are subsequently distributed as dividends to shareholders, the cost of the treasury shares is applied as reduction of the distributable retained earnings.

(m) Income tax

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(m) Income tax (Continued)**

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2(f), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

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

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

(n) Revenue and other income**(i) Revenue from contract with customers**

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

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

For property development, if control of the assets transfer over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the assets.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's internal surveys of inputs for the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For completed property and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

For construction services, the revenue is recognised over time by reference to the survey of work performed.

(ii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

(iii) Interest income

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(n) Revenue and other income (Continued)****(iv) Dividend income**

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

(o) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(p) Employee benefits**(i) Short-term employee benefits**

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(q) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments' results are reviewed regularly by the chief operating decision maker, which in this case is the Group Managing Director of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(r) Contingencies**Contingent liabilities**

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(t) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings	Building improvement	Plant, machinery, tools and equipment	Motor vehicles	Office equipment, furniture and fittings	Construction -in-progress	Total
	RM	RM	RM	RM	RM	RM	RM
At cost							
At 1 April 2021	87,685,208	1,677,748	18,596,916	14,224,325	9,948,821	13,897,562	146,030,580
Additions	3,048,787	-	942,524	1,495,931	1,540,049	26,902,495	33,929,786
Transfer from inventories	22,981,061	-	-	-	-	(22,981,061)	-
Disposals/Written off	(3,330,996)	(983,985)	(414,464)	(1,486,488)	(495,442)	-	(6,711,375)
At 31 March 2022/1 April 2022	110,384,060	693,763	19,124,976	14,233,768	10,993,428	17,818,996	173,248,991
Additions	4,034,985	743,339	2,039,836	2,760,106	1,071,723	9,429,153	20,079,142
Acquisition through business combination (Note 34)	-	-	26,500	62,186	14,106	-	102,792
Transfer from inventories	26,849,441	700,000	-	-	-	(26,998,191)	551,250
Disposals/Written off	(155,757)	(167,943)	(247,826)	(1,626,323)	(127,516)	(55,672)	(2,381,037)
At 31 March 2023	141,112,729	1,969,159	20,943,486	15,429,737	11,951,741	194,286	191,601,138
Accumulated depreciation							
At 1 April 2021	4,510,211	1,012,244	13,187,633	11,498,236	5,869,707	-	36,078,031
Depreciation charge	1,271,499	228,539	1,418,527	1,245,526	1,785,047	-	5,949,138
Disposals/Written off	(355,306)	(716,667)	(391,047)	(1,492,440)	(448,020)	-	(3,403,480)
At 31 March 2022/1 April 2022	5,426,404	524,116	14,215,113	11,251,322	7,206,734	-	38,623,689
Depreciation charge	1,984,648	127,860	959,651	1,409,815	1,080,331	-	5,562,305
Disposals/Written off	(10,255)	-	(130,344)	(1,733,692)	(52,116)	-	(1,926,407)
At 31 March 2023	7,400,797	651,976	15,044,420	10,927,445	8,234,949	-	42,259,587
Carrying amounts							
At 1 April 2021	83,174,997	665,504	5,409,283	2,726,089	4,079,114	13,897,562	109,952,549
At 31 March 2022/1 April 2022	104,957,656	169,647	4,909,863	2,982,446	3,786,694	17,818,996	134,625,302
At 31 March 2023	133,711,932	1,317,183	5,899,066	4,502,292	3,716,792	194,286	149,341,551

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Building improvement RM	Office equipment RM	Total RM
Company			
At cost			
At 1 April 2021	1,000,000	-	1,000,000
Disposals/Written off	(1,000,000)	-	(1,000,000)
At 31 March 2022/1 April 2022	-	-	-
Additions	-	4,492	4,492
At 31 March 2023	-	4,492	4,492
Accumulated depreciation			
At 1 April 2021	516,667	-	516,667
Depreciation charge	200,000	-	200,000
Disposals/Written off	(716,667)	-	(716,667)
At 31 March 2022/1 April 2022	-	-	-
Depreciation charge	-	299	299
At 31 March 2023	-	299	299
Carrying amounts			
At 1 April 2021	483,333	-	-
At 31 March 2022/1 April 2022	-	-	-
At 31 March 2023	-	4,193	4,193

3.1 Carrying amount of land and buildings

	Group	
	2023 RM	2022 RM
Land	34,473,152	34,473,152
Buildings	99,238,780	70,484,504
	133,711,932	104,957,656

3.2 Security

Included in property, plant and equipment of the Group are land and buildings with a carrying amount of RM71,733,030 (2022: RM95,296,943) charged to banks for credit facilities granted to the Group (Note 18).

3.3 Leased equipment and motor vehicles

The carrying amount of equipment and motor vehicles of the Group acquired under hire purchase agreements is RM1,052,833 and RM3,608,940 (2022: RM292,600 and RM2,086,299) respectively.

3.4 Others

Motor vehicles with carrying amount of NIL (2022: RM14,726) are registered in the name of certain Directors held in trust for the Group.

4. RIGHT-OF-USE ASSETS

	Land RM	Buildings RM	Total RM
Group			
At 1 April 2021	14,299,832	7,344,804	21,644,636
Depreciation charge	(261,379)	(142,932)	(404,311)
Disposals	(8,819,305)	-	(8,819,305)
At 31 March 2022/1 April 2022	5,219,148	7,201,872	12,421,020
Additions	-	759,647	759,647
Depreciation charge	(102,135)	(338,723)	(440,858)
At 31 March 2023	5,117,013	7,622,796	12,739,809

The Group leases land and buildings that run between 2 to 60 years. Certain leases of buildings contain extension options exercisable by the Group up to 2 years before the end of the non-cancellable contract period. Where applicable, the Group seeks to include extension options to provide operational flexibility. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options.

The Group applied assumptions in determining the incremental borrowing rate of the lease. The Group first determines the closest available borrowing rates before it determines the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.1 Security

Included in right-of-use assets are land and buildings with a carrying amount of RM12,175,952 (2022: RM12,421,020) charged to banks for credit facilities granted to the Group (Note 18).

5. INVENTORIES

	Group	
	2023 RM	2022 RM
Non-current		
Land held for future development	8,661,560	8,661,560
Current		
Raw materials	201,607	232,836
Consumables	147,278	183,088
Trading stocks	81,555	-
Completed properties held for sale	24,576,837	137,237,453
Properties under development	509,060,772	512,242,922
	534,068,049	649,896,299
	542,729,609	658,557,859
Recognised in profit or loss:		
- Inventories recognised as cost of sales	149,239,100	104,857,387

5. INVENTORIES (CONTINUED)

5.1 Completed properties held for sale

Included in completed properties held for sale are properties of RM21,338,735 (2022: RM78,465,612) charged as security of banking facilities granted to the Group (Note 18).

5.2 Properties under development

	Group	
	2023 RM	2022 RM
At 1 April		
Freehold land	474,893,109	164,659,093
Development costs	37,349,813	28,535,167
	512,242,922	193,194,260
Add: Costs incurred during the year		
- Freehold land	67,619,277	353,159,924
- Development costs	79,970,267	43,479,992
	147,589,544	396,639,916
Less: Costs transferred from/(to) investment properties		
- Freehold land	2,372,333	-
- Development costs	(42,605,871)	-
	(40,233,538)	-
Less: Costs transferred to contract fulfilment costs (Note 11.2)		
- Freehold land	(90,265,912)	(32,844,906)
- Development costs	(10,397,253)	(6,743,505)
	(100,663,165)	(39,588,411)
Less: Costs transferred to completed properties held for sale		
- Freehold land	(5,692,088)	(10,081,002)
- Development costs	(4,182,903)	(27,921,841)
	(9,874,991)	(38,002,843)
At 31 March		
Freehold land	448,926,719	474,893,109
Development costs	60,134,053	37,349,81
	509,060,772	512,242,922

5.2.1 Security

Included in properties under development is RM79,043,934 (2022: RM119,489,577) charged to banks for bank facilities granted to the Group (Note 18).

6. INVESTMENT PROPERTIES

	Group	
	2023 RM	2022 RM
At 1 April	324,400,000	325,600,000
Additions	8,766,862	2,098,719
Transfer from inventories	98,969,404	-
Gains and losses recognised in profit or loss		
Change in fair value - Other income - Realised	66,508,484	-
Change in fair value - Other income - Unrealised	49,755,250	(3,298,719)
At 31 March	548,400,000	324,400,000
Included in the above are:		
At fair value		
Freehold land	237,400,000	178,700,000
Factory buildings	311,000,000	145,700,000
	548,400,000	324,400,000

Investment properties comprise freehold land and factory buildings that are leased to third parties and a number of freehold land and factory buildings that are vacant at the end of the financial year. Each of the lease contains an initial non-cancellable period of a range between 2 to 12 years. Subsequent renewals are negotiated with the lessee and on average renewal periods of 1 to 5 years. No contingent rents are charged.

6.1 Security

Included in investment properties is RM129,400,000 (2022: RM294,900,000) charged to banks for bank facilities granted to the Group (Note 18).

6.2 Interest capitalised

Included in investment properties is interest capitalised for the year of NIL (2022: RM135,602) (Note 22).

6.3 Others

The following are recognised in profit or loss:

	Group	
	2023 RM	2022 RM
Lease income	25,131,515	21,929,745
Direct operating expenses		
- Income generating investment properties	2,894,806	2,321,195
- Non-income generating investment properties	-	13,823

6. INVESTMENT PROPERTIES (CONTINUED)

6.3 Others (Continued)

The operating lease payments to be received are as follows:

	Group	
	2023 RM	2022 RM
Less than one year	29,149,496	21,547,970
One to two years	27,227,960	14,939,506
Two to three years	24,335,425	11,601,780
Three to four years	19,291,264	8,842,893
Four to five years	18,841,628	7,012,404
More than five years	59,077,029	18,290,146
Total undiscounted lease payments	177,922,802	82,234,699

6.4 Fair value information

Fair value of investment properties are categorised as follows:

Group	Level 3	
	2023 RM	2022 RM
Freehold land	237,400,000	178,700,000
Factory buildings	311,000,000	145,700,000
	548,400,000	324,400,000

Level 3 fair value

The fair value of investment properties is determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

As at 31 March 2023, the property valuer has relied on the sales comparison approach and income approach (2022: sales comparison approach and income approach).

6. INVESTMENT PROPERTIES (CONTINUED)

6.4 Fair value information (Continued)

Level 3 fair value (continued)

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

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach: Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.	Price per square foot of comparable properties: • Land: RM82 - RM90 (2022: RM78 - RM83) • Land and building: RM333 - RM345 (2022: RM340)	The estimated fair value would increase (decrease) if the price per square foot is higher (lower).
Income approach: The approach involved capitalisation of the net annual income by deducting the annual outgoings from the gross annual income with allowance for voids by using a suitable rate of return consistent with the type and quality of investment to arrive at the market value.	• Allowance for void of 5% - 10% • Term yield rates ranging from 5.75% - 6.25%. • Reversionary yield rate of 6.25% - 6.50%.	The estimated fair value would increase (decrease) if: • Allowance for void is lower (higher); or • Term yield rate is lower (higher); or • Reversionary yield rate is lower (higher).

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 RM	2022 RM
Cost of investment	515,837,325	512,837,325

Details of the subsidiaries, which are incorporated and have principal place of business in Malaysia are as follows:

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Active Gold Services Sdn. Bhd.	Property investment	99.90	99.90
Amsun Industries Sdn. Bhd.	Investment holding	100.00	100.00
AME Industrial Park Sdn. Bhd.	Investment holding and property development	100.00	100.00
AME Integrated Sdn. Bhd.	Investment holding	99.90	99.90
Twin Sunrich Sdn. Bhd.	Property investment	100.00	100.00
Symphony Square Sdn. Bhd.	Property investment	99.90	99.90
AME Development Sdn. Bhd.	Property development, management services and investment holding	100.00	100.00

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
AME Engineering Industries Sdn. Bhd.	Provision of manufacturing, installation and contractor for industrialised building system-precast concrete and steel structure product	100.00	100.00
Asiamost Sdn. Bhd.	Fire protection system, mechanical and electrical contractor	100.00	100.00
Amsun Capital Sdn. Bhd.	Provision of heavy equipment for construction industry	100.00	100.00
Tanjung Bebas Sdn. Bhd.	Property investment	100.00	100.00
LKL Industries Sdn. Bhd.	Property investment	100.00	100.00
I Stay Management Sdn. Bhd.	Property letting and maintenance	70.00	70.00
Pentagon Land Sdn. Bhd.	Property development, investment holding and management of real estate	100.00	100.00
Greenhill SILC Sdn. Bhd.	Property development, investment holding and management of real estate	100.00	100.00
I REIT Managers Sdn. Bhd.	Manager of real estate investment trust	100.00	100.00
AME Building Management Sdn. Bhd.	Property management and maintenance services	100.00	100.00
Northern Industrial Park Sdn. Bhd. (Formally known as Alambina Gemilang Sdn. Bhd.)	Property development, investment holding and management of real estate	100.00	100.00
Subsidiary of AME Integrated Sdn. Bhd.			
Ipark Development Sdn. Bhd.	Property development and investment holding	80.00	80.00
Subsidiary of Asiamost Sdn. Bhd			
Asiamost Engineering Sdn. Bhd.	Provision of servicing, maintenance and installation of firefighting system	100.00	100.00
Subsidiary of Amsun Industries Sdn. Bhd.			
AME Construction Sdn. Bhd.	Fabrication works, building contractors and property letting activities	100.00	100.00
Subsidiary of Symphony Square Sdn. Bhd.			
Quantum Renewable Energy Sdn. Bhd.	One-stop solution and service provider for solar energy systems, engineering, procurement, construction and commissioning of renewable energy projects and development, investment, management, operation and maintenance of solar energy systems	51.00	51.00

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Subsidiaries of AME Development Sdn. Bhd.			
I Privilege Club Sdn. Bhd.	Operation of clubhouse and provision of sports and recreational activities	100.00	100.00
AME Real Estate Investment Trust	Real estate investment trust	51.08#	-
Subsidiary of AME Building Management Sdn. Bhd.			
Landscape Artist Sdn. Bhd.	Landscape project and maintenance and its related services	70.00	-
Subsidiary of I Stay Management Sdn. Bhd.			
Dynamic Innovative Venture Sdn. Bhd.	Operation of canteens, convenient stores and laundromats	51.00	-

- 0.17% held via a wholly owned subsidiary, I REIT Managers Sdn. Bhd.

The changes to the Group's investment in subsidiaries during the financial year are as follows:

- (i) On 26 April 2022, the Group completed its acquisition of 70.00% equity interest of Landscape Artist Sdn. Bhd.. The details of the acquisition are disclosed in Note 34.1.
- (ii) AME Real Estate Investment Trust ("AME REIT") was listed on the Main Market of Bursa Malaysia Securities Berhad on 20 September 2022 and AME Development Sdn. Bhd. has a shareholding of 51.00%. The details of the transaction are disclosed in Note 34.3.

The Group's interest in AME REIT increased from 51.00% to 51.08% due to the receipts of AME REIT units by I REIT Managers Sdn. Bhd., as a consideration for property management services rendered during the financial year. As a result, the Group recognised additional interest of RM102,670 (2022: NIL).

- (iii) Dynamic Innovative Venture Sdn. Bhd. was incorporated with an initial share capital of RM100 and was held by a 70% owned subsidiary, I Stay Management Sdn. Bhd. with a shareholding of 51.00%.

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

7.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	AME Real Estate Investment Trust	I Stay Management Sdn. Bhd.	Ipark Development Sdn. Bhd.	Quantum Renewable Energy Sdn. Bhd.	Other subsidiaries with immaterial NCI	Total
2023						
NCI percentage of ownership interest	48.92%	30.00%	20.00%	49.00%		
	RM	RM	RM	RM	RM	RM
Carrying amount of NCI	273,762,343	(1,402,975)	36,005,149	1,090,469	344,463	309,799,449
Profit/(Loss) allocated to NCI	25,677,088	(857,274)	15,280,616	313,667	45,063	40,459,160

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

7.1 Non-controlling interests in subsidiaries (continued)

	AME Real Estate Investment Trust	I Stay Management Sdn. Bhd.	Ipark Development Sdn. Bhd.	Quantum Renewable Energy Sdn. Bhd.
	RM	RM	RM	RM
Summarised financial information before intra-group elimination				
As at 31 March				
Non-current assets	640,000,000	64,785,440	33,162,280	81,229
Current assets	15,522,578	4,796,312	258,031,229	6,105,613
Non-current liabilities	(18,106,321)	(57,133,077)	(23,865,455)	-
Current liabilities	(77,803,945)	(15,465,160)	(87,302,308)	(3,961,395)
Net assets/(liabilities)	559,612,312	(3,016,485)	180,025,746	2,225,447
Year ended 31 March				
Revenue	22,872,584	13,781,621	240,498,841	6,743,349
Profit/(Loss) for the year/ Total comprehensive income/(expense)	52,487,914	(2,857,581)	76,403,081	693,136
Cash flows from/(used in) operating activities	31,732,382	7,514,018	143,925,447	(836,352)
Cash flows (used in)/from investing activities	(81,749,845)	(522,510)	41,261,424	75
Cash flows from/(used in) financing activities	60,677,656	(6,264,971)	(148,418,980)	2,000,000
Net increase in cash and cash equivalents	10,660,193	726,537	36,767,891	1,163,723
Dividends attributable to NCI	5,032,732	-	1,000,000	-

The material changes of the non-controlling interest during the financial year are as follows:

- (i) On 15 March 2023, Ipark Development Sdn. Bhd. has redeemed 9,600 redeemable preference shares at the redemption price of RM10,000 per share. Consequently, the non-controlling interest has reduced by RM19,200,000.
- (ii) During the financial year, Quantum Renewable Energy Sdn. Bhd. issued 1,000,000 new ordinary shares at RM1.00 per ordinary share. The non-controlling interest has increased by RM490,000.

	I Stay Management Sdn. Bhd.	Ipark Development Sdn. Bhd.	Quantum Renewable Energy Sdn. Bhd.	Total
2022				
NCI percentage of ownership interest	30.00%	20.00%	49.00%	
	RM	RM	RM	RM
Carrying amount of NCI	(545,701)	40,924,533	286,802	40,665,634
Profit/(Loss) allocated to NCI	12,296	4,037,766	(92,822)	3,957,240

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

7.1 Non-controlling interests in subsidiaries (continued)

	I Stay Management Sdn. Bhd. RM	Ipark Development Sdn. Bhd. RM	Quantum Renewable Energy Sdn. Bhd. RM
Summarised financial information before intra-group elimination			
As at 31 March			
Non-current assets	4,414,197	179,944,562	91,619
Current assets	4,143,388	296,355,315	850,179
Non-current liabilities	(25,431)	(161,284,826)	-
Current liabilities	(8,691,058)	(110,392,386)	(409,487)
Net (liabilities)/assets	(158,904)	204,622,665	532,311
Year ended 31 March			
Revenue	12,605,071	144,823,333	3,505,336
Profit/(Loss) for the year/ Total comprehensive income/(expense)	40,986	20,188,828	(242,432)
Cash flows from/(used in) operating activities	7,338,934	19,383,220	(332,289)
Cash flows used in investing activities	(197,141)	(2,145,123)	(37,101)
Cash flows used in financing activities	(6,685,326)	(50,899,044)	-
Net increase/(decrease) in cash and cash equivalents	456,467	(33,660,947)	(369,390)
Dividends attributable to NCI	-	1,000,000	-

8. INVESTMENTS IN JOINT VENTURES

	Group	
	2023	2022
	RM	RM
Investment in shares	1,000,000	500,000
Share of post-acquisition reserves	17,834,764	19,681,494
	18,834,764	20,181,494
Less: Distribution by a joint venture	(16,500,000)	(5,000,000)
	2,334,764	15,181,494

8. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Details of the joint ventures, which are incorporated and have principal place of business in Malaysia are as follows:

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2023	2022
		%	%
Axis AME IP Sdn. Bhd.	Property development and investment	50.00	50.00
Suling Hill Development Sdn. Bhd.	Property development and investment	50.00	-

Axis AME IP Sdn. Bhd. and Suling Hill Development Sdn. Bhd. are structured as a separate vehicle and provides the Group with rights to the net assets of the entity. Accordingly, the Group has classified the investment in the above entities as a joint venture.

The following tables summarise the financial information of the joint ventures. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in the joint ventures, which has been accounted for using the equity method.

	Group		
	Axis AME IP Sdn. Bhd. RM	Suling Hill Development Sdn. Bhd. RM	Total RM
2023			
Percentage of ownership interest/voting interest	50.00%	50.00%	
Summarised financial information			
As at 31 March			
Current assets (excluding cash and cash equivalents)	4,333,811	20,568,558	
Cash and cash equivalents	10,392,336	817,024	
Trade and other payables	(11,001,832)	(20,440,370)	
Year ended 31 March			
Profit/(Loss) from continuing operations	5,581,595	(54,788)	

Included in the total comprehensive income/(loss) are:

Revenue	17,089,727	-
Depreciation	(907)	-
Finance income	273,577	-
Income tax expense	(1,739,187)	-

Reconciliation of net assets to carrying amount as at 31 March

Unquoted shares, at cost	500,000	500,000	1,000,000
Group's share of net assets	1,362,158	(27,394)	1,334,764
Carrying amount in the statement of financial position	1,862,158	472,606	2,334,764

Group's share of results for the year ended 31 March

Group's share of profit/(loss) from continuing operation	3,180,664	(27,394)	3,153,270
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Other information

Dividend received by the Group	16,500,000	-	16,500,000
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8. INVESTMENTS IN JOINT VENTURES (CONTINUED)

	Group Axis AME IP Sdn. Bhd.
2022	
Percentage of ownership interest/voting interest	50%
	RM
Summarised financial information	
As at 31 March	
Non-current assets	37,907
Current assets (excluding cash and cash equivalents)	29,029,837
Cash and cash equivalents	14,251,155
Trade and other payables	(12,176,179)
Year ended 31 March	
Profit from continuing operations	3,246,553
Included in the total comprehensive income are:	
Revenue	33,794,710
Depreciation	(2,768)
Finance income	274,272
Income tax expense	(979,340)
Reconciliation of net assets to carrying amount as at 31 March	
Unquoted shares, at cost	500,000
Group's share of net assets	15,071,360
Elimination of unrealised profit, net of tax	(389,866)
Carrying amount in the statement of financial position	15,181,494
Group's share of results for the year ended 31 March	
Group's share of profit from continuing operation	1,623,277
Elimination of unrealised profit	363,880
	1,987,157
Other information	
Dividend received by the Group	5,000,000

9. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2023	2022	2023	2022	2023	2022
	RM	RM	RM	RM	RM	RM
Unabsorbed capital allowances	130,000	20,000	-	-	130,000	20,000
Unutilised tax losses	1,434,000	164,000	-	-	1,434,000	164,000
Inventories	5,621,203	3,910,845	-	-	5,621,203	3,910,845
Investment properties						
- Fair value gain	-	-	(4,244,155)	(7,577,206)	(4,244,155)	(7,577,206)
- Others	-	-	(273,000)	(2,465,000)	(273,000)	(2,465,000)
Property, plant and equipment	-	-	(2,020,181)	(5,927,406)	(2,020,181)	(5,927,406)
Provisions	4,066,052	2,932,000	-	-	4,066,052	2,932,000
Tax assets/(liabilities)	11,251,255	7,026,845	(6,537,336)	(15,969,612)	4,713,919	(8,942,767)
Movement in temporary differences during the year						
Unabsorbed capital allowances		487,000	(467,000)	20,000	110,000	130,000
Unutilised tax losses		382,000	(218,000)	164,000	1,270,000	1,434,000
Inventories		4,183,480	(272,635)	3,910,845	1,710,358	5,621,203
Investment properties						
- Fair value gain		(8,035,095)	457,889	(7,577,206)	3,333,051	(4,244,155)
- Others		(3,567,000)	1,102,000	(2,465,000)	2,192,000	(273,000)
Property, plant and equipment		(3,358,956)	(2,568,450)	(5,927,406)	3,907,225	(2,020,181)
Provisions		978,000	1,954,000	2,932,000	1,134,052	4,066,052
		(8,930,571)	(12,196)	(8,942,767)	13,656,686	4,713,919

10. LOAN TO A JOINT VENTURE

The loan to a joint venture is unsecured, bears interest at 0.5% per annum above six months Kuala Lumpur Interbank Offered Rate and is not repayable within the next twelve months.

11. CONTRACT COSTS

	Group	
	2023 RM	2022 RM
Cost to obtain a contract	4,911,217	585,439
Contract fulfilment costs:		
- Property development activities	37,095,563	5,311,914
- Construction and engineering activities	7,139,460	41,927,692
	49,146,240	47,825,045

11.1 Cost to obtain a contract

Cost to obtain a contract primarily comprises incremental sales and marketing fees paid to intermediaries as a result of obtaining contracts and they are recoverable.

Capitalised sales and marketing fees are recognised in profit or loss when the related revenues are recognised.

11.2 Contract fulfilment costs

Land and related costs that are attributable to units sold and expenditures that are attributable to the fulfilment of construction and engineering contracts are presented as contract fulfilment costs. These costs are expected to be recoverable and are charged to profit or loss when the related revenues are recognised.

Contract fulfilment costs from property development activities as follows:

	Group	
	2023 RM	2022 RM
At 1 April		
Freehold land	5,311,914	5,769,864
Development costs	-	480,298
	5,311,914	6,250,162
Add: Costs incurred/(Adjustment) during the year		
- Freehold land	-	1,185,574
- Development costs	34,818,047	47,748,087
	34,818,047	48,933,661
Add: Costs transferred from inventories during the year (Note 5)		
- Freehold land	90,265,912	32,844,906
- Development costs	10,397,253	6,743,505
	100,663,165	39,588,411
Less: Costs recognised as expenses in profit or loss		
- Freehold land	(58,482,263)	(34,488,430)
- Development costs	(45,215,300)	(54,971,890)
	(103,697,563)	(89,460,320)
At 31 March		
Freehold land	37,095,563	5,311,914
Development costs	-	-
	37,095,563	5,311,914

12. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2023 RM	2022 RM
Contract assets	60,158,471	40,833,226
Contract liabilities	(37,361,071)	(18,970,027)

12.1 Contract assets

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

12.2 Contract liabilities

The contract liabilities primarily relate to:

- Advance consideration received from customers for construction contracts which revenue is recognised over time during the construction.
- Advance billing billed to customers, but work has yet to be completed at the reporting date.

Included in contract assets is amount due from a joint venture of NIL (2022: RM93,322).

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade				
Trade receivables	67,989,074	43,152,561	-	-
Retention sum	30,480,570	21,679,575	-	-
	98,469,644	64,832,136	-	-
Non-trade				
Other receivables	2,586,300	5,379,646	-	2,319,537
Goods and service tax recoverable	56,471	56,471	-	-
Deposits and other costs	4,928,769	10,116,720	4,500	4,500
Prepayments	5,353,946	1,921,394	41,082	48,786
	12,925,486	17,474,231	45,582	2,372,823
	111,395,130	82,306,367	45,582	2,372,823

Retention sum are due upon the expiry of the defect liability period stated in the respective construction contracts. The defect liability periods range from 12 to 24 months and expected to be collected within 2 years.

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

Included in deposits and other costs of the Group is refundable deposits paid for the purchase of freehold development land of RM405,070 (2022: RM5,597,194).

Trade and other receivables include the following:

	Group	
	2023 RM	2022 RM
Amount due from joint ventures		
Trade receivables	1,973	497,253
Retention sum	232,304	456,372
Other receivables	213,457	9,900
Deposits	-	2,000
	447,734	965,525
Amount due from a related company of a subsidiary's shareholder		
Trade receivables	306,107	-

14. DUE FROM/(TO) SUBSIDIARIES

	Company	
	2023 RM	2022 RM
Due from subsidiaries		
- non-trade	4,216,788	82,119,174
- dividend receivables	178,239,694	19,994,006
- loan to subsidiaries	96,841,605	6,000,000
	279,298,087	108,113,180
Due to subsidiaries - non-trade		
	(2,110)	(1,000,000)

The amounts due from/(to) subsidiaries are non-trade in nature, interest free, unsecured and repayable on demand.

The loan to subsidiaries is unsecured and bears interest at 0.5% (2022: 0.5%) per annum above six months Kuala Lumpur Interbank Offered Rate and is repayable within the next twelve months.

Included in non-trade amount due from subsidiaries is interest receivable of RM3,376,889 (2022: NIL) for the above loans as at the end of financial year.

15. DUE FROM A JOINT VENTURE

The amount due from a joint venture is non-trade in nature, interest free, unsecured and repayable on demand.

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash and bank balances	160,421,570	63,564,474	1,240,699	1,932,671
Fixed deposits with licensed banks	150,331,187	122,677,270	-	20,751,860
Money market funds with licensed institution	16,170,640	1,003,327	6,057,290	-
Cash and cash equivalents in the statements of financial position	326,923,397	187,245,071	7,297,989	22,684,531
Less: Bank overdrafts	(3,747,747)	(977,278)	-	-
Pledged deposits	(16,907,258)	(16,602,910)	-	-
Cash and cash equivalents in the statements of cash flows	306,268,392	169,664,883	7,297,989	22,684,531

Included in fixed deposits with licensed banks of the Group is RM16,907,258 (2022: RM16,602,910) pledged to banks as securities for banking facilities granted to the Group (Note 18).

Fixed deposits with licensed banks of the Group amounting to RM2,574,429 (2022: RM3,528,581) are registered in the name of certain Directors held in trust for the Group.

17. CAPITAL AND RESERVES

Share capital

	Group/Company		Group/Company Number of ordinary shares	
	2023 RM	2022 RM	2023	2022
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares:				
At 1 April	620,139,959	620,139,959	640,672,649	427,115,101
Bonus issue	-	-	-	213,557,548
At 31 March	620,139,959	620,139,959	640,672,649	640,672,649

Reserves

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Distributable				
Retained earnings	645,223,460	538,185,926	183,735,907	22,879,837
Non-distributable				
Merger reserve	(452,311,093)	(452,311,093)	-	-
Treasury shares	(2,056,334)	-	(2,056,334)	-
	190,856,033	85,874,833	181,679,573	22,879,837

17. CAPITAL AND RESERVES (CONTINUED)

Ordinary shares

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

Merger reserve

The merger reserve comprises of the differences between the cost of acquisition and the share capital of the combining entities during the restructuring among common shareholders.

Treasury shares

At the Annual General Meeting held on 28 September 2022, the shareholders of the Company granted their approval for the Company to repurchase its own shares.

During the financial year, the Company repurchased from the open market a total of 1,580,000 of its issued ordinary shares with an average repurchase price of RM1.3015. The repurchase transactions were financed by internally generated funds and the repurchased shares are being held as treasury shares and carried at cost.

At 31 March 2023, there is 1,580,000 (2022: NIL) repurchased shares being held as treasury shares. The number of outstanding shares issued after the set off is 639,092,649 (2022: 640,672,649).

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number of percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

18. LOANS AND BORROWINGS

	Group	
	2023	2022
	RM	RM
Secured		
Non-current		
Hire purchase liabilities	2,935,766	1,417,056
Term loans	61,774,010	208,799,961
	64,709,776	210,217,017
Current		
Bankers' acceptances	-	16,255,529
Revolving credits	110,526,009	-
Bank overdrafts	3,747,747	977,278
Hire purchase liabilities	1,341,721	748,221
Term loans	3,554,158	21,211,963
	119,169,635	39,192,991
	183,879,411	249,410,008

The Group's loans and borrowings are secured by way of:

- i) legal charge over fixed deposits of the Group;
- ii) fixed charge over certain investment properties, inventories, property, plant and equipment of the Group;
- iii) corporate guarantee by the Company; and
- iv) lien holders caveat in favour of the lender over the Group's security titles

18. LOANS AND BORROWINGS (CONTINUED)

Significant covenants

Certain loans and borrowings of the subsidiaries are subject to specific covenants on the subsidiary as follows:

Ipark Development Sdn. Bhd.

- i) gearing ratio of the subsidiary shall not exceed 2 times; and
- ii) declaration of dividend in excess of 50% of profit for the year may only be made with consent from banks.

AME Development Sdn. Bhd.

- i) gearing ratio of the subsidiary shall not exceed 1 time;
- ii) minimum shareholders' fund shall be maintained at not less than RM101,000,000; and
- iii) declaration of dividend requires prior written consent from bank if (i) and (ii) are unable to fulfil.

Pentagon Land Sdn. Bhd.

Greenhill SILC Sdn. Bhd.

- i) to meet the security coverage not less than 1.1 times; and
- ii) gearing ratio of the subsidiaries shall not exceed 1.5 times;

19. DUE TO MINORITY SHAREHOLDERS

	Group	
	2023	2022
	RM	RM
Non-current		
Loan from a minority shareholder	-	10,000,000
Current		
Non-trade	490,271	1,490,276
Dividend payable	1,000,000	1,000,000
Loan from a minority shareholder	490,000	-
	1,980,271	2,490,276
	1,980,271	12,490,276

In prior year, the non-current portion of amount due to minority shareholder consists of unsecured advance that bears interest at 0.5% per annum above six months Kuala Lumpur Interbank Offered Rate. The amount has been fully repaid during the financial year.

The current portion of a loan from a minority shareholder consists of unsecured advance that bears interest at 0.5% (2022: NIL) per annum above twelve months Kuala Lumpur Interbank Offered Rate and is repayable within the next twelve months.

The amount due to minority shareholders is non-trade in nature, interest free, unsecured and repayable on demand.

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-current				
Trade payables	218,336,076	250,705,891	-	-
Tenants' deposits	13,342,321	-	-	-
	231,678,397	250,705,891	-	-
Current				
Trade payables	74,266,384	69,054,143	-	-
Retention sum				
- Completed projects	10,895,193	9,348,860	-	-
	85,161,577	78,403,003	-	-
Other payables and accrued expenses				
- Other payables	4,871,857	4,537,061	78,680	1,221,320
- Other payables for land acquisition	-	19,159	-	-
- Advance payment from project customers	-	257,227	-	-
- Retention sum				
- ongoing projects	28,304,255	33,515,447	-	-
- Accruals	36,748,263	25,863,978	296,473	692,600
- Accrued sub-contractor costs	35,840,977	46,619,885	-	-
- Deposits received	7,304,012	18,456,922	-	-
- Deposits received for property development project	31,641,890	6,827,408	-	-
	144,711,254	136,097,087	375,153	1,913,920
Total current trade and other payables	229,872,831	214,500,090	375,153	1,913,920
Total trade and other payables	461,551,228	465,205,981	375,153	1,913,920

Included in trade payables is non-interest bearing balance of RM251,755,123 (2022: RM275,579,698) for purchase of freehold development land. The amount is discounted for time value of money based on the payment terms.

21. REVENUE

21.1 Disaggregation of revenue

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Revenue from contracts with customers				
Construction contract				
- over time	316,670,198	211,996,679	-	-
Sales of properties under development				
- over time	116,660,893	74,794,494	-	-
Sales of completed properties				
- at a point in time	96,940,522	68,550,033	-	-
Service income				
- over time	1,051,880	-	-	-
Sales of goods				
- at a point in time	456,782	-	-	-
	531,780,275	355,341,206	-	-
Other revenue				
Rental income	44,131,912	43,045,566	-	-
Dividend income	-	-	183,234,699	19,994,006
Total revenue	575,912,187	398,386,772	183,234,699	19,994,006

21.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns and refunds	Warranty
Construction contract	Revenue is recognised over time by reference to the survey of work performed	Based on agreed milestones, certified by architects	Not applicable	Not applicable	Defect liability period of 2 years is given to the customer
Sales of properties under development	Revenue is recognised over time by reference to the progress towards satisfaction of the performance obligation	Credit period of 14 days from the date of written notice	Rebates are given to purchasers upon signing of the Sale and Purchase Agreement	Not applicable	Defect liability period of 0 - 12 months is given to the customer
Sales of completed properties and land	Revenue is recognised at a point in time upon the delivery of vacant possession to purchaser	10% deposit to be paid upon execution of contract while the balance purchase price to be paid 3 months after the unconditional date	Rebates are given to purchasers upon signing of the Sale and Purchase Agreement	Not applicable	Defect liability period of 0 - 12 months is given to the customer

21. REVENUE (CONTINUED)

21.2 Nature of goods and services (continued)

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

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns and refunds	Warranty
Service income	Revenue is recognised over time as and when services are performed	Credit period of 14 days from the date of written notice	Not applicable	Not applicable	Not applicable
Sales of goods	Revenue is recognised when the goods are delivered and accepted by the customers	Upon acceptance by customers	Not applicable	Not applicable	Not applicable

21.3 Transaction price allocated to the remaining performance obligations:

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	Group	
	2023 RM	2022 RM
Construction contract	172,782,954	349,273,537
Sales of properties under development	351,307,091	19,773,823
	524,090,045	369,047,360

The Group expects the full transaction price allocated to the unsatisfied construction contracts as at reporting date to be recognised as revenue over the next 2 years.

All considerations from contracts with customers are included in the amounts presented above.

21.4 Significant judgements and assumptions arising from revenue recognition

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

- For construction contracts, the Group measured the performance of construction work done by comparing the agreed milestones certified by architects with the estimated total contract income of the construction contract. In making these estimates, management relied on professionals' estimates and also on past experience of completed projects. A change in the estimates will directly affect the revenue to be recognised.
- For sales of properties for which revenue is recognised over time using the cost incurred method, the Group measured the performance of work done by comparing the actual costs incurred with the estimated total costs required to complete the work. Significant judgements are required to estimate the total contract costs to complete. In making these estimates, management relied on professionals' estimates and also on past experience of completed developed properties. A change in estimates will directly affect the revenue to be recognised.

22. FINANCE INCOME AND COSTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Finance income				
Interest income:				
- Deposits with licensed banks/ institution	4,800,392	3,772,985	180,577	1,420,260
- Loan to a joint venture	192,800	-	-	-
- Loan to subsidiaries	-	-	3,376,889	126,007
	4,993,192	3,772,985	3,557,466	1,546,267
Finance costs				
Interest expenses of financial liabilities that are not at fair value through profit and loss:				
- Trade payables for purchase of freehold development land	10,042,554	2,391,012	-	-
- Interest expenses on lease liabilities	21,979	-	-	-
- Others	8,423,735	8,817,211	-	-
Less: Amount capitalised in investment properties (Note 6)	-	(135,602)	-	-
	18,488,268	11,072,621	-	-

The capitalisation rate used to capitalise finance costs on qualifying assets is NIL (2022: 3.55%).

23. TAX EXPENSE

Recognised in profit or loss

Major components of income tax expense include:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current tax expense				
- Current year	45,609,486	16,279,158	829,250	355,785
- (Over)/Under provision in prior years	(1,047,323)	96,941	-	-
	44,562,163	16,376,099	829,250	355,785
Deferred tax (income)/expense				
- Origination and reversal of temporary differences	(14,190,686)	1,242,196	-	-
- Under/(Over) provision in prior years	534,000	(1,230,000)	-	-
	(13,656,686)	12,196	-	-
	30,905,477	16,388,295	829,250	355,785
Share of tax in a joint venture	869,594	489,670	-	-
Total income tax expense	31,775,071	16,877,965	829,250	355,785

23. TAX EXPENSE (CONTINUED)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Reconciliation of tax expense				
Profit for the year	142,014	52,517	183,280	19,056
Total income tax expense	31,775	16,878	829	356
Profit excluding tax	173,789	69,395	184,109	19,412
Income tax calculated using Malaysian tax rate at 24% (2022: 24%)	41,709	16,655	44,186	4,659
Non-deductible expenses	5,099	2,701	619	496
Non-taxable income	(14,287)	(2,368)	-	-
Tax exempt income	(4,451)	-	(43,976)	(4,799)
Effect of clawback	-	425	-	-
Real property gains tax provision	4,218	598	-	-
	32,288	18,011	829	356
Over provision in prior years	(513)	(1,133)	-	-
	31,775	16,878	829	356

24. PROFIT FOR THE YEAR

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Profit for the year is arrived at after charging/(crediting):					
Audit fees					
- KPMG PLT		460,000	410,000	45,000	43,000
Non-audit fees					
- KPMG PLT		273,500	353,500	206,500	351,500
- Local affiliates of KPMG PLT		175,000	106,600	39,000	18,000
Depreciation of:					
- property, plant and equipment		5,562,305	5,949,138	299	200,000
- right-of-use assets		440,858	404,311	-	-
Expenses relating to short-term leases	a	25,722,218	12,035,577	-	-
Personnel expenses (including key management personnel):					
- Contributions to state plans		5,335,733	4,464,725	-	-
- Wages, salaries and others		52,084,282	42,591,697	33,500	34,000
Property, plant and equipment written off		152,991	-	-	-
(Gain)/Loss on disposal of:					
- property, plant and equipment		(527,293)	3,291,183	-	258,761
- right-of-use assets		-	(11,081,778)	-	-
Net foreign exchange gain		(890,498)	(21,041)	-	-
Change in fair value of investment properties		(116,263,734)	3,298,719	-	-
Impairment loss/(Reversal of impairment loss) on:					
- trade receivables		3,562,473	(129,780)	-	-
- other receivables		5,332	-	-	-
Bad debt recovered		-	(347)	-	-
Late payment interest income from purchasers		(146,268)	(95,795)	-	-
Forfeiture income		(40,101)	(12,500)	-	-

Note a

The Group leases office equipment, machineries, cranes, hostels and buildings with contract terms of less than 1 year. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

25. EARNINGS PER ORDINARY SHARE

Basic and diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share at 31 March 2023 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares calculated as follows:

	Group	
	2023 RM'000	2022 RM'000
Profit for the year attributable to ordinary shareholders	101,555	48,560

Weighted average number of ordinary shares are determined as follows:

	Group	
	2023 '000	2022 '000
Number of ordinary shares at 31 March	640,673	640,673
Effect of own shares acquired	55	-
Weighted average number of ordinary shares at 31 March	640,728	640,673
Basic and diluted earnings per ordinary share (sen)*	15.85	7.58

* No effect of conversion of Warrants is made for the year as it is anti-dilutive.

26. DIVIDENDS

Dividends recognised by the Company are:

	Sen per share	Total amount RM	Date of payment
2023			
Interim dividend 2022	2.5	16,016,816	7 July 2022
Special dividend 2023	1.0	6,406,727	28 October 2022
		<u>22,423,543</u>	
2022			
Interim dividend 2021	4.0	<u>17,084,604</u>	8 July 2021

After the end of the reporting period, the following dividends were declared by the Company and recognised in subsequent financial year.

	Sen per share	Total amount RM	Date of payment
Interim dividend 2023	3.0	<u>19,172,779</u>	7 July 2023

27. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

	Group	
	2023 RM	2022 RM
Current year's addition of property, plant and equipment	20,079,142	33,929,786
Less: Amount financed by hire purchase	(3,099,100)	(993,200)
	<u>16,980,042</u>	<u>32,936,586</u>

28. CONTINGENT LIABILITIES

Group

Contingent liabilities not considered remote

28.1 Claim

The Inland Revenue Board conducted a tax audit on a subsidiary and had raised an assessment together with penalty totalling approximately RM7,162,000 on 30 June 2021. The Directors believe that the subsidiary has a good reasonable ground to defend its position and is currently appealing against the assessment.

In the Directors' opinion, disclosure of any further information about the above matter would be prejudicial to the interests of the Group.

28.2 Guarantee

The Company provided a performance guarantee to a customer of a subsidiary to secure an advance payment. A liability from the performance guarantee would only arise in the event the Group fails to fulfill its contractual obligations.

	Group/Company	
	2023 RM	2022 RM
Performance guarantee to a customer of the Group	45,392,973	-

29. CAPITAL COMMITMENTS

	Group	
	2023 RM	2022 RM
Contracted but not provided for:		
Property, plant and equipment	41,905,703	6,187,029

30. OPERATING SEGMENTS

The Group has four reportable segments, as described below:

- Construction
- Property development
- Engineering
- Investment holding/property investment and management services

For each of the business segment, the Managing Director, being the Chief Operating Decision Maker (“CODM”), reviews the internal management reports on a quarterly basis.

Performance is measured based on segment profit before tax as the management believes that such information is the most relevant in evaluating the results of the operation.

Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Managing Director. Segment total assets is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is included in the internal management reports that are reviewed by the Managing Director.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, investment properties and development lands.

Geographical segments

The Group’s operations are located in Malaysia.

Major customers

The significant segments of the Group are construction and property development. As at the end of the reporting period, one (2022: two) major customer with its revenue equals or more than 10% of the Group’s total revenue have contributed, in aggregate, 35.3% (2022: 32.7%) to the Group’s total revenue.

30. OPERATING SEGMENTS (CONTINUED)

Group	Construction RM	Property development RM	Engineering RM	Investment holding/ Property investment and management RM	Total RM
2023					
Segment profit	7,758,817	26,756,333	2,279,995	143,660,341	180,455,486
<i>Included in the measure of segment profit are:</i>					
Segment revenue	370,807,231	216,857,886	67,396,013	77,170,391	732,231,521
Inter-segment revenue	(89,321,029)	(3,256,471)	(32,212,017)	(31,529,817)	(156,319,334)
Revenue from external customers	281,486,202	213,601,415	35,183,996	45,640,574	575,912,187
- Depreciation of property, plant and equipment and right-of-use assets	(1,973,306)	(1,335,469)	(471,681)	(2,222,707)	(6,003,163)
- Change in fair value of investment properties	-	-	-	116,263,734	116,263,734
- Finance income	632,235	2,983,985	682,772	4,968,498	9,267,490
- Finance costs	(254,638)	(15,032,401)	(132,630)	(7,074,073)	(22,493,742)
- Share of profit of joint ventures	-	3,153,270	-	-	3,153,270
Segment assets					
Segmental total assets	354,179,516	1,167,359,735	103,802,461	1,596,423,497	3,221,765,209
<i>Included in the measure of segment asset are:</i>					
<i>Addition of non-current assets</i>					
Property, plant and equipment	2,971,459	5,269,711	1,168,218	10,669,754	20,079,142
Investment properties	-	-	-	8,766,862	8,766,862
Segment liabilities					
Segmental total liabilities	(241,786,443)	(783,849,768)	(64,875,057)	(214,881,120)	(1,305,392,388)

30. OPERATING SEGMENTS (CONTINUED)

Group	Construction RM	Property development RM	Engineering RM	Investment holding/ Property investment and management RM	Total RM
2022					
Segment profit	9,997,799	16,566,151	7,348,947	39,741,899	73,654,796
<i>Included in the measure of segment profit are:</i>					
Segment revenue	261,234,149	144,767,567	75,090,698	52,884,551	533,976,965
Inter-segment revenue	(80,140,066)	(1,423,040)	(44,188,102)	(9,838,985)	(135,590,193)
Revenue from external customers	181,094,083	143,344,527	30,902,596	43,045,566	398,386,772
- Depreciation of property, plant and equipment and right-of-use assets	(1,525,702)	(1,570,801)	(1,671,191)	(1,585,755)	(6,353,449)
- Change in fair value of investment properties	-	-	100,000	(3,398,719)	(3,298,719)
- Finance income	680,766	518,580	346,556	3,377,045	4,922,947
- Finance costs	(140,095)	(6,814,728)	(188,953)	(5,167,857)	(12,311,633)
- Share of profit of joint ventures	-	1,623,277	-	-	1,623,277
Segment assets					
Segmental total assets	380,229,131	765,314,657	84,981,113	2,121,030,795	3,351,555,696
<i>Included in the measure of segment asset are:</i>					
<i>Addition of non-current assets</i>					
Property, plant and equipment	1,893,247	31,348,512	101,984	586,043	33,929,786
Investment properties	-	-	-	2,098,719	2,098,719
Segment liabilities					
Segmental total liabilities	(271,550,084)	(1,118,606,680)	(41,793,118)	(82,942,409)	(1,514,892,291)

30. OPERATING SEGMENTS (CONTINUED)

Reconciliations of reportable segment profit or loss, assets and liabilities

	2023 RM	Group 2022 RM
Profit or loss		
Total profit or loss for reportable segments	180,455,486	73,654,796
Elimination of inter-segment profits		
- Finance costs	4,005,474	1,239,012
- Finance income	(4,274,298)	(1,149,962)
Unallocated expenses	(7,266,932)	(4,838,589)
Consolidated profit before tax	172,919,730	68,905,257
Segment assets		
Total reportable segment	3,221,765,209	3,351,555,696
Elimination of inter-segment transactions or balances	(1,380,913,723)	(1,816,597,421)
Unallocated balances	(13,072,370)	(22,412,620)
Consolidated total	1,827,779,116	1,512,545,655
Segment liabilities		
Total reportable segment	(1,305,392,388)	(1,514,892,291)
Elimination of inter-segment transactions or balances	582,860,979	746,747,537
Unallocated balances	15,547,734	2,279,525
Consolidated total	(706,983,675)	(765,865,229)

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

All financial assets and liabilities are categorised as amortised cost in accordance with the Group's and the Company's accounting policies as disclosed in Note 2(c).

31.2 Net gains and losses arising from financial instruments

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Net gains/(losses) on:				
Financial assets at amortised cost	2,502,254	4,032,448	3,557,466	1,546,267
Financial liabilities at amortised cost	(18,466,289)	(11,072,621)	-	-
	(15,964,035)	(7,040,173)	3,557,466	1,546,267

31.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

31.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and a joint venture. The Company's exposure to credit risk arises principally from its receivable from subsidiaries. There are no significant changes as compared to prior period.

31.4.1 Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. New customer is analysed individually for creditworthiness before tendering for the construction project, signing of Sales and Purchase Agreement or lease agreement. The Group's review may include Credit Tip Off Service Rating ("CTOS"), financial statements, industry information and own research through various sources including information available on the internet.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior period.

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

Concentration of risk

The Group has significant concentrations of credit risk arising from amounts due from four (2022: three) major customers, representing 52% (2022: 54%) of the Group's trade receivables and contract assets. The Group considers this to be normal given the nature of the industry.

Trade receivables and contract assets by segment are as follows:

	Construction and engineering segment RM	Property development segment RM	Property investment segment RM	Total RM
Group				
2023				
Trade receivables	39,955,926	30,130,420	1,476,177	71,562,523
Less: Loss allowance	(3,571,503)	-	(1,946)	(3,573,449)
	36,384,423	30,130,420	1,474,231	67,989,074
Retention sum (a)	30,480,570	-	-	30,480,570
Contract assets (b)	22,326,459	37,832,012	-	60,158,471
	89,191,452	67,962,432	1,474,231	158,628,115
2022				
Trade receivables	31,325,461	11,164,912	673,164	43,163,537
Less: Loss allowance	(9,030)	-	(1,946)	(10,976)
	31,316,431	11,164,912	671,218	43,152,561
Retention sum (a)	21,679,575	-	-	21,679,575
Contract assets (b)	33,468,707	7,364,519	-	40,833,226
	86,464,713	18,529,431	671,218	105,665,362

(a) The retention sum are due upon the expiry of the defects liability period stated in the respective contracts.

(b) The contract assets are work performed but not billed as at the end of the reporting period.

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses

The Group assesses the exposure to credit risk and expected credit losses for trade receivables together with contract assets as at reporting date on a segment by segment basis:

(a) Construction and engineering segment

Expected credit loss ("ECLs") assessment for construction and engineering activities

The official credit term granted to customers generally ranges 15 to 60 days but the payment cycle in the industry generally ranges from 30 to 60 days. The Group assumes that the credit risk on trade receivables and contract assets has increased significantly if it is more than 90 days past due.

The Group assessed the risk of loss of each customer individually based on their financial information and past trend of payments, where applicable. The Group considers all of these customers have low risk of default.

In determining the ECLs, the Group assesses the balances with higher risk of default individually.

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

Group	Gross carrying amount RM	Loss allowance RM	Net balance RM
2023			
Current (not past due)	24,855,655	-	24,855,655
1 - 30 days past due	3,062,166	-	3,062,166
31 - 60 days past due	3,565,087	-	3,565,087
61 - 90 days past due	97,855	-	97,855
Retention sum	30,480,570	-	30,480,570
Contract assets	22,326,459	-	22,326,459
	84,387,792	-	84,387,792
Credit impaired			
More than 90 days past due	4,803,660	-	4,803,660
Individually impaired	3,571,503	3,571,503	-
	92,762,955	3,571,503	89,191,452

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

(a) Construction and engineering segment (continued)

Expected credit loss ("ECLs") assessment for construction and engineering activities (continued)

Group	Gross carrying amount RM	Loss allowance RM	Net balance RM
2022			
Current (not past due)	28,872,112	-	28,872,112
1 - 30 days past due	380,274	-	380,274
31 - 60 days past due	563,011	-	563,011
61 - 90 days past due	459,749	-	459,749
Retention sum	21,679,575	-	21,679,575
Contract assets	33,468,707	-	33,468,707
	85,423,428	-	85,423,428
Credit impaired			
More than 90 days past due	1,041,285	-	1,041,285
Individually impaired	9,030	9,030	-
	86,473,743	9,030	86,464,713

The movements in the allowance for impairment in respect of trade receivables and contract assets for construction and engineering segment during the year are shown below:

Group	Credit impaired	
	2023 RM	2022 RM
Balance at 1 April	9,030	172,489
Net remeasurement of loss allowance (Note 24)	3,562,473	(129,780)
Amount written off	-	(33,679)
Balance at 31 March	3,571,503	9,030

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

(b) Properties development segment

Expected credit loss (“ECLs”) assessment of property development activities

In managing credit risk of trade receivables, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are related parties or third party customers, whether they obtain loan from bank or financial institution, industry, transactions history with the Group and the existence of any previous financial difficulties.

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

Group	Loan RM	Self-finance RM	Total RM
2023			
Current (not past due)	5,846,360	19,710,534	25,556,894
1 - 30 days past due	4,138,940	-	4,138,940
31 - 60 days past due	-	13,146	13,146
61 - 90 days past due	-	6,600	6,600
Contract assets	35,029,338	2,802,674	37,832,012
	45,014,638	22,532,954	67,547,592
Credit impaired			
More than 90 days past due	414,840	-	414,840
	45,429,478	22,532,954	67,962,432
2022			
Current (not past due)	6,823	-	6,823
1 - 30 days past due	28,959	60,830	89,789
31 - 60 days past due	-	-	-
61 - 90 days past due	10,150,000	-	10,150,000
Contract assets	7,243,880	120,639	7,364,519
	17,429,662	181,469	17,611,131
Credit impaired			
More than 90 days past due	918,300	-	918,300
	18,347,962	181,469	18,529,431

As the title and vacant possession of the sold properties would be transferred to the customers only upon full payment of the entire sale consideration, the management believes that credit risk inherent in the Group's outstanding trade receivable balances and contract assets is not significant.

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

(c) Property investment segment

Expected credit loss (“ECLs”) assessment of property investment activities

The official credit term granted to customers is 7 days but the payment cycle in the industry generally ranges from 30 to 60 days. The Group assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due.

Majority of the tenants pay on timely basis with no major overdue balances. The Group considers that receivables for property investment activities have low credit risk by reference to sound collection history of receivables.

In determining the ECLs, the Group assesses the balances with higher risk of default individually.

The following table provides information about the exposure to credit risk and ECLs for trade receivables for property investment activities which grouped together as they are expected to have similar risk nature:

Group	Gross carrying amount RM	Loss allowance RM	Net balance RM
2023			
Current (not past due)	518,381	-	518,381
1 - 30 days past due	463,867	-	463,867
31 - 60 days past due	108,939	-	108,939
61 - 90 days past due	97,362	-	97,362
	1,188,549	-	1,188,549
Credit impaired			
More than 90 days past due	285,682	-	285,682
Individually impaired	1,946	1,946	-
	1,476,177	1,946	1,474,231
2022			
Current (not past due)	336,728	-	336,728
1 - 30 days past due	257,469	-	257,469
31 - 60 days past due	23,114	-	23,114
61 - 90 days past due	15,599	-	15,599
	632,910	-	632,910
Credit impaired			
More than 90 days past due	38,308	-	38,308
Individually impaired	1,946	1,946	-
	673,164	1,946	671,218

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

(c) Property investment segment (continued)

Expected credit loss (“ECLs”) assessment of property investment activities (continued)

The movement in the allowance for impairment in respect of trade receivables for property investment segment during the year is shown below:

	Credit impaired	
	2023 RM	2022 RM
Group		
Balance at 1 April/31 March	1,946	1,946

31.4.2 Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance are not material and hence, it is not provided for.

31.4.3 Other receivables

The Group and the Company monitor the exposure to credit risk on individual basis.

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

The movements in the allowance for impairment in respect of other receivables as at the end of the reporting period are shown below.

	Credit impaired	
	2023 RM	2022 RM
Group		
Balance at 1 April	-	-
Net remeasurement of loss allowance (Note 24)	5,332	-
Balance at 31 March	5,332	-

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.4 Due from a joint venture

The Group provides an interest-bearing loan to a joint venture. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

The Group considers amount due from the joint venture have low credit risk. The Group assumes that there is a significant increase in credit risk when the joint venture' financial position deteriorates significantly. The Group considers amount due from joint venture to be credit impaired when:

- The joint venture is unlikely to repay the amounts due to the Group in full; or
- The joint venture is continuously loss making and are having deficit shareholders' funds.

The Group determines the probability of default for the amount due from the joint venture using internal information available.

The following table provides information about the exposure to credit risk for amount due from joint venture as at the end of the reporting period:

	Gross carrying amount/ Net balance	
	2023 RM	2022 RM
Group		
Low credit risk	10,192,800	-

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

31.4.5 Inter-companies balances

Risk management objectives, policies and processes for managing the risk

The Company monitors the ability of the subsidiaries to repay the balances on an individual basis.

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment loss

The Company considers amounts due from subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers amounts due from subsidiaries to be credit impaired when:

- The subsidiaries are unlikely to repay the amounts due to the Company in full; or
- The subsidiaries are continuously loss making and are having deficit shareholders' funds.

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.5 Inter-companies balances (continued)

Recognition and measurement of impairment loss (continued)

The Company determines the probability of default for these amounts due from subsidiaries individually using internal information available.

The following table provides information about the exposure to credit risk for amounts due from subsidiaries as at the end of the reporting period:

Company	Gross carrying amount/ Net balance	
	2023 RM	2022 RM
Low credit risk	279,298,087	108,113,180

As at the end of the reporting period, the Company did not recognise any allowance for impairment losses.

31.4.6 Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to financial institutions in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk for the Company amounts to RM131,395,328 (2022: RM202,891,427) representing the outstanding banking facilities of certain subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Recognition and measurement of impairment loss

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

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

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

As at the end of the reporting period, the Company did not recognise any allowance for impairment losses.

31.5 Liquidity risk

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

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

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

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.5 Liquidity risk (continued)

Maturity analysis

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

Group	Carrying amount RM	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
2023							
<i>Non-derivative financial liabilities</i>							
Trade payables for purchase of freehold land	251,755,123	4.00	270,024,165	34,364,152	235,660,013	-	-
Trade and other payables	209,796,105	-	209,796,105	196,453,784	4,206,463	4,333,646	4,802,212
Revolving credits	110,526,009	4.48 - 5.37	114,572,826	114,572,826	-	-	-
Hire purchase liabilities	4,277,487	1.99 - 4.61	4,621,987	1,851,910	1,056,313	1,594,687	119,077
Secured term loans	65,328,168	3.44 - 4.69	81,039,152	5,344,451	31,046,906	14,628,662	30,019,133
Bank overdrafts	3,747,747	4.45	3,747,747	3,747,747	-	-	-
Lease liabilities	578,320	3.44	644,730	228,000	120,000	296,730	-
Loan from a minority shareholder	490,000	4.29	511,079	511,079	-	-	-
Due to minority shareholders	1,490,271	-	1,490,271	1,490,271	-	-	-
	647,989,230		686,448,062	358,564,220	272,089,695	20,853,725	34,940,422
2022							
<i>Non-derivative financial liabilities</i>							
Trade payables for purchase of freehold land	275,579,698	4.00	304,436,611	23,419,580	56,423,803	224,593,228	-
Trade and other payables	189,626,283	-	189,626,283	189,626,283	-	-	-
Bankers' acceptances	16,255,529	2.90 - 3.47	16,255,529	16,255,529	-	-	-
Hire purchase liabilities	2,165,277	2.00 - 5.80	2,792,480	1,171,868	736,783	883,829	-
Secured term loans	230,011,924	3.17 - 4.01	269,911,977	29,640,552	28,770,272	136,676,819	74,824,334
Bank overdrafts	977,278	2.00 - 5.80	977,278	977,278	-	-	-
Due to a minority shareholder	10,000,000	2.60	10,000,000	-	-	-	10,000,000
Due to a minority shareholder	2,490,276	-	2,490,276	2,490,276	-	-	-
	727,106,265		796,490,434	263,581,366	85,930,858	362,153,876	84,824,334

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM	Contractual interest rate/ coupon %	Contractual cash flows RM	Under 1 year RM
Company				
2023				
<i>Non-derivative financial liabilities</i>				
Other payables	375,153	-	375,153	375,153
Due to subsidiaries	2,110	-	2,110	2,110
Financial guarantees	-	-	131,395,328*	131,395,328
	377,263		131,772,591	131,772,591
2022				
<i>Non-derivative financial liabilities</i>				
Other payables	1,913,920	-	1,913,920	1,913,920
Due to subsidiaries	1,000,000	-	1,000,000	1,000,000
Financial guarantees	-	-	202,891,427*	202,891,427
	2,913,920		205,805,347	205,805,347

* represents the amount outstanding as disclosed in Note 31.4.6.

31.6 Market risk

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

31.6.1 Currency risk

The Group is exposed to foreign currency risk on bank balances, borrowings and trade receivables that are denominated in a currency other than the respective functional currencies of Group. The currencies giving rise to this risk are US Dollar ("USD") and Singapore Dollar ("SGD").

Risk management objectives, policies and processes for managing the risk

The Group does not hedge its financial assets and liabilities denominated in foreign currencies.

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.6 Market risk (continued)

31.6.1 Currency risk (continued)

Exposure to foreign currency risk

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

	Group Denominated in	
	USD RM	SGD RM
2023		
Cash and cash equivalents	130,669	10,225
Hire purchase liabilities	-	(100,839)
Trade receivables and contract assets	-	3,337,270
	130,669	3,246,656
2022		
Cash and cash equivalents	126,066	52,526
Hire purchase liabilities	-	(182,962)
Trade receivables and contract assets	-	8,514,203
	126,066	8,383,767

Currency risk sensitivity analysis

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

	Profit or loss	
	2023 RM	2022 RM
Group		
USD	(9,931)	(9,581)
SGD	(246,746)	(637,166)

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.6 Market risk (continued)

31.6.2 Interest rate risk

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

Risk management objectives, policies and processes for managing the risk

There is no formal hedging policy with respect to interest rate exposure. Exposure to interest rate risk is monitored on an ongoing basis, the Group and the Company endeavour to keep to exposure at acceptable level.

Exposure to interest rate risk

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

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Fixed rate instruments				
Financial assets	150,331,187	122,677,270	-	20,751,860
Financial liabilities	(366,558,619)	(294,000,504)	-	-
Lease liabilities	(578,320)	-	-	-
	(216,805,752)	(171,323,234)	-	20,751,860
Floating rate instruments				
Financial assets	26,170,640	-	102,898,895	6,000,000
Financial liabilities	(69,565,915)	(240,989,202)	-	-
	(43,395,275)	(240,989,202)	102,898,895	6,000,000

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

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

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (bp) in interest rates during the reporting period would have increased/ (decreased) the Group's and the Company's post-tax profit or loss by RM329,804 (2022: RM1,831,518) and RM782,032 (2022: RM45,600) respectively. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.7 Fair value information

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

The carrying amounts of floating rate term loans approximate their fair values as their effective interest rates change according to movements in the market interest rates.

The table below analyses other financial instruments at fair value.

Group	Fair value of financial instruments not carried at fair value Level 3 RM	Total fair value RM	Carrying amount RM
2023			
Financial assets			
Due from a joint venture	10,199,551	10,199,551	10,000,000
Financial liabilities			
Hire purchase liabilities	(4,288,639)	(4,288,639)	(4,277,487)
Trade payables	(261,161,820)	(261,161,820)	(251,755,123)
Tenants' deposits	(13,342,321)	(13,342,321)	(13,342,321)
	(278,792,780)	(278,792,780)	(269,374,931)
2022			
Financial liabilities			
Hire purchase liabilities	(2,226,051)	(2,226,051)	(2,165,277)
Trade payables	(274,348,366)	(274,348,366)	(275,579,698)
	(276,574,417)	(276,574,417)	(277,744,975)

Level 3 fair value

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

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Due from a joint venture/Hire purchase liabilities/ Trade payables/ Tenants' deposits	Discounted cash flows using a rate based on the current market rate of borrowing of the Group at the reporting dates.

32. CAPITAL MANAGEMENT

The Group's capital is represented by its total equity in the statement of financial position. The Directors monitor the adequacy of capital on an ongoing basis.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

During 2023, the Group's strategy, which was unchanged from 2022, was to maintain the debt-to-equity ratio at below 2.00 multiples. The debt-to-equity ratios at 31 March 2023 and 31 March 2022 were as follows:

	Group	
	2023 RM'000	2022 RM'000
Cash and cash equivalents (Note 16)	326,923	187,245
Less: Loans and borrowings (Note 18)	(183,879)	(249,410)
Net cash/(debt)	143,044	(62,165)
Total equity	1,120,795	746,680
Debt-to-equity-ratios	-	0.08

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25 percent of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

33. RELATED PARTIES

Identity of related parties

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

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

The Group and the Company have related party relationship with its subsidiaries, a joint venture, a company and a firm in which certain Directors have financial interest, a minority shareholder of a subsidiary and key management personnel.

33. RELATED PARTIES (CONTINUED)

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 10, 13, 14, 15, 19 and 20.

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
A. Subsidiaries				
Loan	-	-	27,950,000	-
Interest income	-	-	3,376,889	-
Transfer of asset	-	-	-	(23,572)
B. Joint ventures				
Contract income	53,821	8,863,632	-	-
Lease income	98,501	86,801	-	-
Loan receivable	10,000,000	-	-	-
Interest income	192,800	-	-	-
Purchase of investment properties	7,440,000	-	-	-
C. Minority shareholder of a subsidiary				
Interest expenses	(156,400)	(255,989)	-	-
D. Company in which certain Directors have financial interest				
Contract income	69,661	-	-	-
E. Firm in which a Director has financial interest				
Professional fees	(1,014,179)	(224,942)	-	-
F. Company in which closed family member of a subsidiary's Director has financial interest				
Professional fees	(204,658)	-	-	-
G. Companies in which a Director of a subsidiary has financial interest				
Service income	293,236	-	-	-
H. Related company of a subsidiary's shareholders				
Contract income	352,123	-	-	-

33. RELATED PARTIES (CONTINUED)**Significant related party transactions (continued)**

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
I. Key management personnel compensation				
Directors				
- Fees	784,800	624,000	652,800	624,000
- Remunerations	9,598,500	7,436,000	33,500	34,000
- Contributions to state plans	1,159,598	898,214	-	-
	11,542,898	8,958,214	686,300	658,000
Other Directors of subsidiaries				
- Fees	258,500	-	-	-
- Remunerations	1,926,500	680,323	-	-
- Contributions to state plans	232,230	69,096	-	-
	2,417,230	749,419	-	-
Other key management personnel				
- Short term employee benefits	3,606,800	2,967,710	-	-
- Contributions to state plans	441,183	361,669	-	-
	4,047,983	3,329,379	-	-
	18,008,111	13,037,012	686,300	658,000

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

The estimated monetary value of benefits-in-kind receivable by the Directors, other Directors of subsidiaries and other key management personnel of the Group is RM130,275 (2022: RM143,700), RM58,435 (2022: RM16,400) and RM90,258 (2022: RM63,626) respectively.

34. SIGNIFICANT EVENTS**34.1 Acquisition of a subsidiary**

On 26 April 2022, the Group completed its acquisition of 70.00% equity interest of Landscape Artist Sdn. Bhd. ("LASB") for RM700,000, satisfied in cash. The principal activity of LASB consists of those relating to landscape project and maintenance and its related services. The acquisition of LASB is to provide landscape project and maintenance to the industrial parks' tenant.

The fair value of the assets and liabilities arising from the acquisition are as follows:

	Group RM
Investment cost	700,000
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	102,792
Trade and other receivables	591,602
Tax recoverable	69,595
Cash and cash equivalents	919,115
Deferred tax liabilities	(12,300)
Trade and other payables	(671,558)
Hire purchase liabilities	(1,458)
Total identifiable net assets	997,788
Net cash from arising from acquisition	
Investment cost paid	(700,000)
Cash and cash equivalents	919,115
Net cash inflow	219,115

34.2 Proposed acquisition of development lands

On 18 August 2022, a wholly owned subsidiary, Northern Industrial Park Sdn. Bhd. (formerly known as Alambina Gemilang Sdn. Bhd.) entered into a Shareholders' Agreement with Majestics Builders Sdn. Bhd. to jointly acquire and develop lands via a joint venture company, Suling Hill Development Sdn. Bhd. ("Suling Hill") with a shareholding interest of 50% respectively.

Suling Hill has entered into a conditional Sale and Purchase Agreement ("SPA") with Waz Lian Holdings Sdn. Bhd. ("Waz Lian") on 18 August 2022 to acquire and develop of sixteen (16) pieces of freehold vacant land in Mukim 19, District of Seberang Perai Tengah, State of Penang, measuring approximately 175.98 acres for a total consideration of RM130 million of which Suling Hill has made deposit payment of RM20,000,000 upon executing the SPA ("Proposed Acquisition").

On 16 February 2023, Suling Hill entered into a mutual agreement with Waz Lian to extend the terms of SPA to obtain authority approvals. The Proposed Acquisition is expected to be completed on or before 18 February 2024.

34.3 Listing of AME Real Estate Investment Trust ("AME REIT")

On 20 September 2022, the Group has completed the disposal of 31 industrial properties and 3 industrial-related properties into AME REIT for a total consideration of RM557,000,000 satisfied by cash consideration of RM37,000,000 and issuance of 520,000,000 units in AME REIT. The Group offered for sale of 254,800,000 units in AME REIT at retail price of RM1.13 per unit subsequently.

The following summarised the effects of the transaction:

	Group RM
Proceeds from offer for sale	287,924,000
Listing expenses capitalised	(6,900,029)
Net proceeds from offer for sale	281,023,971

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 125 to 199 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2023 and of their financial performance and cash flows for the financial year then ended.

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

Lee Chai
Director

Lee Sai Boon
Director

Date: 20 July 2023

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Gregory Lui Poh Sek**, the officer primarily responsible for the financial management of AME ELITE CONSORTIUM BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 125 to 199 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Gregory Lui Poh Sek, NRIC: 680704-01-5289, MIA CA12124 at Johor Bahru in the State of Johor on 20 July 2023.

Gregory Lui Poh Sek

Before me:

Lau Lay Sung
Commissioner for Oaths
J-246

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AME ELITE CONSORTIUM BERHAD REGISTRATION NUMBER: 201801030789 (1292815-W) (INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of AME Elite Consortium Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 125 to 199.

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

BASIS FOR OPINION

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

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

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

KEY AUDIT MATTERS

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

Revenue and cost of sales from property development activities

Refer to Note 2(n)(i) - Significant accounting policy: Revenue from contract with customers and Note 21 - Revenue

The key audit matter	How the matter was addressed in our audit
<p>Revenue and cost of sales from property development activities was identified as a key audit matter because accounting for property development activity is inherently complex and involves significant judgement:</p> <ul style="list-style-type: none"> Probability of collection of consideration from purchasers, especially cash purchasers. Measurement of progress towards satisfaction of performance obligations using cost incurred method, in particular, relating to the estimation of the total cost required to complete the work used in the calculation of stage of completion. 	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> We read and understood the terms of the contracts with customers and relevant supporting documents to assess the Group's revenue recognition policy with reference to the requirements of MFRS 15. We inspected the supporting documents and agreed to the Group's assessment relating to the probability of collection of consideration from customers, in particular for customers who are not supported by end-financiers. We agreed the estimated total costs to complete the works to the project budget prepared by the Group and compared the details of the estimated costs against documentary evidence. We compared the progress towards satisfaction of performance obligations using cost incurred method against the progress of construction works as stipulated in architect certificates and made enquiry of completion status during the development site visit to corroborate with the percentage of completion. We recomputed the amount of the revenue recognised in the profit or loss by multiplying the contract sum with the percentage of completion derived from the cost incurred to date over the estimated costs to complete the works. We assessed the adequacy of disclosures as required by MFRS 15.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AME ELITE CONSORTIUM BERHAD
REGISTRATION NUMBER: 201801030789 (1292815-W)
(INCORPORATED IN MALAYSIA)**

Revenue and cost of sales from property construction contracts

Refer to Note 2(n)(i) - Significant accounting policy: Revenue from contract with customers and Note 21 - Revenue

The key audit matter	How the matter was addressed in our audit
<p>Revenue and cost of sales from property construction contracts was identified as a key audit matter because accounting for property construction activity is inherently complex and involves significant judgement:</p> <ul style="list-style-type: none"> Significant judgements in estimating the progress towards complete satisfaction of performance obligations and determining whether there is any exposure to liquidated ascertained damages ("LAD"). The progress towards complete satisfaction of performance obligations is measured using the output method by reference to the survey of work performed. 	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> We read and understood the terms of the contracts with customers and relevant supporting documents to assess the Group's revenue recognition policy with reference to the requirements of MFRS 15. We inspected documents supporting the estimated total contract sum and correspondences from contract customers in relation to variations and claims. We inspected documents certified by quantity surveyor supporting the contract work performed by the Group to-date. We inquired in-house operational and financial personnel of the Group and inspected the extension of time submitted to the contract customers to assess the exposure of LAD. We tested samples of costs incurred to date to supporting documentation such as contractors' claim certificates or suppliers' invoices. We recomputed the contract revenue and construction cost to be recognised by reference to the percentage of completion determined based on survey of work performed. We assessed the adequacy of disclosures as required by MFRS 15.

Valuation of investment properties

Refer to Note 2(f)(i) - Significant accounting policy: Investment properties and Note 6 - Investment properties

The key audit matter	How the matter was addressed in our audit
<p>Valuation of investment properties was identified as a key audit matter because the Group owns numerous investment properties, which are leased to third parties. Investment properties represent a major category of assets on the consolidated statement of financial position of the Group.</p> <p>These investment properties are stated at fair values based on independent external valuations, using the market comparison and income approach.</p> <p>The valuations are sensitive to the choice of valuation methodology and key assumptions applied; where a change in the assumptions can have a significant impact to the valuation.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> We evaluated the qualifications, objectivity and competency of the external valuers and held discussions with the valuers to understand the valuation method and assumptions and basis used. We evaluated and challenged the key assumptions applied by the external valuers by comparing with internal and external sources. We considered the adequacy of the disclosures in the financial statements, in describing the key assumptions in the estimates.

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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AME ELITE CONSORTIUM BERHAD
REGISTRATION NUMBER: 201801030789 (1292815-W)
(INCORPORATED IN MALAYSIA)**

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF AME ELITE CONSORTIUM BERHAD
REGISTRATION NUMBER: 201801030789 (1292815-W)
(INCORPORATED IN MALAYSIA)**

**LIST OF MATERIAL PROPERTIES
AS AT 31 MARCH 2023**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

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

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

Ong Beng Seng
Approval Number: 02981/05/2024 J
Chartered Accountant

Johor Bahru
Date: 20 July 2023

Property	Land area / Built-up area (sq. ft.)	Description and existing use	Tenure	Age of Building as at 31 March 2023	Net Book Value as at 31 March 2023 (RM'000)	Date of Valuation
Plot 18 & 19 SAC No. 22, Jalan I-Park SAC 3, Taman Perindustrian I-Park SAC, 81400 Senai, Johor.	164,096 / 111,807	A single storey detached factory with mezzanine office and other ancillary buildings leased for the manufacturing of technology components and its related activities and office.	Freehold	3 Years, 8 Months	49,000	31 March 2023
FZW SAC No. 18, Jalan Kargo 2, Senai Airport City, 81400 Senai, Johor.	212,910 / 129,039	A single storey detached warehouse together with an office annex and other ancillary buildings tenanted/ leased for: • Plot A – Packaging, assembly, warehousing, and related activities • Plot B – Warehousing and related activities • Plot C – Distribution and packaging of professional and consumer audio products.	Freehold	2 Years, 8 Months	40,000	31 March 2023
AME HQ and i-Privilege Club No. 2, Jalan I-Park SAC 1/1, Taman Perindustrian I-Park SAC, 81400 Senai, Johor.	164,619 / 66,244	A 3-storey detached office building, a single storey detached clubhouse building and other ancillary buildings.	Freehold	1 Year, 3 Months	38,287	(1a)
SAC Dorm No. 91, Jalan SAC 4, Taman Perindustrian I-Park SAC, 81400 Senai, Johor.	128,579 / 226,379	5 blocks of 5-storey walk-up workers' dormitory, a 2-storey shop and other ancillary buildings tenanted by third parties.	Freehold	Phase 1: 4 Years Phase 2: 3 Years, 9 Months	33,446	(1b)
Plot 13 Dorm Indahpura No. 11, Jalan Seroja 2, Bandar Indahpura, 81000 Kulai, Johor.	138,521 / 237,691	2 blocks of 5-storey walk-up workers' dormitory, a 2-storey facilities block and other ancillary buildings tenanted by third parties.	Freehold	8 Months	28,716	(1c)
Plot 15 Indahpura No. 13, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor.	132,848 / 94,386	A single storey detached factory with mezzanine office and other ancillary buildings leased for the manufacturing of RFID transponders and its related activities and warehousing.	Freehold	5 Months	28,000	1 November 2022

**LIST OF MATERIAL PROPERTIES
AS AT 31 MARCH 2023**

Property	Land area / Built-up area (sq. ft.)	Description and existing use	Tenure	Age of Building as at 31 March 2023	Net Book Value as at 31 March 2023 (RM'000)	Date of Valuation
Plot 1C2 SAC No. 66, Jalan I-Park SAC 8, Taman Perindustrian I-Park SAC, 81400 Senai, Johor.	96,949 / 68,820	A single storey detached factory with mezzanine office and other ancillary buildings leased for the manufacturing, research and development of engineering and technology relating to smart phones and related activities.	Freehold	2 Years, 3 Months	24,000	31 March 2023
Plot 17 Dorm Indahpura PTD 106941, Jalan Seroja 28, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor.	134,129 / 240,251	5 blocks of 5-storey walk-up workers' dormitory and other ancillary buildings tenanted by third parties.	Freehold	Phase 1: 9 Years, 3 Months Phase 2: 7 Years, 11 Months	23,139	(1d)
Plot 32 SAC No. 48, Jalan I-Park SAC 7, Taman Perindustrian I-Park SAC, 81400 Senai, Johor.	137,218 / 75,658	A single storey detached factory with mezzanine office and other ancillary buildings leased for carrying out electronics manufacturing service its related activities and office.	Freehold	2 Years	23,000	31 March 2023
Plot 14 Indahpura No. 12, Jalan i-Park 1/1, Kawasan Perindustrian i-Park, Bandar Indahpura, 81000 Kulai, Johor.	136,325 / 79,012	A single storey detached factory with ancillary buildings leased for warehouse and storage of plastic caps and its raw materials and its related activities and office.	Freehold	1 Year, 2 Months	23,000	31 March 2023

Note:

1. Self-constructed, and completed in the following years:
 - a. Year 2021
 - b. Year 2019
 - c. Year 2022
 - d. Year 2013 (Phase 1); Year 2015 (Phase 2)

**ANALYSIS OF SHAREHOLDINGS
AS AT 3 JULY 2023**

Issued Share Capital	:	640,672,649 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per shareholder on a show of hands One vote per ordinary share on a poll

ANALYSIS OF HOLDINGS

(Excluding 1,580,000 shares bought back and retained by the Company as treasury shares)

Size of Holdings	No. of Holders	No. of Shares	%
Less than 100 shares	46	1,521	0.00
100 to 1,000 shares	147	70,782	0.01
1,001 to 10,000 shares	382	1,747,000	0.27
10,001 to 100,000 shares	188	6,276,496	0.98
100,001 to less than 5% of issued shares	157	294,723,400	46.12
5% and above of issued shares	3	336,273,450	52.62
Total	923	639,092,649	100.00

SUBSTANTIAL SHAREHOLDERS

According to the register to be kept under Section 144 of the Companies Act 2016 ("Act"), the following are the substantial shareholders of the Company:

Name of Substantial Shareholders	No. of Shares Held			
	Direct	⁽ⁱ⁾ %	Indirect	⁽ⁱ⁾ %
Lim Yook Kim	113,841,150	17.81	⁽ⁱⁱ⁾ 8,637,350	1.35
Lee Chai	113,656,450	17.78	⁽ⁱⁱⁱ⁾ 8,887,350	1.39
Kang Ah Chee	111,591,150	17.46	^(iv) 8,937,350	1.40
Lee Sai Boon	36,987,000	5.79	⁽ⁱⁱ⁾ 8,637,350	1.35

Notes:

- (i) Excluding 1,580,000 shares bought back and retained by the Company as treasury shares.
- (ii) Deemed interested by virtue of his interest in Lotus Ideal Sdn Bhd ("Lotus Ideal") and Lifestyle Capital Sdn Bhd ("Lifestyle Capital") pursuant to Section 8 of the Act.
- (iii) Deemed interested by virtue of his interest in Lotus Ideal and Lifestyle Capital pursuant to Section 8 of the Act, and shares held by his spouse, Tan Mui Heong, and son, Lee Chun Kiat, pursuant to Section 59(11)(c) of the Act.
- (iv) Deemed interested by virtue of his interest in Lotus Ideal and Lifestyle Capital pursuant to Section 8 of the Act and shares held by his son, Kang Chai Poh, and daughter, Kang Miay Hong, pursuant to Section 59(11)(c) of the Act.

ANALYSIS OF SHAREHOLDINGS AS AT 3 JULY 2023

DIRECTORS' INTEREST IN ORDINARY SHARES OF THE COMPANY

Name of Directors	No. of Shares Held			
	Direct	⁽ⁱ⁾ %	Indirect	⁽ⁱ⁾ %
Lee Chai	113,656,450	17.78	⁽ⁱⁱ⁾ 8,887,350	1.39
Lee Sai Boon	36,987,000	5.79	⁽ⁱⁱⁱ⁾ 8,637,350	1.35
Lim Khai Wen	711,800	0.11	-	-
Kang Koh Wei	587,800	0.09	-	-
Tengku Azrina Binti Raja Abdul Aziz	150,000	0.02	-	-
Tan Lay Beng	45,000	0.01	-	-
Chang Tian Kwang	330,000	0.05	-	-
Wee Soon Chit	210,000	0.03	-	-
Kang Ah Chee *	111,591,150	17.46	^(iv) 8,937,350	1.40
Lim Pei Shi *	435,000	0.07	-	-
Lee Ling Sien *	336,150	0.05	-	-

* Alternate Director

Notes:

- (i) Excluding 1,580,000 shares bought back and retained by the Company as treasury shares.
- (ii) Deemed interested by virtue of his interest in Lotus Ideal and Lifestyle Capital pursuant to Section 8 of the Act, and shares held by his spouse, Tan Mui Heong, and son, Lee Chun Kiat, pursuant to Section 59(11)(c) of the Act.
- (iii) Deemed interested by virtue of his interest in Lotus Ideal and Lifestyle Capital pursuant to Section 8 of the Act.
- (iv) Deemed interested by virtue of his interest in Lotus Ideal and Lifestyle Capital pursuant to Section 8 of the Act and shares held by his son, Kang Chai Poh, and daughter, Kang Miay Hong, pursuant to Section 59(11)(c) of the Act.

THIRTY (30) LARGEST SHAREHOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

	Name of holders	No. of Shares	⁽ⁱ⁾ %
1.	Lim Yook Kim	113,841,150	17.81
2.	Kang Ah Chee	111,591,150	17.46
3.	Lee Chai	110,841,150	17.34
4.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Value Fund	30,000,000	4.69
5.	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For AIA Bhd	19,568,900	3.06
6.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Lee Sai Boon (PB)	18,540,000	2.90
7.	Lee Sai Boon	18,447,000	2.89
8.	Amanahraya Trustees Berhad Public Islamic Opportunities Fund	16,657,700	2.61
9.	Hong Leong Assurance Berhad As Beneficial Owner (Life Par)	10,350,000	1.62
10.	UOA Development Bhd	10,242,000	1.60
11.	Lotus Ideal Sdn Bhd	8,062,350	1.26
12.	Maybank Nominees (Tempatan) Sdn Bhd AHAM Asset Management Berhad for Hong Leong Assurance Berhad (PAR-220082)	6,655,400	1.04

ANALYSIS OF SHAREHOLDINGS AS AT 3 JULY 2023

	Name of holders	No. of Shares	⁽ⁱ⁾ %
13.	Cartaban Nominees (Tempatan) Sdn Bhd TMF Trustees Malaysia Berhad for Affin Hwang Wholesale Equity Fund 2	6,025,900	0.94
14.	Maybank Nominees (Tempatan) Sdn Bhd MTrustee Bhd for Aiiman TNB RBTF (EQ) (433139)	5,436,350	0.85
15.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LEEF)	5,277,900	0.83
16.	Tokio Marine Life Insurance Malaysia Bhd As Beneficial Owner (PF)	4,917,000	0.77
17.	Maybank Nominees (Tempatan) Sdn Bhd National Trust Fund (IFM AHAM) (410195)	4,683,300	0.73
18.	Amanahraya Trustees Berhad Public Strategic Smallcap Fund	4,434,800	0.70
19.	CIMB Commerce Trustee Berhad Public Focus Select Fund	4,307,800	0.67
20.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Yee Hui	3,740,000	0.59
21.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Amundi)	3,694,850	0.58
22.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Pheim)	3,691,100	0.58
23.	Tai Chin Oon	3,489,700	0.55
24.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Nomura)	3,449,050	0.54
25.	Mercsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tan Chong Ho	3,215,100	0.50
26.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Niam EQ)	2,913,300	0.46
27.	Phillip Nominees (Tempatan) Sdn Bhd Exempt An For Phillip Capital Management Sdn Bhd	2,866,200	0.45
28.	Lee Chai	2,815,300	0.44
29.	Amanahraya Trustees Berhad PB Islamic Smallcap Fund	2,788,800	0.44
30.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad AHAM Asset Management Berhad For Malaysian Timber Council (Operating Fund)	2,708,050	0.42
	Total	545,251,300	85.32

Notes:

- (i) Excluding 1,580,000 shares bought back and retained by the Company as treasury shares.

ANALYSIS OF WARRANT HOLDINGS

AS AT 3 JULY 2023

No. of Unexercised Warrants	: 142,371,453
Exercise Price	: RM1.93 per warrant
Warrant Issued Date	: 23 September 2021
Expiry Date	: 22 September 2026
No. of Warrant Holders	: 751

ANALYSIS OF HOLDINGS

Size of Warrants	No. of Holders	No. of Warrants	%
Less than 100 Warrants	124	5,754	0.00
100 to 1,000 Warrants	164	88,956	0.06
1,001 to 10,000 Warrants	174	813,876	0.57
10,001 to 100,000 Warrants	192	7,682,279	5.40
100,001 to less than 5% of issued Warrants	94	49,753,156	34.95
5% and above of issued Warrants	3	84,027,432	59.02
Total	751	142,371,453	100.00

DIRECTORS' INTEREST IN WARRANTS OF THE COMPANY

Name of Directors	No. of Warrants Held			
	Direct	%	Indirect	%
Lee Chai	28,100,366	19.74	⁽ⁱ⁾ 1,307,033	0.92
Lee Sai Boon	9,252,666	6.50	⁽ⁱⁱ⁾ 1,273,700	0.90
Lim Khai Wen	113,733	0.08	-	-
Kang Koh Wei	108,400	0.08	-	-
Tengku Azrina Binti Raja Abdul Aziz	33,333	0.02	-	-
Tan Lay Beng	10,000	0.01	-	-
Chang Tian Kwang	40,000	0.03	-	-
Wee Soon Chit	46,666	0.03	-	-
Kang Ah Chee *	27,898,033	19.60	⁽ⁱⁱⁱ⁾ 1,340,366	0.94
Lim Pei Shi *	96,666	0.07	-	-
Lee Ling Sien *	74,700	0.05	-	-

* Alternate Director

Notes:

- (i) By virtue of his interest in Lotus Ideal and Lifestyle Capital and warrants held by his spouse, Tan Mui Heong.
- (ii) By virtue of his interest in Lotus Ideal and Lifestyle Capital.
- (iii) By virtue of his interest in Lotus Ideal and Lifestyle Capital and warrants held by his son, Kang Chai Poh, and daughter, Kang Miay Hong.

ANALYSIS OF WARRANT HOLDINGS

AS AT 3 JULY 2023

THIRTY (30) LARGEST WARRANT HOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

	Name of holders	No. of Warrants	%
1.	Lim Yook Kim	28,398,033	19.95
2.	Kang Ah Chee	27,898,033	19.60
3.	Lee Chai	27,731,366	19.48
4.	Lee Sai Boon	5,132,666	3.61
5.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB For Lee Sai Boon (PB)	4,120,000	2.89
6.	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For AIA Bhd	2,580,001	1.81
7.	UOA Development Bhd	2,276,000	1.60
8.	Lau Chee Siong	2,010,000	1.41
9.	Amanahraya Trustees Berhad Public Islamic Opportunities Fund	1,653,800	1.16
10.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Len Book Learn	1,392,900	0.98
11.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Wong Yee Hui	1,233,333	0.87
12.	Lotus Ideal Sdn. Bhd.	1,223,700	0.86
13.	Chua Teck Kim	1,000,000	0.70
14.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Gui Soon Yi (CCTS)	1,000,000	0.70
15.	Leow Ho Keng	916,900	0.64
16.	Phillip Nominees (Tempatan) Sdn Bhd Exempt An For Phillip Capital Management Sdn Bhd	908,400	0.64
17.	TA Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lau Chee Siong	850,000	0.60
18.	Tai Chin Oon	763,133	0.54
19.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kuan Teck	755,000	0.53
20.	CIMB Group Nominees (Asing) Sdn Bhd Exempt An For DBS Bank Ltd (SFS)	714,633	0.50
21.	Tee Kein Huat	689,200	0.48
22.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lau Chee Siong	670,200	0.47
23.	Tan Boon Siang	669,166	0.47
24.	Hong Leong Assurance Berhad As Beneficial Owner (Life Par)	619,100	0.43
25.	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd For Lee Kok Hong	548,066	0.38
26.	Lau Chee Siong	531,300	0.37
27.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lee Ah Peng (Penang-CL)	513,000	0.36
28.	Lee Wei Chen	497,900	0.35
29.	Hong Leong Assurance Berhad As Beneficial Owner (Unitlinked MF)	480,666	0.34
30.	Pang Yang Chung	467,000	0.33
	Total	118,243,496	83.05

NOTICE IS HEREBY GIVEN THAT the Fifth Annual General Meeting (“5th AGM”) of AME Elite Consortium Berhad (“AME” or “Company”) will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting (“RPEV”) facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Friday, 25 August 2023 at 10:00 a.m. to consider and, if thought fit, passing with or without modifications, the following resolutions:

AGENDA

AS ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial year ended 31 March 2023 and the Reports of the Directors and Auditors thereon.	Please refer to Note 11.1
2.	To approve the payment of Directors’ fees of the Company for the financial year ending 31 March 2024 to be payable quarterly in arrears.	Ordinary Resolution 1
3.	To approve the payment of benefits to the Directors of the Company for the period from the 5 th AGM to the 6 th AGM of the Company.	Ordinary Resolution 2
4.	To approve the payment of Directors’ fees of the Company’s wholly owned subsidiary, I REIT Managers Sdn Bhd (“IRM”), the Manager of AME Real Estate Investment Trust (“AME REIT”), for the financial year ended 31 March 2023.	Ordinary Resolution 3
5.	To approve the payment of Directors’ fees of IRM, for the financial year ending 31 March 2024 to be payable quarterly in arrears.	Ordinary Resolution 4
6.	To approve the payment of benefits to the Directors of IRM for the financial year ended 31 March 2023.	Ordinary Resolution 5
7.	To approve the payment of benefits to the Directors of IRM for the period from 1 April 2023 to the 6 th AGM of the Company.	Ordinary Resolution 6
8.	To re-elect the following Directors of the Company who are retiring in accordance with the Company’s Constitution and, who being eligible, offer themselves for re-election:	
	(i) Lee Sai Boon;	Ordinary Resolution 7
	(ii) Tengku Azrina Binti Raja Abdul Aziz;	Ordinary Resolution 8
	(iii) Lim Khai Wen; and	Ordinary Resolution 9
	(iv) Kang Koh Wei.	Ordinary Resolution 10
9.	To re-appoint Messrs KPMG PLT (“KPMG”) as Auditors of the Company for the financial year ending 31 March 2024 and to authorise the Directors to fix their remuneration.	Ordinary Resolution 11

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass with or without modifications the following resolutions:

10.	Proposed authority to issue and allot shares by the Directors pursuant to Sections 75 and 76 of the Companies Act 2016 (“CA 2016”) and waiver of pre-emptive rights pursuant to the CA 2016	Ordinary Resolution 12
	“ THAT pursuant to Sections 75 and 76 of the CA 2016, the Directors be and are hereby authorised to issue and allot shares in the Company at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company at the time of issue AND THAT the Directors be and are also authorised to obtain the approval of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.	

THAT in connection with the above, pursuant to Section 85 of the CA 2016 to be read together with Clause 13 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion to their holdings at such price and on such terms to be offered arising from any issuance of the new shares above by the Company.”

11.	Proposed Renewal of shareholders’ approval for Share Buy-Back (“ Proposed Renewal of Share Buy-Back ”)	Ordinary Resolution 13
	“ THAT subject to the provisions of the CA 2016, the Constitution of the Company, the Main Market Listing Requirements (“MMLR”) of Bursa Securities and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit, necessary and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time; and the Directors of the Company shall allocate an amount of funds which will not be more than the aggregate sum of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of purchase of the Proposed Renewal of Share Buy-Back.	
	THAT the Directors of the Company be and is hereby authorised to deal with the shares purchased at their absolute discretion, either partially or fully, in the following manner:	
	a) cancel all the shares so purchased; or	
	b) distribute the shares as share dividends to the shareholders; or	
	c) resell the shares through Bursa Securities in accordance with the rules of Bursa Securities; or	
	d) transfer the shares for or under an employees’ share scheme; or	
	e) transfer the shares as purchase consideration; or	
	f) such other manners as may be permitted by the CA 2016, the MMLR of Bursa Securities and any other relevant authorities for the time being in force.	
	THAT the Directors of the Company be and is hereby authorised to take all such necessary steps to give effect to the Proposed Renewal of Share Buy-Back with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by the relevant authorities or deemed by the Directors to be in the best interest of the Company, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back.	
	AND THAT the authority conferred by this resolution shall commence immediately upon the passing of this resolution and continue to be in force until:	
	a) the conclusion of the next AGM of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions; or	
	b) the expiration of the period within the next AGM of the Company is required by law to be held; or	
	c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,	
	whichever occurs first.”	
12.	To transact any other business for which due notice shall have been given in accordance with the Company’s Constitution and the CA 2016.	

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143) (SSM PC No. 202008001023)
SANTHI A/P SAMINATHAN (MAICSA 7069709) (SSM PC No. 201908002933)
 Company Secretaries

Johor Bahru
 27 July 2023

Notes:

- The 5th AGM of the Company will be conducted on a fully virtual basis where shareholders are only allowed to participate remotely through live streaming and online remote voting using Remote Participation and Electronic Voting (“RPEV”) facilities via online meeting platform available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657). Please follow the procedures provided in the Administrative Guide for the 5th AGM to register, participate, speak and vote remotely via RPEV facilities.
- According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 7 April 2022, an online meeting platform can be recognised as the meeting venue or place under Section 327 (2) of the Companies Act 2016 provided that the online platform is located in Malaysia and all meeting participants including the Chairman of the meeting, Board members, senior management and shareholders shall participate in the meeting online.
- Every member including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”), and exempt authorised nominees which holds ordinary shares in the Company for multiple owners in one securities account (“omnibus account”), is entitled to appoint another person as his proxy to exercise all or any of his rights to participate, speak and vote instead of him at the 5th AGM, and that such proxy need not be a member.
- Where a member appoints more than 1 proxy (subject always to a maximum of 2 proxies at each meeting), the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for multiple beneficial owners in an 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. Where a member is an authorised nominee as defined under SICDA, it may appoint 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.
- The instrument appointing a proxy must be deposited with the Share Registrar of the Company situated at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or deposit the Proxy Form(s) by electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time set for holding the 5th AGM.
- If you have submitted your Proxy Form(s) and subsequently decide to appoint another person or wish to participate in the electronic 5th AGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies) at least 48 hours before this meeting. The last date and time for lodgement of Proxy Form(s) is **23 August 2023** at 10:00 a.m.
- Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in this Notice will be put to vote on a poll.
- Only a depositor whose name appears in the Record of Depositors as at **18 August 2023** shall be entitled to participate, speak and vote at this meeting or appoints a proxy or proxies to participate, speak and vote on his behalf.

11. Explanatory Notes on Ordinary Business:

11.1 To receive Audited Financial Statements

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the CA 2016 for discussion only under Agenda 1. They do not require shareholders’ approval and will not be put forward for voting.

11.2 Ordinary Resolutions 1 to 6 – Directors’ fees and benefits payable

Section 230(1) of the CA 2016 provides amongst other, that the fees of the directors, and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a General Meeting.

In this respect, the Board wishes to seek shareholders’ approval for payment of the following Directors’ fees and benefits of the Company and IRM:

Company			
- Directors’ fees for the financial year ending 31 March 2024 to be payable quarterly in arrears	Up to RM652,800	Ordinary Resolution 1	
- Directors’ benefits for the period from the 5 th AGM to the 6 th AGM of the Company	Up to RM118,000	Ordinary Resolution 2	
IRM			
- Directors’ fees for the financial year ended 31 March 2023	RM384,000	Ordinary Resolution 3	
- Directors’ fees for the financial year ending 31 March 2024 to be payable quarterly in arrears	Up to RM384,000	Ordinary Resolution 4	
- Directors’ benefits for the financial year ended 31 March 2023	RM21,000	Ordinary Resolution 5	
- Directors’ benefits for the period from 1 April 2023 to the 6 th AGM of the Company	Up to RM90,000	Ordinary Resolution 6	

Under Ordinary Resolutions 1 and 4, the quantum of the Directors’ fees proposed for the financial year ending 31 March 2024 payable quarterly in arrears is based on the assumptions that all the Directors will hold office until the conclusion of the aforesaid financial year and there is no appointment of additional Board member(s) during the said financial year ending 31 March 2024.

The Ordinary Resolutions 1 and 4, if passed, are to facilitate the payment of Directors’ fees on a quarterly basis and/or as and when incurred. The Board opined that it is just and equitable for the Directors to be paid such payment on such basis upon them discharging their responsibilities and rendering their services. In the event, where the Directors’ fees payable during the above period exceeds the estimated amount sought at this AGM, a shareholders’ approval will be sought at the next AGM.

In determining the estimated total amount of Directors’ fees and benefits payable for the Directors, the Board has considered various factors including the number of scheduled meetings for the Board and Board Committees as well as the number of Directors involved in these meetings based on the current number of Directors.

11.3 Ordinary Resolutions 7 to 10 – Re-election of Directors

The Company’s Constitution states that at each AGM of the Company, one-third (1/3) of the Directors or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office and be eligible for re-election, provided always that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Lee Sai Boon, Tengku Azrina Binti Raja Abdul Aziz, Lim Khai Wen and Kang Koh Wei, who retire in accordance with the Company’s Constitution, being eligible, have offered themselves for re-election at the 5th AGM. The retiring Directors have undergone the performance evaluation and fit and proper assessment conducted by the Nomination Committee (“NC”) and were evaluated to be effective and valuable to the Board as well as fulfilled the fit and proper criteria of the Company. The NC is also satisfied with the level of independence demonstrated by the Independent Directors who are seeking re-election at the 5th AGM and their ability to act in the best interest of the Company. The NC has given its recommendation to the Board of the re-appointment of all the retiring Directors at the 5th AGM. The Board has endorsed the NC’s recommendation subject to the shareholders’ approval at the AGM.

The profile of the Directors standing for re-election, which includes information on age, gender, tenure of service, position in the Company, qualification, working experience, directorship in other public companies and listed issuers, conflict of interest (if any) as well as family relationship with any Director and/or major shareholder of the Company, are set out in the Board of Directors’ Profile in the Annual Report 2023.

In addition, the shareholdings in the Company and its subsidiaries of the Directors standing for re-election are set out in the Directors’ Report and/or Analysis of Shareholdings in the Annual Report 2023.

11.4 Ordinary Resolution 11 – Re-appointment of Auditors

The Audit and Risk Management Committee and the Board have considered the re-appointment of KPMG as Auditors of the Company and collectively agreed that KPMG has met the relevant criteria prescribed under Paragraph 15.21 of the MMLR of Bursa Securities. KPMG have indicated their willingness to continue their service to the Company.

12. Explanatory Notes on Special Business

12.1 Ordinary Resolution 12 – Proposed authority to issue and allot shares by the Directors pursuant to Sections 75 and 76 of the CA 2016 and waiver of pre-emptive rights pursuant to the CA 2016

The Proposed authority to issue shares, Ordinary Resolution 12, if passed, will give the Directors of the Company, from the date of the 5th AGM, authority to issue not more than ten percent (10%) of the total number of issued shares of the Company for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. Such issuance of shares will still be subject to the approvals of the Securities Commission and Bursa Securities. This authority, unless revoked or varied at a General Meeting, will expire at the conclusion of the next AGM of the Company.

The waiver of pre-emptive rights pursuant to Section 85 of the Act to be read together with Clause 13 of the Constitution of the Company will allow the Directors of the Company to issue new shares of the Company which will rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

The rationale for this resolution is to eliminate the need to convene general meeting(s) from time to time to seek shareholders’ approval as and when the Company issues new shares and thereby reducing administrative time and cost associated with the convening of such meeting(s).

The mandate sought under Ordinary Resolution 12 above is a renewal of an existing mandate. There was no issuance of share and thus no proceed being raised since the last renewal was sought.

If approved, the renewal of the general mandate above will provide flexibility to the Company for any potential fund-raising activities and there is no specific purpose and utilisation for the proceeds to be raised under this mandate. Hence, the proceeds to be raised, if any, may be used for funding future investments, working capital, repayment of bank borrowings and/or any acquisition.

12.2 Ordinary Resolution 13 - Proposed Renewal of Share Buy-Back

The proposed Ordinary Resolution 13, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total number of issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company. For further information on the Proposed Renewal of Share Buy-Back, please refer to the Statement to the Shareholders of the Company dated 27 July 2023 which is circulated together with the Company’s Notice of 5th AGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the Member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Member’s breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. No person is seeking for election as Director of the Company at the Fifth Annual General Meeting except for the following Directors standing for re-election as follows:

(i) Lee Sai Boon;	-	ORDINARY RESOLUTION 7
(ii) Tengku Azrina Binti Raja Abdul Aziz;	-	ORDINARY RESOLUTION 8
(iii) Lim Khai Wen; and	-	ORDINARY RESOLUTION 9
(iv) Kang Koh Wei.	-	ORDINARY RESOLUTION 10

The profile of the Directors standing for re-election is set out in the Board of Directors' Profile in the Annual Report 2023.

The shareholdings in the Company and its subsidiaries of the Directors standing for re-election are set out in the Directors' Report and/or Analysis of Shareholdings in the Annual Report 2023.

2. Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The general mandate for issuance of shares by the Company under Sections 75(1) and 76(1) of the Companies Act 2016 is for the purpose of granting renewal of the mandate obtained from its shareholders at the Fourth Annual General Meeting held on 28 September 2022. The Company did not issue any shares pursuant to this mandate obtained.

If approved, the renewal of the general mandate above will provide flexibility to the Company for potential fund-raising activities including but not limited to further placement of shares for purposes of funding future investments, working capital, repayment of bank borrowings and/or any acquisition.

Further details on the authority to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Note 12.1 of the Company's Notice of the 5th AGM.

PROXY FORM



AME ELITE CONSORTIUM BERHAD
201801030789 (1292815-W)
(Incorporated in Malaysia)

No. of Shares held	
CDS Account No.	

I/We _____ *NRIC/Passport /Company No. _____
(FULL NAME IN BLOCK CAPITAL)

of _____
(FULL ADDRESS)

and telephone no./email address _____ being *a member/members of
AME Elite Consortium Berhad (201801030789 (1292815-W)) hereby appoint:

Full Name and Address (in Block Letters) (First Proxy)	NRIC / Passport No.	No. of Shares	% of Shareholding
Email:	Contact No.:		

*and/or

Full Name and Address (in Block Letters) (Second Proxy)	NRIC / Passport No.	No. of Shares	% of Shareholding
Email:	Contact No.:		

or failing *him/her the Chairperson of the Meeting as *my/our proxy/proxies to participate, speak and vote for *me/us on *my/our behalf at the Fifth Annual General Meeting ("5th AGM") of AME Elite Consortium Berhad ("Company") which will be conducted on a fully virtual basis through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Friday, 25 August 2023 at 10:00 a.m. or at any adjournment thereof.

*My/our proxy(ies) *is/are to vote as indicated by an "x" in the appropriate spaces below:

Ordinary Resolution No.		First Proxy		Second Proxy	
		For	Against	For	Against
	ORDINARY BUSINESS				
1	Approval of the Directors' fees of the Company for the financial year ending 31 March 2024				
2	Approval of the Directors' benefits of the Company from the 5 th AGM to 6 th AGM				
3	Approval of the Directors' fees of IRM for the financial year ended 31 March 2023				
4	Approval of the Directors' fees of IRM for the financial year ending 31 March 2024				
5	Approval of the Directors' benefits of IRM for the financial year ended 31 March 2023				
6	Approval of the Directors' benefits of IRM for the period from 1 April 2023 to the 6 th AGM				
7	Re-election of retiring director, Lee Sai Boon				
8	Re-election of retiring director, Tengku Azrina Binti Raja Abdul Aziz				
9	Re-election of retiring director, Lim Khai Wen				
10	Re-election of retiring director, Kang Koh Wei				
11	Re-appointment of Messrs KPMG PLT as Auditors and authorise the Directors to fix their remuneration				
	SPECIAL BUSINESS				
12	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights.				
13	Proposed Renewal of Share Buy-Back				

Subject to the above stated voting instructions, *my/our proxy(ies) may vote or abstain from voting on any resolutions as *he/she/they may think fit.

* *Strike out whichever is not desired*

Signature of Member(s)/ Common Seal

Date:

Notes:

- The 5th AGM of the Company will be conducted on a fully virtual basis where shareholders are only allowed to participate remotely through live streaming and online remote voting using Remote Participation and Electronic Voting ("RPEV") facilities via online meeting platform available at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657). Please follow the procedures provided in the Administrative Guide for the 5th AGM to register, participate, speak and vote remotely via RPEV facilities.
- According to the Guidance Note and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers revised by the Securities Commission Malaysia on 7 April 2022, an online meeting platform can be recognised as the meeting venue or place under Section 327 (2) of the Companies Act 2016 provided that the online platform is located in Malaysia and all meeting participants including the Chairman of the meeting, Board members, senior management and shareholders shall participate in the meeting online.



3. Every member including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), and exempt authorised nominees which holds ordinary shares in the Company for multiple owners in one securities account ("**omnibus account**"), is entitled to appoint another person as his proxy to exercise all or any of his rights to participate, speak and vote instead of him at the 5th AGM, and that such proxy need not be a member.
4. Where a member appoints more than 1 proxy (subject always to a maximum of 2 proxies at each meeting), the appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
5. Where a member of the Company is an exempt authorised nominee as defined under the SICDA which holds ordinary shares in the Company for multiple beneficial owners in an 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. Where a member is an authorised nominee as defined under SICDA, it may appoint 1 proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its officer or attorney.
7. The instrument appointing a proxy must be deposited with the Share Registrar of the Company situated at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or deposit the Proxy Form(s) by electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than 48 hours before the time set for holding the 5th AGM.
8. If you have submitted your Proxy Form(s) and subsequently decide to appoint another person or wish to participate in the electronic 5th AGM by yourself, please write in to bsr_helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies) at least 48 hours before this meeting. The last date and time for lodgement of Proxy Form(s) is **23 August 2023** at 10:00 a.m.
9. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in this Notice will be put to vote on a poll.
10. Only a depositor whose name appears in the Record of Depositors as at **18 August 2023** shall be entitled to participate, speak and vote at this meeting or appoints a proxy or proxies to participate, speak and vote on his behalf.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Company's Notice of 5th AGM dated 27 July 2023.

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Affix
Stamp

**The Share Registrar
AME ELITE CONSORTIUM BERHAD
Registration No.: 201801030789 (1292815-W)
c/o Boardroom Share Registrars Sdn Bhd**

11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor Darul Ehsan,
Malaysia.

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AME: 5293

