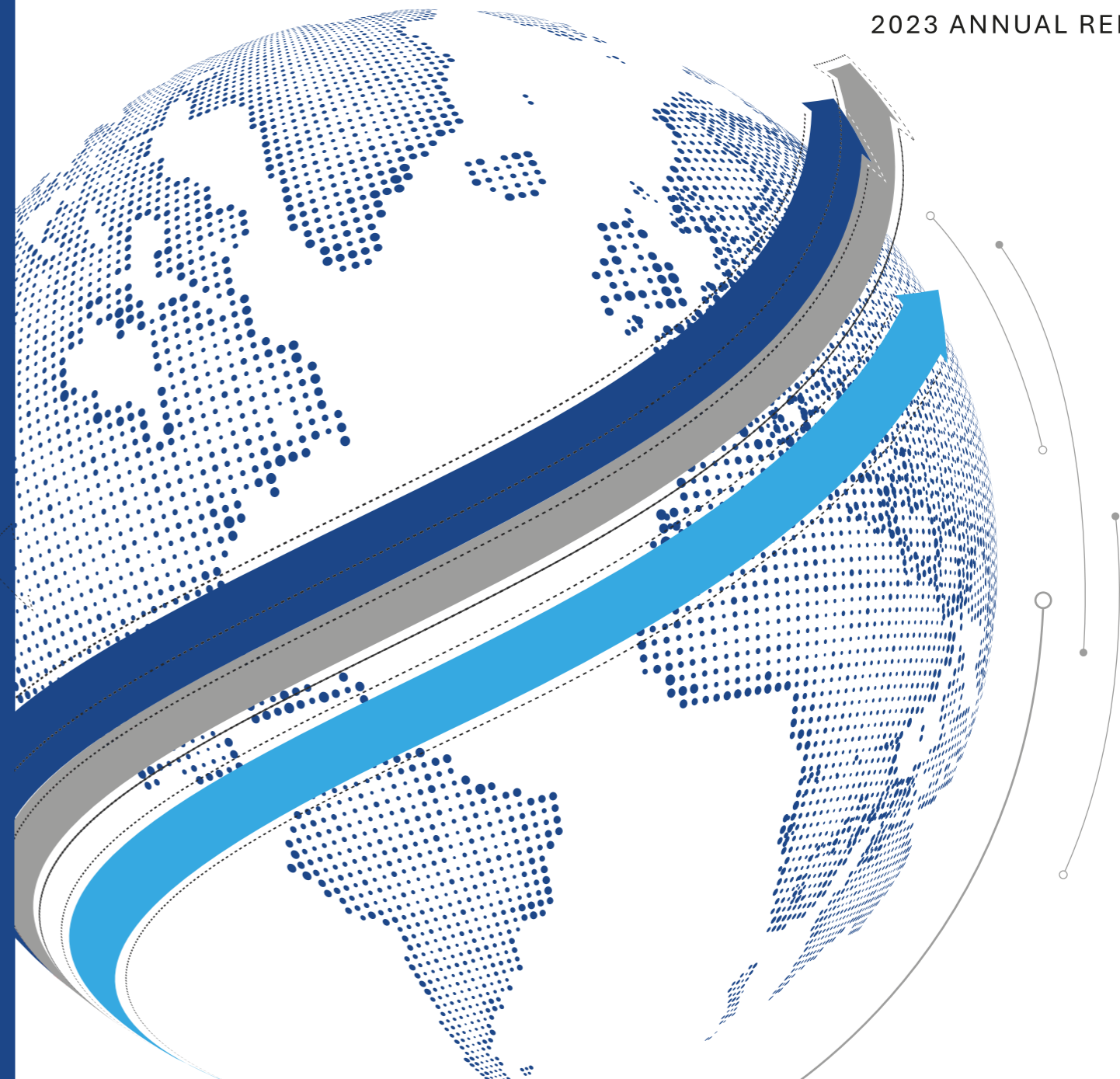


# NAVIGATING LEGACIES

Charting A Path To A Sustainable Futures

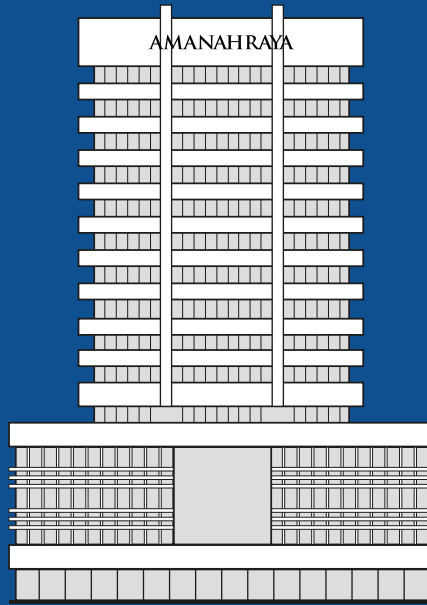
2023 ANNUAL REPORT



Our annual report for 2023 encapsulates AmanahRaya's unwavering commitment to navigating legacies with precision and care. Through our seasoned expertise, innovative solutions, and steadfast dedication, we continue to chart a course towards sustainable futures for our clients and communities. Join us as we reflect on our achievements, celebrate our successes, and reaffirm our pledge to steward legacies with integrity and foresight.

By weaving together these elements, the annual report theme "Navigating Legacies: Charting a Path to Sustainable Futures" will effectively showcase AmanahRaya's position as Malaysia's premier legacy management provider while resonating with stakeholders and reinforcing the company's values and vision.

NAVIGATING LEGACIES Charting a Path to Sustainable Futures



## *Thank You* Shareholders

---

It has been 100 years since Amanah Raya Berhad was established. In our journey since then, we have together established the company to become a trusted icon progressively, leading Malaysia's Estate Planning and Wealth Management industry, and we thank you for your confidence and loyalty as esteemed shareholders. In 2023, we have continued delivering sustainable growth and we hope you will continue with us on our journey in the years to come.

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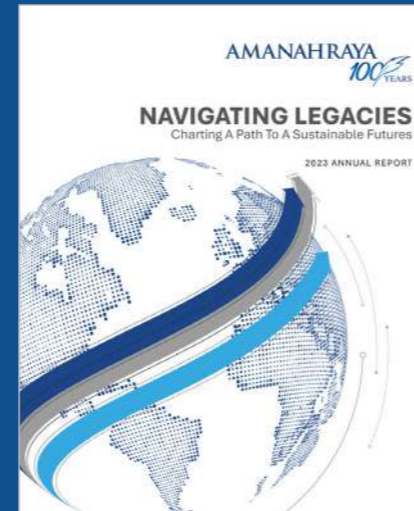
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The cover of our Annual Report this year symbolises our theme of Orchestrating Innovation, reflecting the innovative solutions our businesses are anchored on.



Our annual report for 2023 encapsulates AmanahRaya's unwavering commitment to navigating legacies with precision and care. Through our seasoned expertise, innovative solutions, and steadfast dedication, we continue to chart a course towards sustainable futures for our clients and communities. Join us as we reflect on our achievements, celebrate our successes, and reaffirm our pledge to steward legacies with integrity and foresight.

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### OUR ESTABLISHMENT

Established in 1921 as the Department of Public Trustee and Official Administrator, our company was corporatized in 1995.

We continue to deliver Legacy Management solutions to the nation while strengthening our business portfolio through innovative products and services and optimising operational excellence.

# WE ARE OVER 100 YEARS OLD

With over 100 years of experience in the Legacy Management industry, we have consistently maintained our position as the market leader due to our ability to provide specialised Will Writing, Trust, and Estate Administration services to all Malaysians through our fully integrated network of 20 branches nationwide.

Through our most valuable assets, our esteemed and competent team, and guided by the provisions in our legislation, the Public Trust Corporation Act 1995, we strive to serve the needs of society and endeavour to help you plan for the best possible outcomes for you and your loved ones.

Leveraging our well-established and expanding network of various government agencies and strategic collaborators, including financial institutions, we offer a holistic approach to Legacy Management with solutions for everyone, regardless of their situation or how complex it may be.



Digital AmanahRaya 2023 Annual Report is available for download at our official website [www.amanahraya.my](http://www.amanahraya.my)

# VISION

To be the most trusted provider of Legacy Management solutions for all Malaysians by providing reliable, excellent and professional services.



# MISSION



We ensure operational competency and profitability are on par with other industry players.



We provide our customers with the highest standards of professionalism with their best interests in mind.



We strive to foster a culture of excellence and an environment that inspires high performance and a value-driven workforce.



We offer innovative and well-informed solutions that meet our clients' needs.



We are committed to strengthening our strategic capabilities and image to maintain our market leader position.

# Corporate INFORMATION

## COMPANY SECRETARY

Encik Jerry Jesudian A/L Joseph Alexander  
(MAICSA 7019735)  
(SSM PC 201908003018)

Rizana Binti Ahmad Rithauddeen  
Joint Company Secretary  
(LS 0009663)  
(SSM PC 202008000776)

## REGISTERED OFFICE

Amanah Raya Berhad  
Level 34 Vista Tower, The Intermark  
348 Jalan Tun Razak,  
50400 Kuala Lumpur

Telephone No : 603-2055 7388  
Fax No : 603-2031 6161  
Website : www.amanahraya.my

## AUDITOR

Ernst & Young PLT  
Level 23A Menara Milenium  
Jalan Damanela  
Pusat Bandar Damansara  
50490 Kuala Lumpur

## PRINCIPAL BANKER

Malayan Banking Berhad  
Ground Floor, Wisma PKNS  
Jalan Raja Laut, 50350 Kuala Lumpur



# BOARD OF DIRECTORS

**Tan Sri Dato' Sri Idrus Bin Harun**  
(Appointed w.e.f. 10.10.2023)

Chairman  
Independent Non-Executive Director

**Dato' Professor Dr Noor Inayah Binti Ya'akub**

Independent Non-Executive Director

**Datuk Mohd Radzif Bin Mohd Yunus**

Independent Non-Executive Director

**Datuk Muhammad Azmi Bin Mohd Zain**

Non Independent Non-Executive Director

**Dato' Masri Bin Mohd Daud**

Non Independent Non-Executive Director

**Puan Azlin Maria Binti Mokhtar**  
(Appointed w.e.f. 1.9.2023)

Independent Non-Executive Director

**Puan Noorlida Binti Mohd Khalid**  
(Appointed w.e.f. 2.2.2024)

Non Independent Non-Executive Director

**Puan Nahidah Binti Usman**  
(Appointed w.e.f. 7.6.2024)

Independent Non-Executive Director

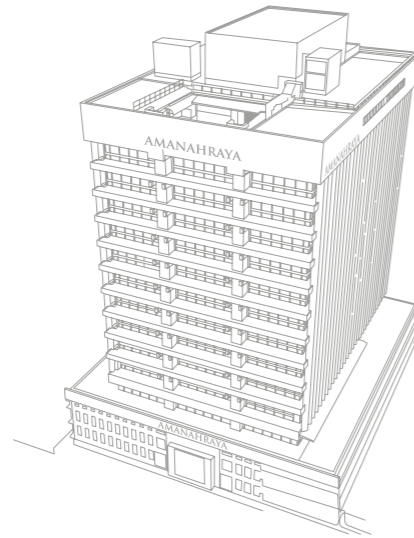
**Dato' Ahmad Suhaimi Bin Endut**  
(Resigned w.e.f 1.3.2024)

Non Independent Non-Executive Director

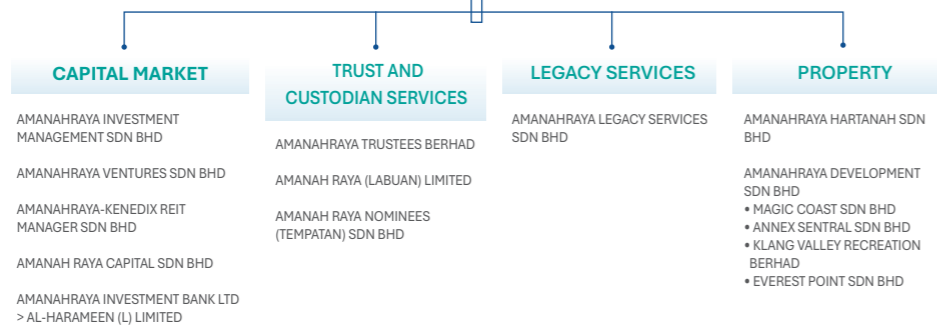
**Dato' Haji Ramli Bin Chik**  
(Resigned w.e.f. 1.10.2023)

Non Independent Non-Executive Director

# AmanahRaya Berhad Group Corporate Structure



AMANAHRAYA  
100 YEARS



4

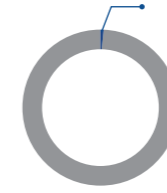
Active Companies

## AMANAHRAYA BERHAD COMMITTEES

Registration No. 199501015784 (344986-V)



**99.99998%**  
Owned by The Minister of Finance (Incorporated)



**0.00002%**  
Owned by Federal Lands Commission (Incorporated)

**Nature of Business:**  
Administration of Deceased Estates/ Providing trust, legacy management and will-services.

### DIRECTORS

1. Tan Sri Dato' Sri Idrus bin Harun (Chairman)
2. Dato' Professor Dr. Noor Inayah binti Ya'akub
3. Datuk Mohd Radzif bin Mohd Yunus
4. Datuk Muhammad Azmi bin Mohd Zain
5. Dato' Masri bin Mohd Daud
6. Puan Azlin Maria binti Mokhtar
7. Puan Noorlida binti Mohd Khalid
8. Puan Nahidah binti Usman

**Quorum**  
Two (2) members. (as per Article 89, M&A of the Company).

### INVESTMENT COMMITTEE

- Members**
1. Datuk Mohd Radzif bin Mohd Yunus (Chairman)
  2. Dato' Masri bin Mohd Daud
  3. Puan Azlin Maria binti Mokhtar
  4. Puan Nahidah binti Usman
  5. Encik Mohd Razlan bin Mohamed

**Quorum**  
A quorum will be three (3) members one of which must be the Chairman. In the absence of the Chairman, a member chosen by a majority of Investment Committee members present shall assume the role.. (as per TOR of the Committee).

### AUDIT AND REVIEW COMMITTEE

- Members**
1. Puan Azlin Maria binti Mokhtar (Chairperson)
  2. Datuk Mohd Radzif bin Mohd Yunus
  3. Datuk Muhammad Azmi bin Mohd Zain
  4. Puan Noorlida binti Mohd Khalid

**Quorum**  
The quorum of the Committee shall comprise of three (3) members. (as per TOR of the Committee).

### NOMINATION AND REMUNERATION COMMITTEE

- Members**
1. Dato' Professor Dr. Noor Inayah binti Ya'akub (Chairperson)
  2. Datuk Mohd Radzif bin Mohd Yunus
  3. Puan Nahidah binti Usman

**Quorum**  
The quorum shall be two (2) Committee, including the Chairman and Independent Director. (as per TOR of the Committee).

### BOARD RISK AND INTEGRITY MANAGEMENT COMMITTEE

- Members**
1. Dato' Masri bin Mohd Daud (Chairman)
  2. Dato' Professor Dr. Noor Inayah binti Ya'akub
  3. Puan Azlin Maria binti Mokhtar
  4. Puan Noorlida binti Mohd Khalid

**Quorum**  
The quorum of the Committee shall comprise of two (2) members. (as per TOR of the Committee).

### TENDER COMMITTEE

- Members**
1. Datuk Muhammad Azmi bin Mohd Zain (Chairman)
  2. Puan Azlin Maria binti Mokhtar
  3. Puan Nahidah binti Usman

**Quorum**  
The quorum of the Committee shall comprise of two (2) members, including the Chairman. (as per TOR of the Committee).

### MAJLIS PENGAWASAN SYARIAH

- Members**
1. Dato' Professor Dr. Ahmad Hidayat bin Buang (Chairman)
  2. Dato' Professor Dr. Noor Inayah binti Ya'akub
  3. Professor Dr. Arieff Salleh bin Rosman
  4. Sahibus Samahah Datuk Dr. Luqman bin Haji Abdullah
  5. Professor Dr. Noraini Mohd Ariffin

**Quorum**  
The quorum of the Committee shall comprise of two (2) members, including the Chairman. (as per TOR of the Committee).

# CELEBRATING OUR 100-YEAR JOURNEY OF GROWTH AND EVOLUTION PIONEERING EXCELLENCE FOR A CENTURY THIS IS OUR STORY...



## INCEPTION

Celebrating our 100-year journey of growth and evolution

1921

The Department of Public Trustee and Official Administrator resided at the Supreme Court Building, Kuala Lumpur when it first commenced operations in 1921. The first Public Trustee of the Federated Malay States was Mr W. Burton.



## THE EARLY DAYS

1930s

Enquiries pertaining to Estate and Trust Administration were overwhelming at various offices of the Department of Public Trustee and Official Administrator as Malaya emerged as the biggest rubber exporter to the US market.



## ROAD TO INDEPENDENCE

1950s



Led by the nation's Father of Independence "Bapa Kemerdekaan", Tunku Abdul Rahman Putra Al-Haj, Malaya achieved its independence peacefully in 1957.

1957 - 1970

## POST-INDEPENDENCE

The Malaysian Investment Fund was launched by Asia Unit Trust Berhad in 1966 and the Department of Public Trustee and Official Administrator was appointed as the Trustee.



1980 - 1990

## NEW ECONOMIC OUTLOOK

1970s

In line with the New Economic Policy 1971, the Public Trustee and Official Administrator pledged to undertake the responsibility of managing trust funds for minor beneficiaries.



## STRENGTHENING ECONOMY

1990s

## MODERNISATION

In steering the country towards a knowledge-based economy, the country's largest fund management company, Permodalan Nasional Berhad launched the National Unit Trust Scheme and appointed AmanahRaya as the Trustee, a role it continues to hold to this day.



AMANAHRAYA  
100 YEARS

## PIONEERING EXCELLENCE FOR A CENTURY

2023

AmanahRaya is strategically located in the heart of Kuala Lumpur's business and financial district. In progressing towards business evolution and embracing technological advancements, AmanahRaya and its subsidiaries pivoted its business strategies and operational processes to meet the expectations of a tech-savvy society.

# Chairman's Statement

## A hundred years of history

It was **Labour Day – May 1, 1921**, when W. Burton was appointed the first Public Trustee of the Federated Malay States. Heading the Department of Public Trustee and Official Administrator, his office stood at the resplendent Supreme Court Building in Kuala Lumpur.



The department grew from strength to strength along with the nation's growth. In 1957, Malaya received its independence led by our beloved Bapa Merdeka, Tunku Abdul Rahman Putra Al-Haj. In 1966, The Malaysian Investment Fund was launched by Asia Unit Trust Berhad and the Department of Public Trustee and Official Administrator was appointed as the Trustee.

In 1971, in line with the New Economic Policy, the Public Trustee and Official Administrator pledged to undertake the responsibility of managing trust funds for minor beneficiaries. Later, as the New Development Policy emphasised on economic growth, the government-owned company under the Minister of Finance Malaysia, was incorporated as Amanah Raya Berhad (AmanahRaya) in 1995 and governed by the Public Trust Corporation Act 1995 (PTCA 1995).



Vista Tower, The Intermark, Kuala Lumpur City Centre

## TODAY

I am pleased to present our 2023 Annual Report with the theme “Navigating Legacies: Charting a Path to Sustainable Futures.” AmanahRaya, which celebrated its historic centenary milestone in 2023, has grown in tandem with the nation's growth. Through our seasoned expertise, innovative solutions and steadfast dedication, we continue to deliver excellent service whilst charting a course towards sustainable futures for our clients.

Since our auspicious beginning in 1921 and steady growth throughout the years, AmanahRaya has been at the forefront of the nation's Estate Planning and Wealth Management which today has exclusive jurisdiction to administer estates summarily, hence, enabling a speedy and hassle-free estate administration process.

The Group has evolved over the years to become a comprehensive financial group with 3 subsidiaries namely AmanahRaya Trustees Berhad, providing Corporate Trusteeship, AmanahRaya Investment Management Sdn Bhd providing Investment Management services and AmanahRaya-Kenedix REIT Manager Sdn Bhd overseeing Real Estate Investment. AmanahRaya also has 20 branches nationwide providing services to our valued customers.

“AmanahRaya has achieved many milestones throughout its 100 years journey and we will continue to improve in the future.”

**YBHG TAN SRI DATO' SRI IDRUS BIN HARUN**  
Chairman



## Chairman’s Statement

### OUR OPERATING ENVIRONMENT

According to Bank Negara Malaysia’s Economic & Monetary Policy Review (MER) 2023, the Malaysian economy continued to show strength and resilience in 2023. The economy grew by 3.7 percent despite the challenging external environment. This was supported by resilient domestic demand, a rebound in tourism and improvement in labour market conditions.

The MER further added that, as a small and open economy, Malaysia would be affected by developments in the global economy. Prolonged high interest rates, especially in advanced economies, could weigh on global growth. Escalation of geopolitical conflicts could disrupt global trade, dampening Malaysia’s exports and production. Despite these challenges, the fundamentals of the Malaysian economy would allow the nation to weather the storm.

According to a report in the New Straits Times titled “Madani Framework: Strategic Action Plans & Restructuring”, Malaysia’s economic growth is generally dependent on global economic conditions and the performance of advanced economies. Likewise domestic demand (household spending, private investment, and government expenditure) also supports our growth. Restructuring the economy is the key to ensuring that Malaysia becomes an advanced, high-income economy, and respected nation.

Towards this end, the Honourable Prime Minister Dato’ Seri Anwar Ibrahim had, in 2023, announced the introduction of the MADANI Economy: Empowering

the People’ initiative, which is a comprehensive plan for Malaysia to address various challenges and issues related to its competitiveness and investment attractions, as well as outlining actions to address current issues that affect people’s lives.

He stated that the MADANI Economy initiatives outline seven key performance indicators as medium-term targets to be achieved over the next 10 years. This includes Malaysia reaching the top 30 of the world’s largest economies; top 12 in the Global Competitiveness Index; labour income constitutes 45 per cent of total income; women participation in labour force reaches 60 per cent; top 25 in Human Development Index; top 25 in Corruption Perception Index; and fiscal sustainability with a fiscal deficit of three per cent or lower.

For over a century, AmanahRaya has demonstrated its commitment, dedication, and expertise, a fact recognized by the Honourable Prime Minister himself. Speaking at the AmanahRaya 100th year celebration on August 25, 2023, the Prime Minister stressed that he wanted all parties to join him in carrying out a paradigm shift in the effort to uphold the dignity of the nation. This includes keeping up with changes such as technology in the global scene which required several new measures to be taken. The Prime Minister added that AmanahRaya holds a heavy responsibility in upholding the trust of the poor, people with disabilities and orphans.

In this regard, AmanahRaya has taken steps to contribute towards nation building by undertaking various transformations for the organisation in terms of improving operational efficiency, digitalisation of services as well as introduction of new legacy planning products to ensure our best services to Malaysians.

The Honourable Prime Minister praised AmanahRaya for its commendable performance and emphasized the importance of upholding integrity within the organisation. He expressed pride in the agency’s clean record and urged all stakeholders to maintain this positive trajectory.

### OUR PERFORMANCE

As at end of December 2023, AmanahRaya had successfully processed over 323,000 estate and 162,000 trust administration cases valued at over RM12.5 billion and RM7.8 billion, respectively. This totals to 485,000 closed files valued at RM20.3 billion.

Presently, AmanahRaya is administering Estate and Trust files valued approximately RM2.8 billion. Since inception up to 31 December 2023 the total Wills registered with AmanahRaya is approximately 1.2 million.

Our Wills services continued to grow and in 2023, we successfully registered more than 13,000 Wills during the year.



ESTATE ADMINISTRATION  
**13,600**  
**RM1.6B**



TRUST ADMINISTRATION  
**38,600**  
**RM1.2B**

## Chairman’s Statement

### FINANCIAL REVIEW

Despite a challenging financial landscape, AmanahRaya Group has continued to perform sustainably in Financial Year 2023. The Group grew financially stronger with accumulated profits of RM202.4 million as at 31 December 2023, enabling the Group to materialise its long term plan to adequately invest in its people and systems.

### GOVERNANCE

AmanahRaya subscribes to best practices in governance, as we believe it is critical to embed principles of good governance in the daily conduct of our business. Over the last five years, we have put in place many new measures to guide our employees in adhering to all local laws and regulations which are in line with the Malaysian government’s initiatives to curb corruption.

In line with good corporate governance and business practices, AmanahRaya has taken several actions to ensure business sustainability, protect the interest of shareholders and other stakeholders and achieve a high standard of integrity and ethics in the organisation.

This includes “Declaration of Interest” where AmanahRaya Directors are required to make a declaration at Board Meetings if they have any interest in transactions to be entered into with AmanahRaya and are not allowed to participate in matters in which the directors have an interest.

## Chairman’s Statement

AmanahRaya has established a Code of Business Ethics for Employees (COBE), which all employees are required to sign. Upon commencing employment with AmanahRaya, all employees must accept the responsibility of complying with the policies set forth in the code. The COBE was last revised and approved by the Board in December 2023.

AmanahRaya has also established a Whistleblowing Policy to provide protection for the whistleblower from reprisal as a direct consequence of making a disclosure and to safeguard such a person’s confidentiality when making a complaint using the whistleblowing channel.

The ‘No Gift Policy’ which was implemented starting 28 July 2020, prohibits all AmanahRaya directors and employees from receiving any gratifications when dealing with existing or potential customers.

In line with section 17A of the Malaysian Anti-Corruption Commission Act 2009 corporate liability provision which came into effect on 1 June 2020, AmanahRaya has put in place adequate procedures as statutory defence against any offence under section 17A. The policies that have been approved by the Board that are currently in place include the Anti-Bribery & Anti-Corruption Policy (ABAC), Conflict of Interest Policy, Due Diligence Policy and Corporate Social Responsibility Policy.

In order to prevent, detect and deal with bribery and corruption at AmanahRaya, the Board has adopted the Anti-Bribery Management System (“ABMS”), a proactive anti-bribery system which is guided by the requirements and principles articulated in the ISO 37001: 2016 Anti-Bribery Management System.

These policy changes are in place to ensure that our employees consistently uphold the highest standards of accountability. Indeed, AmanahRaya and its subsidiaries are committed to conduct business dealings with integrity and have taken continuous effort to ensure good governance in the organisation.



## Chairman’s Statement

### SUSTAINABILITY



Sustainability is becoming more and more important to many organisations. A common roadmap for peace and prosperity for people and the planet, both now and in the future, is provided by the 2030 Agenda for Sustainable Development, which was accepted by all United Nations Member States in 2015. The 17 Sustainable Development Goals (SDGs), which represent an urgent call to action for international cooperation from all nations, are at the centre of it. Based on the SDGs, countries have pledged to end poverty, and protect the planet with strategies to improve health and education, reduce inequality, and spur economic growth, among others.

AmanahRaya is aligned with all 17 UNSDGs except for UNSDG 11 and 14.

AmanahRaya looks to operationalize its sustainability commitment through three sustainability pillars namely Environmental Sustainability, Social Sustainability and Governance Sustainability. It aims to protect the environment by demonstrating good stewardship of the environment and reducing the environmental impact.

Social sustainability is about understanding the impact of business on people and society. This includes human rights, fair labour practices, living conditions, health, safety, well-being, diversity, equality, work-life balance, empowerment, community engagement, philanthropy, volunteering and others. AmanahRaya strives to uphold all these social values to ensure quality business operations and a strong partnership with stakeholders.

AmanahRaya aims to continuously develop and maintain robust policies and procedures encompassing all areas of the operations and effective governance structure that is able to respond promptly to changes in the organisation’s business strategies and operating environment whilst preserving the financial safety and soundness of the institution in the long-term.

## Chairman's Statement

### AmanahRaya subsidiaries

#### AmanahRaya Trustees Berhad (ART)

AmanahRaya Trustees Berhad (ART), is wholly owned by AmanahRaya and incorporated under the Companies Act 1965 on 23 March 2007. ART's strong track record is evidenced by holding the mandate for over 250 Collective Investment Schemes managed by leading private and national fund management companies, and as trustee for a substantial number of corporate bond and sukuk issuances. It is currently the trustee and custodian for total asset value of more than RM600 billion.

#### AmanahRaya Investment Management Sdn Bhd (ARIM)

ARIM is a distinguished Fund Manager approved and licensed by the Securities Commission (SC) since 1995. As a wholly-owned subsidiary of AmanahRaya, it is committed to delivering excellence and integrity in the financial industry. AmanahRaya Investment Management successfully launched its new fund, AmanahRaya Syariah Income Fund (ARSIF), on 2 March 2023 with an objective to complement its product lineup for its existing and potential clients. Continuous support from ARIM's clients and prudent investment has enabled the company to record strong Profit before Tax of RM8.3 million in 2023.

#### AmanahRaya-Kenedix REIT Manager Sdn Bhd (AKRM)

AmanahRaya-Kenedix REIT Manager Sdn. Bhd. (formerly known as AmanahRaya-REIT Managers Sdn. Bhd.), a partially owned subsidiary of AmanahRaya and KDA Capital Malaysia Sdn. Bhd. is the manager of AmanahRaya REIT.

The Manager is principally responsible for the management of AmanahRaya REIT investment strategies to meet its investment objectives. AmanahRaya REIT's resilience is anchored in the diversity of its portfolio. As part of its portfolio transformation and restructuring strategy, the management has shifted its focus to more resilient sectors such as education, industrial/logistics and wellness. In Financial Year 2023, AmanahRaya REIT's net property income stood at RM46.5 million.

### MOVING FORWARD

AmanahRaya has achieved many milestones throughout its 100 years journey and we will continue to improve in the future. With our strong foundations and wealth of experience we aim to position AmanahRaya as the Knowledge Centre for Estate Planning.

We plan to continue to seek new business opportunities to expand our range of services to Malaysians. In this regard, we are geared towards enhancement of customer experiences, digitalisation of business processes, inculcation of high-performance culture, strengthening integrity and corporate governance as well as amplifying corporate image and branding.

## Chairman's Statement

### ACKNOWLEDGEMENTS



Wisma AmanahRaya, Kuala Lumpur

In closing, I would like to thank my predecessor, Yang Berhormat Dato' Ramli Bin Dato' Mohd Nor, who served as Non-Executive Chairman from May 2020 until his retirement in 2023. Indeed, AmanahRaya has much benefited from his extensive experience in public service including 34 years in PDRM and then as elected Member of Parliament for Cameron Highlands. I would also like to extend my deepest gratitude to Yang Berbahagia Dato' Haji Ramli Bin Chik who retired from the Board in 2023. Their wealth of experience, valuable insights and contributions to the Group will be sorely missed.

I would like to extend my heartfelt gratitude to my fellow Board members and express my appreciation to the dedicated and hardworking members of the AmanahRaya Management Team who have put in relentless effort towards the organisation's success. As for the employees, we are indebted to them for their enthusiasm, tireless efforts and commitment towards realising the organisation's goals.

Finally, I take this opportunity to extend our deepest gratitude to our stakeholders specifically the Malaysian government and the Ministry of Finance Incorporated (MKD) for their continued trust and support accorded to the Group.

**Moving forward, AmanahRaya will continue to provide for the Rakyat's needs in its mission of "Building Legacies, Securing Futures"**

**AHMAD FEIZAL SULAIMAN KHAN**  
Group Managing Director



# Group Managing Director's Statement

## Introduction



Celebrating a remarkable 100-year milestone, Amanah Raya Berhad (AmanahRaya) has consistently demonstrated growth and excellence in Estate Planning and Wealth Management since its founding in 1921, solidifying its position as a leader in Malaysia's industry.

Throughout this century-long journey, AmanahRaya has exemplified unwavering commitment and dedication in offering comprehensive Legacy Planning solutions, including Will Writing and Estate Administration services. The company has adapted to the evolving landscape by meeting the diverse needs of its clients, leveraging a network of 20 branches nationwide and introducing online platforms for seamless service delivery. Looking ahead, AmanahRaya remains committed to serving the community, guided by its mission of "Building Legacies, Securing Futures."

In this commemorative Annual Report 2023, themed "Navigating Legacies: Charting a Path to Sustainable Futures", AmanahRaya reinforces its position as Malaysia's premier Legacy Planning provider while engaging stakeholders and upholding its vision and mission.

## Group Managing Director’s Statement

### TRANSFORMATION PROGRAMME

In line with the MADANI government’s aspirations, in 2023, AmanahRaya had undergone significant transformations to enhance our services and human capital development. This involved implementing an organisational restructuring exercise by appointing new officers with diverse backgrounds and relevant industry expertise, resulting in a more focused and socially driven mindset.

An initial phase of reviewing remuneration packages for all employees was also undertaken to ensure industry competitiveness and to improve welfare.

To enhance productivity, we introduced the “Standard Accounting System for Government Agencies (SAGA),” to improve the efficiency of daily operations, particularly in accounts and procurement. This initiative will help us provide the best services for the Malaysian public.

We also introduced new products, including HiBAHKU, to offer Malaysians as additional instrument for estate administration while diversifying our range of offerings.



“...among the government agencies that have performed well is Amanah Raya Berhad. Alhamdulillah, AmanahRaya’s performance (in upholding integrity) is also commendable.” - YAB Dato’ Seri Anwar Ibrahim (at the AmanahRaya 100 years celebration)

### DIGITAL TRANSFORMATION JOURNEY

In today’s rapidly evolving digital landscape, the imperative for businesses to adapt swiftly is more crucial than ever. To improve operational efficiency, we have strengthened our ICT infrastructure with advanced cybersecurity features.

Furthermore, we have revamped the AmanahRaya official website which includes all subsidiaries, while also enhancing our Wills, Trust and Estate portals to improve user experience and intelligently generate potential leads.

Additionally, we have been diligently working on the development of the ‘My AmanahRaya mobile Application’ set to be launched in August 2024. This application, compatible with both IOS and Android devices nationwide, will empower users to locate nearby agents, aligning with our commitment to provide convenient door-to-door services.

### OUR PERFORMANCE

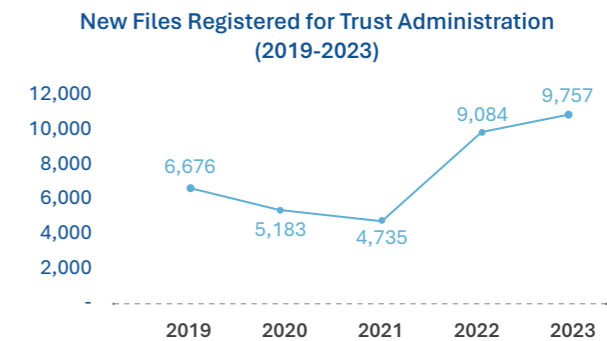
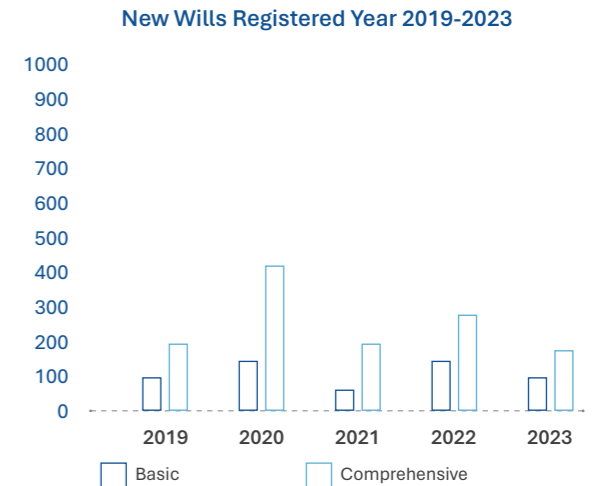
As of 31 December 2023, AmanahRaya had successfully registered approximately 1.2 million units of Wills in total for Malaysians. To date, we successfully administered 485,000 estate and trust files valued at RM20.3 billion with active files numbering at 52,200 valued at RM2.8 billion.

Will	Number of Registered Wills			
	Approximately 1.2 million			
	Closed Files		Active Files	
	Total	Value	Total	Value
Trust Administration	162,000	RM7.8 billion	38.6K	RM1.2 billion
Estate Administration	323,000	RM12.5 billion	13.6K	RM1.6 billion
<b>Total</b>	<b>485,000</b>	<b>RM20.3 billion</b>	<b>52.2K</b>	<b>RM2.8 billion</b>

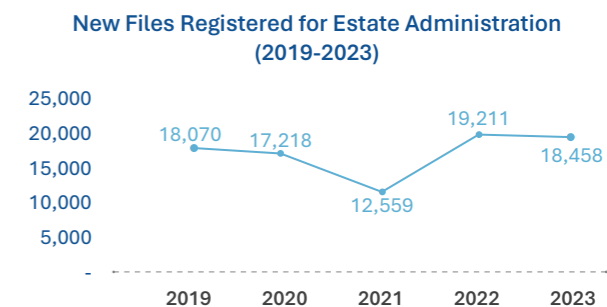
#### New files registered for Wills, Trust & Estate by account (2019 – 2023)

New Wills registered for over a five-year period showed a marked increase for Comprehensive Wills in 2020 registering at 451 files, with the global Covid 19 pandemic at its peak. It tapered down in 2021 to 228 files and further stabilised following that. Wills showed a marked increase from 342 files in 2021 to 775 files in 2022 and 875 files in 2023.

## Group Managing Director’s Statement



New files registered under Trust Administration shows an upward trend (except during the pandemic years) starting from 6,676 files in 2019 and registering at 9,757 in 2023.



New files registered for Estate Administration also shows growth during a 5-year period, starting from 18,070 files in 2019 to 18,458 files in 2023, with a dip during the Covid-19 pandemic.

## Group Managing Director’s Statement

### FINANCIAL REVIEW

Malaysia’s economy continued its growth trajectory in 2023 at a moderated pace of 3.7% compared to a robust 8.7% in 2022. Similarly, AmanahRaya Group managed to record minimal increase in its revenue by RM1.2 million to RM170.8 million for year 2023. The Group grew financially stronger with accumulated profits of RM202.4 million as of 31 December 2023, enabling the Group to materialise its long-term plan to adequately invest in its people and systems. This results in a temporary setback on its net profits with heavier expenditures in Personnel Costs and Operating Expenses. AmanahRaya Group recorded a net profit after tax of RM18.6 million in 2023, a decrease of RM17.2 million or 48% compared to 2022.

Throughout the year, AmanahRaya Group focused on strengthening system security, enhancing customer experience, and conducting a salary benchmarking exercise. These initiatives contributed to a 23% increase in operational costs (RM8.4 million) for the Group in 2023. This rise includes costs associated with properties sold during the year, compared to no property sales in 2022. Additionally, personnel costs increased by 11% (RM6.8 million) year-on-year, primarily due to the salary benchmarking exercise. Alongside intensified marketing efforts, the Group allocated RM5.1 million for zakat distribution, an increase of RM1.1 million compared to the previous year.

### GOVERNANCE

As a leading Legacy Planning provider in Malaysia offering Will Writing, Trust and Estate Administration services to Malaysians, AmanahRaya Group is committed to promoting high ethical standards and upholding integrity and professionalism in our business.

We also adopt a zero-tolerance approach towards all forms of corruption and misconduct in all business transactions. As a regulated company, AmanahRaya diligently adheres to all pertinent laws and regulations within its operating jurisdiction. We also support government initiatives to eradicate corruption.



## Group Managing Director’s Statement

### ESG & Sustainability

In the contemporary business landscape, the integration of sustainable development practices is imperative for a company’s success. At AmanahRaya, we are actively exploring avenues to incorporate sustainable practices into our daily operations to maximise our financial and economic potential while mitigating environmental impacts within the communities we serve.

In 2023, an initial sustainability assessment was conducted for AmanahRaya by an external consultancy firm marking the commencement of our sustainability journey. The appointed consultant conducted a comprehensive gap analysis and establishing an ESG or Sustainability Roadmap for AmanahRaya until 2026. This roadmap encompasses short, medium and long -term perspectives, incorporating ESG Key Performance Indicators (KPI) and targets.

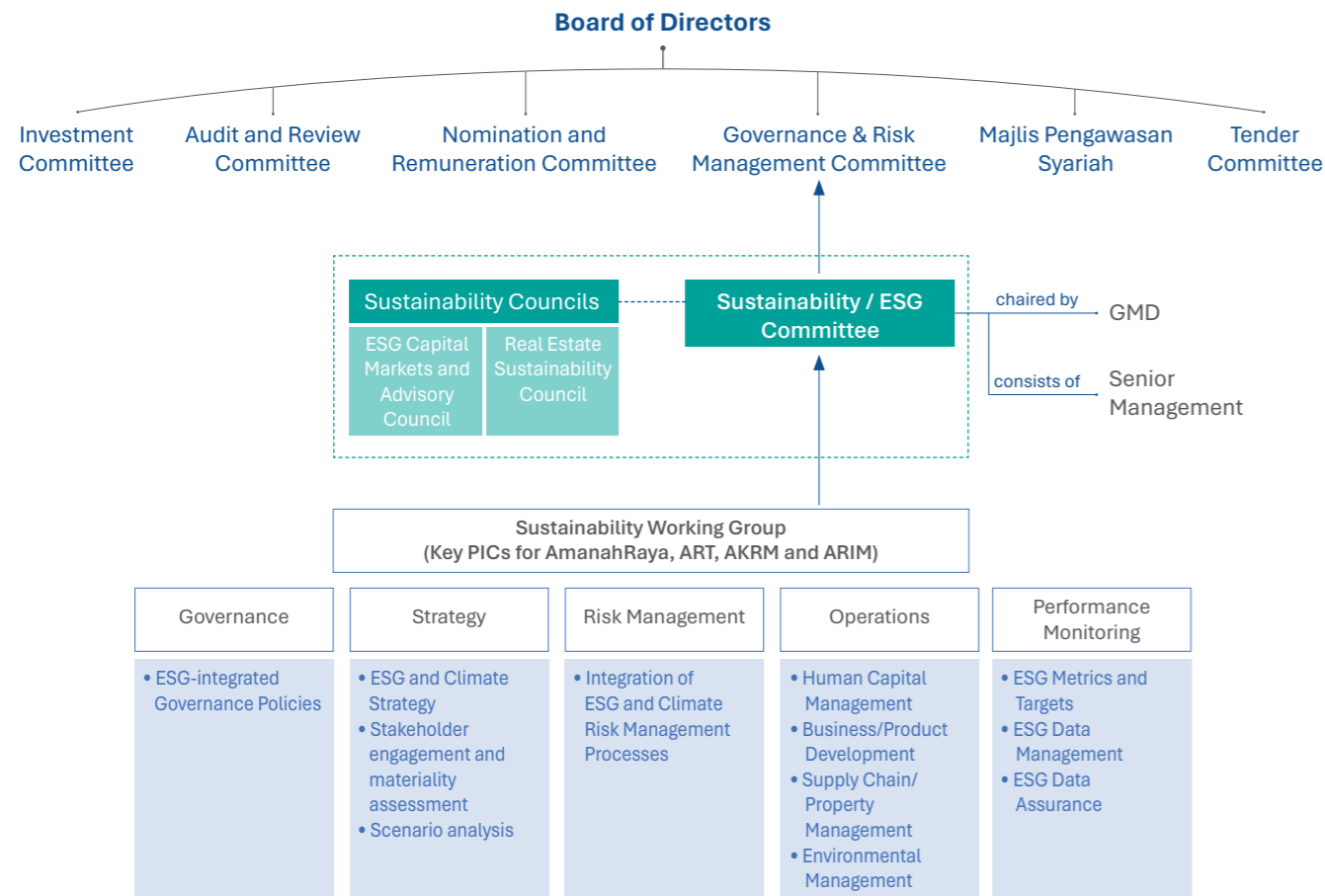
The subsequent phase of this initiative will be carried out in 2024. The roadmap is designed to ensure adherence towards best ESG practices which are also in line with the United Nations’ Sustainable Development Goals (SDGs).

AmanahRaya formally embarked on its sustainability journey and institutionalised the Group’s Sustainability Management Framework as a blueprint for ESG and sustainability initiatives.



## Group Managing Director’s Statement

The diagram below refers to AmanahRaya’s Sustainability Governance Structure.



## CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

As part of AmanahRaya’s commitment to be socially responsible to our various stakeholders with the well-being of the public, our Corporate Social Responsibility (CSR) initiatives are aimed at giving back to the community through various ways.



In 2023, AmanahRaya Group in collaboration with Yayasan AmanahRaya coordinated a total of 34 CSR activities and 29 corporate events nationwide, covering areas such as economic, social, educational and environmental initiatives. These efforts included distributing financial assistance to flood victims in Ayer Itam, Parit Sulong, Johor, sponsoring the Rahmah Menu for Asnaf students at Infrastructure University, Kuala Lumpur as well as organising Raya clothes shopping and an Iftar event for orphans in Seremban, along with donating school supplies to schoolchildren in Kuching, Sarawak.

## Group Managing Director’s Statement

CSR programmes with subsidiaries included AmanahRaya-Kenedix REIT Manager Sdn Bhd’s donation to children and youth with disabilities from Pertubuhan Pemulihan Dalam Komuniti Selayang as well as AmanahRaya Trustees Berhad’s ‘Conserve & Care Programme 2023’ at Zoo Negara Malaysia. Meanwhile, AmanahRaya Investment Management Sdn Bhd held a Business Zakat presentation to Majlis Agama Islam Wilayah Persekutuan Kuala Lumpur.

AmanahRaya marked the culmination of our corporate events with the AmanahRaya 100 years Anniversary Kick-off celebration programme and Gala Dinner in conjunction with our 100th Anniversary held at M Resort Hotel, Kuala Lumpur in August 2023.



## Group Managing Director’s Statement

### MEDIA AND SOCIAL MEDIA INITIATIVES

To maintain our presence in the Legacy Planning industry and reinforce AmanahRaya as the brand of choice, we continue to leverage advertorials and advertising across both traditional and online media channels as key drivers of public awareness for our products and services. In 2023, AmanahRaya actively engaged in media initiatives including interviews on programmes such as “Apa Khabar Malaysia” on Bernama TV, “Assalamualaikum” on TV Al Hijrah, “What Say You” on TV2, as well as radio interviews such as “Breakfast Grille” on BFM Radio, besides various other local radio stations nationwide.

Our presence was also highlighted in mainstream newspapers such as Berita Harian, The New Straits Times, Nanyang Siang Pau, Sin Chew Daily, Utusan Malaysia, The Edge, The Star and others.

In line with new media practices, we extensively promoted our products and services through AmanahRaya’s social media platforms including Facebook, Instagram, LinkedIn and YouTube.

### AMANAHRAYA SUBSIDIARIES

#### AmanahRaya Trustees Berhad (ART)

AmanahRaya Trustees Berhad (ART), a wholly owned subsidiary of Amanah Raya Berhad, was incorporated under the Companies Act 1965 on 23 March 2007. ART’s strong track record is evidenced by holding the mandate for over 250 Collective Investment Schemes managed by leading private and national fund management

companies, and as trustee for a substantial number of corporate bond and sukuk issuances. It is currently the trustee and custodian for total asset value of more than RM600 billion.



#### AmanahRaya Investment Management Sdn Bhd (ARIM)

AmanahRaya Investment Management Sdn. Bhd (ARIM), licensed by the Securities Commission since 1995, is a wholly owned subsidiary of Amanah Raya Berhad. Demonstrating a robust growth trajectory, the firm has experienced a 23% increase in Assets Under Management (AUM), currently overseeing RM7.4 billion across various asset classes. In 2023, the firm achieved significant milestones, notably with the AmanahRaya Syariah Income Fund (ARSIF) surpassing the RM200 million mark shortly after its launch.

Additionally, ARIM has been recognised for its excellence, securing a total of seven prestigious awards in year 2023 from the LSEG Lipper, Morningstar, and the World Islamic Fund Awards, underscoring its industry leadership and innovative approach to investment management. ARIM remains one of the most profitable asset managers, recording a Profit Before Tax of RM8.3 million in 2023, further

affirming its financial stability and growth. This performance highlights ARIM’s commitment to delivering superior investment solutions and its capability to generate commendable returns for its stakeholders.

#### AmanahRaya-Kenedix REIT Manager Sdn Bhd (AKRM)

AmanahRaya-Kenedix REIT Manager Sdn. Bhd. (formerly known as AmanahRaya-REIT Managers Sdn. Bhd.), a partially owned subsidiary of Amanah Raya Berhad and KDA Capital Malaysia Sdn. Bhd. serve as the manager of AmanahRaya REIT.



AmanahRaya REIT’s resilience is anchored in the diversity of its portfolio. As part of its portfolio transformation and restructuring strategy, the management has shifted its focus to more resilient sectors such as education, industrial/logistics and wellness. In Financial Year 2023, AmanahRaya REIT’s net property income stood at RM46.5 million with Distribution Per Unit (DPU) at 1.198sen.

As of end 2023, the fund has 12 properties with Total Asset Under Management (AUM) at RM1.399 billion. AmanahRaya REIT has sustained a strong and healthy financial position, boasting a gearing ratio of 39.9% as of 31 December 2023. This remains comfortably below the mandated threshold of 50%. The net asset

## Group Managing Director’s Statement

value of AmanahRaya REIT as of 31 December 2023 stood at RM1.266 per unit.

### MOVING FORWARD

In the coming year, AmanahRaya will continue to strengthen its marketing initiative through collaborations with both public and private sector sectors such as the Jabatan Kehakiman Syariah Malaysia, Bank Negara Malaysia (BNM), Polis Diraja Malaysia (PDRM), Kumpulan Wang Persaraan (Diperbadankan) (KWAP), Syarikat Perumahan Negara Berhad (SPNB) and others. We will also aim to establish collaborations with takaful companies to introduce a wider range of Legacy Planning instruments with the intention of easing the estate administration process for Malaysians.

In 2024, AmanahRaya will be establishing the AmanahRaya Academy Unit, which will serve as a repository of the company’s history of excellent, notable and complex cases handled by AmanahRaya over the years. It will play a pivotal role in positioning AmanahRaya as an industry leader in legacy planning by conducting educational programmes and serving as an industry source of reference.

## Group Managing Director's Statement

### ACKNOWLEDGEMENTS

In closing, I would like to thank our Chairman Yang Berbahagia Tan Sri Dato' Sri Idrus Bin Harun and all members of our Board for their immense guidance, directions and support to the Management and overall contribution to the organisation. We value the strategic perspectives the Board members have brought to AmanahRaya. I would like to extend my deepest gratitude to our previous Chairman Yang Berhormat Dato' Ramli bin Dato' Mohd Nor and Member of the Board, Yang Berbahagia Dato' Haji Ramli Bin Chik who retired in 2023. Their wealth of experience, valuable insights and contributions to AmanahRaya will be sorely missed.

My heartfelt appreciation also goes to my colleagues in the Management team for their extraordinary efforts and dedication in pursuing our goals. To all our employees, I thank you for your diligence and hard work. I look forward to continuing our work together as a team as we charge forward in the coming year to deliver our mandate to the Malaysian public.

To our customers, shareholders, business partners and collaborators, thank you for placing your trust in us. Finally, I would like to take this opportunity to extend our deepest gratitude to our stakeholders, the Malaysian government and in particular, the Minister of Finance Incorporated (MKD), Ministry of Finance Malaysia for their continued support.

Top Management

# OUR BOARD OF DIRECTORS

At the core of our achievements lies seasoned leadership characterized by a rich legacy spanning more than a century.

# PROFILE OF THE BOARD OF DIRECTORS

**Tan Sri Dato' Sri Idrus Bin Harun** was appointed as the Chairman of Amanah Raya Berhad on 10 October 2023.

Tan Sri Idrus began his career as an Assistant Parliamentary Draftsman attached at the Drafting Division of the Attorney General's Chambers Malaysia before progressing his career as a Senior Assistant Registrar at the Kuala Lumpur High Court. He was subsequently appointed as the Sessions Court Judge in Kota Kinabalu, Sabah.



## TAN SRI DATO' SRI IDRUS BIN HARUN

Chairman  
Independent Non-Executive Director

In his over 42 years career in the judiciary, he had served as a Deputy Public Prosecutor under several departments such as the Royal Customs & Excise Department and Prosecution Division of Attorney General's Chambers Malaysia.

He had also served as the Terengganu State Legal Advisor, Senior Federal Counsel of the Election Commission of Malaysia and Malaysian Anti-Corruption Commission, as well as Head of Advisory of the International Law Division and as a Parliamentary Draftsman.

Tan Sri Idrus was appointed as the Solicitor General in April 2006 and later as the Court of Appeal Judge in September 2014. He had previously served as the Federal Court Judge from November 2018 to March 2020 prior to his appointment as the Attorney-General of Malaysia from March 2020 up to his retirement in September 2023.

He holds a Bachelor's Degree in Law (Honours) from Universiti Malaya.

# PROFILE OF THE BOARD OF DIRECTORS

**Dato' Professor Dr. Noor Inayah Yaakub** (D.S.P.N.) was appointed to the Board of Amanah Raya Berhad on 1 April 2019 as an Independent Non-Executive Director. She currently serves as the Chairman of the Nomination and Remuneration Committee and is a Member of the Board Risk and Integrity Management Committee, Shariah Advisory and Supervisory Council of Amanah Raya Berhad, as well as sits on the Board of Trustees of Yayasan AmanahRaya. Additionally, she holds the position of Chairman at AmanahRaya Trustees Berhad.

Dato' Professor Dr Noor Inayah is currently President & Vice Chancellor of Infrastructure University Kuala Lumpur (IUKL). She was the Chief Executive Officer (CEO) & Rector for Baitulmal Professional College of Federal Territory of Islamic Council, Kuala Lumpur.



## DATO' PROFESSOR DR NOOR INAYAH BINTI YA'AKUB

Independent Non-Executive Director

At Baitulmal Professional College, she was responsible for its major transformation which culminated in the quality education for low income (B40) students in the professional Accounting and other accredited professional courses. Her legacy also includes substantial improvements in the (B40) students, the quality of teaching, and the scale and impact of its industrial linkages, placing the College among the top colleges in professional accounting and other accredited professional courses for (B40) candidates.

She obtained her Bachelor's in Law from International Islamic University in 1993 and later obtained her second undergraduate degree in Shariah law in 1994. She received her Master's in law from the University of Bristol, England in 1997. She obtained her PhD in Law from the law faculty, University of Manchester, England in 2005. Dato' Professor Dr Noor Inayah received 5th QS-Apple-Asia Pacific Professional Leaders in Education expert certificate in 2009. In the same year, she received an Advance Certificate (Technology Transfer & Project Management) from the University of Oxford. In 2012, she received the United Nations Professional Certificate for Selected Higher Learning corporate planning leaders for university research and teaching components. In 2019, she received the Advanced Certificate for leaders in Education: Innovation and Strategy for the future of Higher Education, School of Executive Education, Cambridge Judge Business School, University of Cambridge.

Dato' Professor Dr Noor Inayah was awarded as The Best Business Law Professor by The Golden Globe Tigers Award Malaysia 2019. In the same year she was awarded the Tokoh Maal Hijrah Federal Territory under the distinguished scholar category. In 2019 and 2020, she was ranked 22nd of top 300 of the most influential women in the world for Islamic Finance which was assessed by the UK Cambridge Financial Association 2020.

She also received the top 10 best CEOs for ASIA Higher Learning Education by Asia CEOS awards. She was appointed as Kyoto University Visiting scholar in 2009 and as University of Oxford Secondee in 2009. She is currently the chairman for a special task force appointed by the Sultan of Selangor on Waqf enactment draft for Federal Territory. Recently, she was appointed as a member of the board of Directors of Bank Islam Malaysia Berhad. She has served as Shariah Committee for CIMB Islamic and Sunlife Takaful for 7 years and also later as a Shariah committee member for Citibank Malaysia.

Dato' Professor Dr Noor Inayah is the first woman to be appointed as Fatwa Committee member under the Mufti Department, Majlis Agama Islam Pulau Pinang.

## PROFILE OF THE BOARD OF DIRECTORS

**Datuk Mohd Radzif Mohd Yunus** was appointed as an Independent Non-Executive Director of Amanah Raya Berhad on 6 September 2021. He is Chairman of the Investment Committee and is a Member of the Audit and Review Committee as well as Nomination and Remuneration Committee.

Datuk Mohd Radzif has held various leadership positions in healthcare, banking, property consultancy, real estate development, construction, and investment.



**DATUK MOHD RADZIF  
BIN MOHD YUNUS**

Independent Non-Executive Director

In 2003, he was appointed as the Chief Executive Officer of Institut Jantung Negara Sdn. Bhd. He then assumed the position as Group Managing Director of IJN Holdings Sdn. Bhd. in 2006, prior to his appointment as Managing Director of Small Medium Enterprise Development Bank Malaysia (SME Bank) in 2010.

Subsequently, in 2014, he was redesignated as Group Managing Director of SME Bank, the last executive post he held until June 2017.

He was awarded the Malaysian Business Leadership Award for Healthcare in 2009. In 2015, he was accorded the CEO of the Year award by the Association of Development Financing Institutions in Asia and the Pacific, in recognition of his remarkable achievement in transforming SME Bank. In 2023, Infrastructure University Kuala Lumpur (IUKL) awarded him an Honorary Doctorate in Management, which carries the title 'Dr'.

Datuk Mohd Radzif holds a Bachelor's Degree in Applied Science Property Resource Management with Finance from the University of South Australia, Australia.

He is a Member of the Institute of Corporate Directors Malaysia and a certified Risk Director by the Institute Enterprise Risk Management. He has completed the Mandatory Accreditation Programme Part II: Leading for Impact (LIP).

Currently, Datuk Mohd Radzif sits on listed Boards; DuoPharma Biotech Berhad and Heitech Padu Berhad. He is the current Chairman Board of Trustee Yayasan Pembangunan Islam Malaysia. He is also the Chairman of UM Holdings Sdn. Bhd and is a Board member of Pembangunan Kampung Baru, a statutory body.

## PROFILE OF THE BOARD OF DIRECTORS

**Datuk Muhammad Azmi Mohd Zain** was appointed as a Non-Independent and Non-Executive Director of Amanah Raya Berhad on 18 February 2022. He is Chairman of the Tender Committee and is a Member of the Audit and Review Committee.

Datuk Muhammad Azmi has served and held various positions in the Economic Planning Unit and Public Service Department as well as Ministry of Federal Territories.



**DATUK MUHAMMAD AZMI  
BIN MOHD ZAIN**

Non-Independent Non-Executive Director

He was also previously the President of Putrajaya Corporation prior to his appointment as the Director-General of the Department of Director-General of Lands and Mines (UKPTG), Ministry of Energy and Natural Resources, effective 15 December 2021.

He holds a Bachelor in Economics (Honours) from Universiti Malaya and obtained his Master of Social Sciences (Developmental Science) from Universiti Kebangsaan Malaysia.

## PROFILE OF THE BOARD OF DIRECTORS

**Dato' Masri Mohd Daud** was appointed as a Non-Independent and Non-Executive Director of Amanah Raya Berhad on 12 April 2022. He is Chairman of the Board Risk and Integrity Management Committee and is a Member of the Investment Committee.

Currently, Dato' Masri holds the position of Head of Prosecution Division at the Attorney General's Chambers Malaysia (AGC). He previously served as the Director of the Special Litigation Unit in the same division.



**DATO' MASRI  
BIN MOHD DAUD**

Non-Independent Non-Executive Director

Throughout his over 30-year career, Dato' Masri has gained extensive working experience and held various positions in criminal and civil law, judicial, and legal services. Notably, at the federal level, he served in a dual role as Deputy Public Prosecutor and Director of the Legal and Prosecution Division of the Malaysian Anti-Corruption Commission.

Furthermore, he was among the pioneer members of the Classified Cases Unit and Anti-Money Laundering and Forfeiture Unit in AGC.

At the state level, Dato' Masri served as the State Legal Advisor of Selangor, as well as the State Prosecution Director of Negeri Sembilan, Perak, and the Federal Territory of Kuala Lumpur.

He graduated in law from the Faculty of Law, Universiti Teknologi MARA, where he now serves as an Adjunct Professor.

## PROFILE OF THE BOARD OF DIRECTORS

**Azlin Maria Mokhtar** was appointed as an Independent Non-Executive Director of Amanah Raya Berhad on 1 September 2023. She is Chairperson of the Audit and Review Committee and is a Member of the Investment, Tender as well as Board Risk and Integrity Management Committee.

Azlin brings with her over 20 years of experience in Finance covering Corporate Finance, Group Reporting, Budgeting, Audit as well as Treasury specifically in Investments, Cash Banking and Foreign Exchange (Forex) Management.



**AZLIN MARIA  
BINTI MOKHTAR**

Independent Non-Executive Director

Azlin began her career as an External Auditor in London, United Kingdom and moved on to an internal audit role in Chester, United Kingdom with an American company, MBNA. Upon her return to Malaysia, she served in Petroliam Nasional Berhad (PETRONAS) in various roles and areas including Group Corporate Finance, Group Reporting and Group Treasury in the area of Cash Management, Banking as well as Forex before moving to her next role in Qatar as Head of Cash Management in Treasury and after that Financial Controller of several entities in Qatargas.

Her last role was as the General Manager of Group Corporate Finance at PETRONAS upon returning from Qatar.

Azlin holds a Bachelor of Science in Economics (Accounting and Finance) from London School of Economics and Political Science, United Kingdom. She is also a Member of the Malaysian Institute of Accountants and a Fellow Member of the Institute of Chartered Accountants England and Wales.

## PROFILE OF THE BOARD OF DIRECTORS

**Noorlida** was appointed to the Board of Amanah Raya Berhad on 2 February 2024 as a Non-Independent and Non-Executive Director. She is a Member of the Audit and Review Committee as well as Board Risk and Integrity Management Committee.

She is currently the Deputy Accountant General (Operations) of the Accountant General's Department of Malaysia.



**NOORLIDA BINTI  
MOHD KHALID**

Non-Independent Non-Executive Director

She began her career as an Accountant and has served in various departments in the Government Sector in the last 30 years of service.

Her extensive experience includes serving as an Accountant at federal level including at the Ministry of Education, Federal Territories Islamic Religious Council and Ministry of Information. She then progressed her career as an Assistant Chief Accountant in the Prime Minister's Department before being appointed as Deputy Director, Accrual Accounting Implementation team at the Accountant's General Department. She was later promoted to be Director of the same team and subsequently appointed as Director of Internal Audit Management Division at the Accountant General's Department.

Noorlida holds a Bachelor's Degree in Accounting from University Technology MARA. She is a member of the Malaysia Institute of Accountants (MIA), Certified Practicing Accountant of the Malaysian Institute of Certified Public Accountants (MICPA), and a member of the Board of Governors for the Institute of Internal Auditors Malaysia. She is also a member of The Chartered Institute of Public Finance and Accountancy, United Kingdom (CPFA UK).

## PROFILE OF THE BOARD OF DIRECTORS

**Nahidah Binti Usman** was appointed as Non-Independent and Non-Executive Director of Amanah Raya Berhad on 7 June 2024. She is a Member of the Investment Committee, Tender Committee as well as Nomination and Remuneration Committee.

She is the Head of Finance and Investment, Government Investment Companies Division, Ministry of Finance (MOF). She also currently sits on the board of Malaysia Debt Ventures Berhad.



**NAHIDAH BINTI USMAN**

Non-Independent Non-Executive Director

Nahidah started her career in 2001 as the Assistant Secretary of the Human Resource Division at the MOF. In 2006, she continued to serve in the same capacity at the Government Procurement Division, MOF, before being promoted as the Principal Assistant Secretary within the same division prior to pursuing her master's degree in 2010.

She then returned to the civil service in 2012 as the Principal Assistant Director of the Public Private Partnership Unit (UKAS) at the Prime Minister's Department, before eventually being appointed as the Director of Health & Education of UKAS until April 2019.

She returned to the MOF in May 2019 as the Head of Finance and Investment for the Government Investment Companies Division.

Nahidah holds a Bachelor's Degree in Business Administration and a Master's Degree in Economics (Human Resource) from the National University of Malaysia. She also earned a Diploma in Public Administration from the National Institute of Public Administration.

The art of communication  
is the language of  
**LEADERSHIP**



## THE MANAGEMENT **TEAM**



**MOHD ISKANDAR  
DZULKARNAIN RAMLI**  
Group Chief Corporate  
Services Officer



**AHMAD FEIZAL  
SULAIMAN KHAN**  
Group Managing Director



**JACK YAP NGEE HEONG**  
Group Chief Business &  
Operating Officer

THE MANAGEMENT TEAM



**AINI FARIZA HAJI MOHD YUSOFF**  
Group Chief Financial Officer



**DATIN NOR SHAFINAZ J NULAWADIN**  
Head, Operations Division



**JERRY JESUDIAN JOSEPH ALEXANDER**  
Head, Group Company Secretarial Department



**MOHD FUAD ABDUL RAZAK**  
Head, Group Risk Management Department



**WAN IZZAH WAN TAIB**  
Head, Group Financial Services Department



**HAR YEE KEN**  
Head, Group Strategic Investment Department



**HASLINA JUNUS**  
Head, Group Internal Audit Department



**KANAKARAJA MUTHUSAMY**  
Head, Group Compliance, Integrity & Governance Department



**LOKMAN AB LATIF**  
Head, Business Transformation Department



**ROZAINI NIZAR**  
Head, Group Asset Management and Administration Department



**HANIFAH HJ KARDIMAN**  
Head, Group Human Capital Department



**MOHD RAZI MOHAMAD YUNUS**  
Head, Group Legal Department

THE MANAGEMENT TEAM

THE MANAGEMENT TEAM

THE MANAGEMENT TEAM



**ROSWANI AHMAD**  
Head, Group Information Technology  
Department



**SITI AZURA SHAMSUDDIN**  
Head, Group Communication  
Department



**KHAIRONISYAA JAAFAR**  
Head, Wills Administration  
Department



**WAN NUMZILA WAN  
JUNUH**  
Head, Pending Funds Management  
Department



**MOHD KHAIRUDDIN  
HARUN**  
Head, Product Development  
Department



**NURAZILA MAT LAZIM**  
Head, Customer Relationship  
Management Department



**ROSMIDAR MUSTAFA**  
Head, Trust Administration  
Department



**USMAN HJ HAMID**  
Head, Business Development  
Department



**MUHAMMAD FAIZ  
CHE ANI**  
Head, Group Procurement  
Department



**AHMAD FUSHARI AHMAD  
SHAFIEI**  
Head, Premier Service Department

## THE MANAGEMENT TEAM

BRANCH	
Pulau Pinang	Puan Martinah binti Marzuki Head of Branch
Kuala Terengganu	Puan Tuan Noraizan binti Tuan Long Head of Branch
Kuala Lumpur	Encik Mohamad Yazid bin Shuaib Head of Branch
Johor Bahru	Encik Hamka bin Mahat Head of Branch
Kangar	Encik Izzat bin Mohammad Aris Head of Branch
Alor Setar	Puan Shahrul Bariah binti Saad Acting Head of Branch
Sungai Petani	Puan Harisah binti Abdul Hamid @ Halim Head of Branch
Ipoh	Puan Hernimalina binti Abd Hamid Head of Branch
Shah Alam	Puan Suzana binti Zainal Head of Branch
Bangi	Puan Lilywani binti Abdullah Head of Branch
Seremban	Puan Mastura binti Mustapha Head of Branch
Melaka	Puan Sunarti binti Moktar Head of Branch
Muar	Puan Norsuhaila binti Tompong Head of Branch
Kuantan	Puan Noryana binti Yom Head of Branch
Temerloh	Encik Md Suhaimi bin Abd Wahab Head of Branch
Kota Bharu	Puan Noorashikin binti Roselee Head of Branch
Kota Kinabalu	Cik Saftuyah binti Adenan Head of Branch
Kuching	Encik Hamzah bin Mohamad Head of Branch
Batu Pahat	Puan Tasha Aishah binti Ismail Head of Branch
Teluk Intan	Encik Zulkarnain bin Mohamed Daud Head of Branch

## AMANAH RAYA SUBSIDIARIES LEADERS



**ZAINUDIN SUHAIMI**  
Chief Executive Officer,  
AmanahRaya Trustees Berhad (ART)



**MOHAMAD SHAFIK  
BADARUDDIN**  
Chief Executive Officer, AmanahRaya  
Investment Management (ARIM)



**YM TUNKU ROZITA BINTI  
TUNKU ABDUL MALEK**  
Managing Director,  
AmanahRaya REIT

## REVIEW OF BUSINESS AND OPERATIONS

# FINANCIAL HIGHLIGHTS

Financial Year Ended 31 December	Group		Company	
	2023	2022	2023	2022
<b>PROFITABILITY (RM'million)</b>				
Revenue	170.7	169.5	114.1	115.8
Profit Before Tax	29.2	48.0	13.7	25.1
Net Profit After Tax	18.6	35.9	14.3	25.2
<b>KEY BALANCE SHEET DATA (RM'million)</b>				
Total Assets	504.3	598.3	222.2	205.9
Total Liabilities	295.7	407.1	68.7	66.1
Total Borrowings	213.60	318.2	-	-
Share capital	6.0	6.0	6.0	6.0
Shareholders' equity	208.5	191.2	153.4	139.8
<b>SHARE INFORMATION</b>				
Earning Per Share (sen)	3.1	5.7	-	-
Final Dividend (RM'million)	0.6	0.6	0.6	0.6
<b>FINANCIAL RATIOS</b>				
Return on assets - ROA	4%	6%	6%	12%
Return on equity - ROE	9%	19%	9%	18%
Current Ratio	149%	82%	391%	411%
Gearing Ratio	102%	166%	-	-



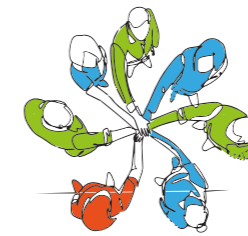
**NET PROFIT AFTER TAX**  
RM18.6MILLION



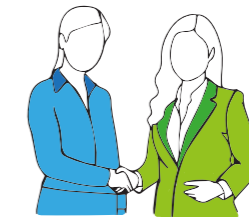
**TOTAL REVENUE**  
RM170.7MILLION



**TOTAL ASSETS**  
RM504.3MILLION



**SHAREHOLDERS' FUND**  
RM208.5Miliion



**DIVIDEND PAY OUT**  
RM600,000.00

# AMANAHRAYA TRUSTEES BERHAD

AMANAHRAYA TRUSTEES

AmanahRaya Trustees Berhad (ART), wholly owned by Amanah Raya Berhad, was incorporated under the Companies Act 1965 on 23 March 2007.

## AMANAHRAYA TRUSTEES BERHAD (ART) SOLUTIONS

With over five (5) decades of experience, ART stands out in the industry for its dedication to professionalism, innovation, and client-centric solutions. We possess extensive knowledge of financial requirements and a thorough understanding of our client's investment needs. Supported by a team of seasoned professionals and a robust infrastructure, we deliver a comprehensive range of trust services designed to meet diverse client needs, while effectively fulfilling our fiduciary duties to investors, unit holders, and beneficiaries.

### ABOUT US



The Company was established as a trust company under the Trust Companies Act 1949 and is authorized by the Securities Commission Malaysia to serve as a trustee for Collective Investment Schemes, corporate bonds, and private retirement schemes.

With over fifty years of experience in the corporate trust industry, we have consistently solidified our position in the financial market. Our impressive track record includes managing over 250 Collective Investment Schemes for prominent private and national fund management companies and serving as trustee for numerous corporate bonds and sukuk issuances. We currently act as trustee and custodian for assets totaling more than RM600 billion.

Driven by the dedication of our team and the trust of our esteemed clients and partners, we strive to be a leading trust company both locally and internationally.

Our dynamic solutions include corporate trusteeship, custodianship, and back-office services for various financial products. We manage a wide array of trust services, encompassing unit trust funds, wholesale funds, real estate investment trusts, private retirement schemes, corporate bonds & Sukuk, and structured products from professional fund managers, commercial banks, financial institutions, cooperatives, and state governments.

ART serves as trustee for over 250 funds across various Collective Investment Schemes, including Unit Trust Funds (UTF), Wholesale Funds (WSF), Exchange-Traded Funds (ETF), and Real Estate Investment Trusts (REIT), establishing itself as a leading trustee in Malaysia. We also act as a trustee for Private Retirement Schemes (PRS) and Real Estate Investment Funds (REIT). ART provides professional trustee services for corporate bonds and Sukuk as well as equity and loan instruments. Besides providing a full range of solutions, it also includes custodial services.

# AMANAHRAYA 100 YEARS Subsidiaries

Explore our diverse portfolio of businesses and strategic affiliations — invaluable assets in expanding our expertise in meeting our clients' needs.

## MOVING FORWARD

ART is evolving to integrate advanced technology, streamlining our operations through process automation and system integration. This transition will improve efficiency, accessibility, and transparency in asset management. Despite these advancements, we remain devoted to maintaining personal, one-on-one interactions to offer a tailored service experience.

We will leverage advanced technology to streamline our operations and improve client interactions, aiming to boost efficiency and provide greater accessibility and transparency in asset management.

Our focus also includes refining fund accounting practices to ensure accurate and reliable reporting. We aim to provide clients with the insights needed for informed investment decisions while upholding the highest standards of compliance and integrity. ART is well-positioned to achieve its sustainability goals by integrating comprehensive environmental, social, and governance (ESG) practices into its operations and marketing strategies.

Implementing robust sustainability frameworks, such as incorporating green and social bonds into our portfolio and enhancing transparency in reporting, will further support our commitment to sustainable growth. Additionally, fostering partnerships with like-minded organisations and adopting innovative technologies will help us stay at the forefront of industry advancements, ensuring that our initiatives are impactful and aligned with global sustainability standards.

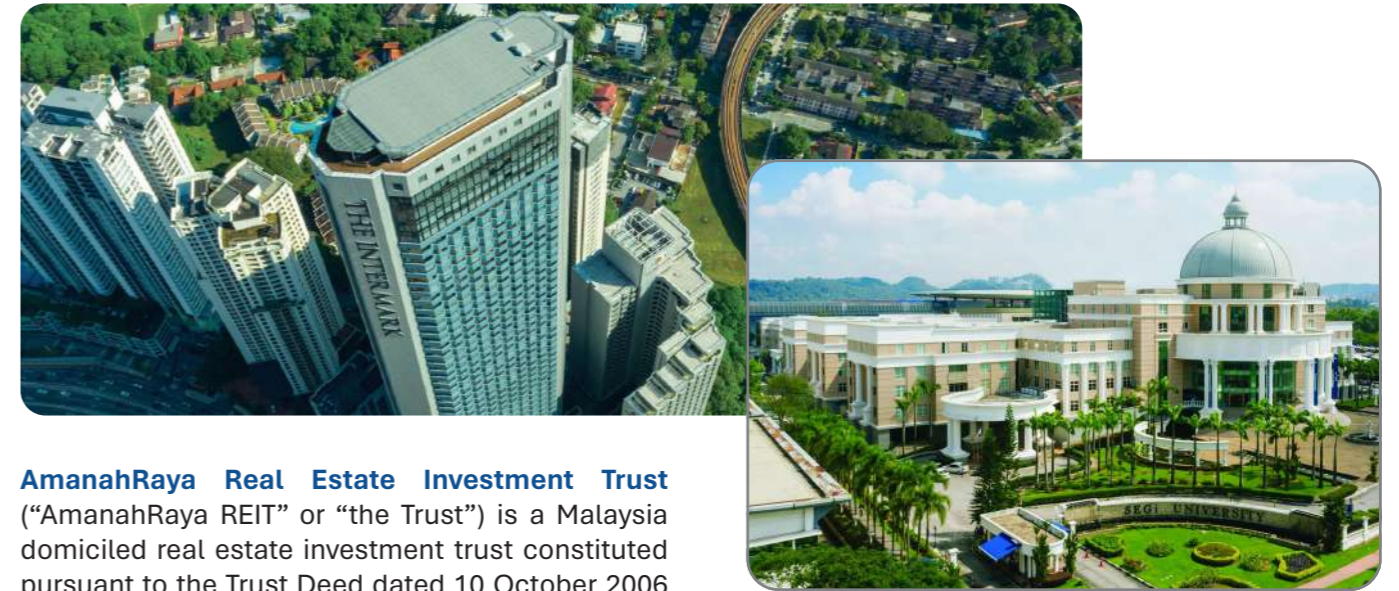


Through these efforts, ART aims to contribute significantly to a more sustainable future.

At ART, we prioritize transparency, reliability, and long-term value creation, striving to be the trusted partner in safeguarding and growing our client's assets.

# AMANAHRAYA REIT

AMANAHRAYA ■ REIT



SEGi University, Kota Damansara

**AmanahRaya Real Estate Investment Trust** (“AmanahRaya REIT” or “the Trust”) is a Malaysia domiciled real estate investment trust constituted pursuant to the Trust Deed dated 10 October 2006 (as varied by the Supplemental Trust Deed dated 4 January 2007, the Novation Agreement dated 27 August 2009 and the Second Supplemental Trust Deed dated 27 August 2009) (collectively be referred to as “the Trust Deed”) between AmanahRaya-Kenedix REIT Manager Sdn. Bhd. (“the Manager”) and CIMB Islamic Trustee Berhad (“the Trustee”). The Trust Deed is regulated by the Securities Commission’s Guidelines on Listed Real Estate Investment Trusts, the Listing Requirements of Bursa Malaysia Securities Berhad, the Rules of the Depository and taxation laws and rulings. AmanahRaya REIT will continue its operations until such time as determined by the Trustee and the Manager as provided under the provision of Clause 26 of the Trust Deed dated 10 October 2006.

AmanahRaya REIT is listed on the Main Market of Bursa Malaysia Securities Berhad. On 13 May 2019, the Manager, CIMB Islamic Trustee

Berhad and Pacific Trustees Berhad entered into a Supplementary Deed to effect the change of trustee of AmanahRaya REIT from CIMB Islamic Trustee Berhad to Pacific Trustees Berhad (“the Trustee”). The change of trustee took effect on 21 May 2019 upon registration with the Securities Commission and lodgement was made on 24 May 2019.

Subsequently, the Manager has entered into an Amended and Restated Trust Deed dated 5 December 2019 with the Trustee which has been registered and lodged with the Securities Commission on 10 January 2020 and 16 January 2020 respectively in compliance with the amendments made to the Securities Commission’s Guidelines on Listed Real Estate Investment Trusts. The Amended and Restated Trust Deed dated 5 December 2019 supersedes the Trust Deed.

## AMANAHRAYA-KENEDIX REIT MANAGER SDN BHD: Resilience Through Strategic Agility

AMANAHRAYA ■ KENEDIX  
REIT MANAGER



Selayang Mall, Selayang, Selangor

**AmanahRaya-Kenedix REIT Manager Sdn. Bhd.** (AKRM or the Manager), a partially owned subsidiary of Amanah Raya Berhad and KDA Capital Malaysia Sdn Bhd is the manager of AmanahRaya REIT. For the past few years, the Manager had restructured the management team which led by Managing Director Tunku Rozita Binti Tunku Abdul Malek. With the new management, the investment portfolio of AmanahRaya REIT (the fund) had been revamped and rebalanced to align with changes in the economic landscape especially in the post pandemic era where the office sector had been impacted significantly.

Previously, the fund was focused on investment in 5 different sectors mainly office, education, industrial, retail, and hospitality. The new management had crafted the new strategic roadmap where the Manager has shifted the direction to adding more assets into resilient sectors such as the education

and industrial sectors, exploring the new wellness sector and fully exiting from the hospitality sector.

The new strategic roadmap allows the fund to be more resilient with stable income growth and mitigating the impact of adverse conditions in specific sectors or localities especially the office sector in the Klang Valley area.

As of end 2023, the fund has 12 properties with Total Asset Under Management (AUM) at RM1.399 billion. The Net Property Income for the fund stood at RM46.5 million with Distribution Per Unit (DPU) at 1.198sen.

AmanahRaya REIT has sustained a strong and healthy financial position, boasting a gearing ratio of 39.9% as at 31 December 2023. This remains comfortably below the mandated threshold of 50%. The net asset value of AmanahRaya REIT as at 31 December 2023 stood at RM1.266 per unit.

## AMANAHRAYA-KENEDIX REIT MANAGER SDN BHD: Resilience Through Strategic Agility

In terms of property enhancement, in 2023, the Manager awarded a contract sum of RM4.7 million for various projects. The major project awarded relates to lift modernization at Vista Tower. Smaller projects completed in 2023 include asset enhancement work such as lift system rectification works at Menara Dana13, replacement work for cooling tower at Selayang Mall, and façade painting work at Menara Dana 13. Further, the Manager had carried out the repair works for piping at Vista Tower and fire alarm panel at Menara Dana 13.

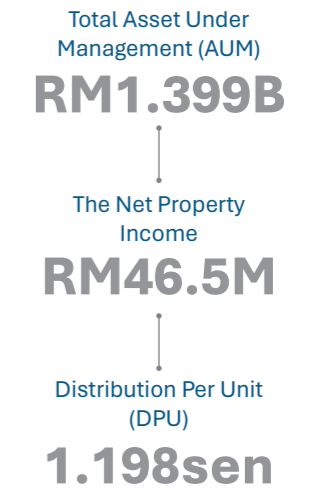
To maintain and enhance the condition of the property and to boost the competitiveness and attractiveness of AmanahRaya REIT’s properties, scheduled Asset Enhancement Initiatives (“AEIs”) were established. The AEIs also incorporated initiatives which potentially enable greater operational efficiency, as well as sustainability. During the financial year under review, the key property enhancement and refurbishment work carried out include:

- Modernization of lift system at Vista Tower
- Façade painting works at Menara Dana 13
- Repair works to air conditioning and mechanical ventilation (“ACMV”) at Vista Tower
- Repair works to fire alarm panel for Menara Dana 13.



Dana 13, Dana 1 Commercial Centre, Petaling Jaya

As of end 2023, the fund has 12 properties



AMANAHRAYA-KENEDIX REIT MANAGER SDN BHD:  
Resilience Through Strategic Agility

**ASSET DISPOSAL AND ACQUISITION STRATEGIES**

In line with our commitment to maximizing shareholder value, the Manager employs a strategic approach to asset disposal and acquisition:

**YIELD ACCRETIVE ACQUISITIONS**

The Manager focuses on acquiring high-quality assets that enhance the overall yield of our portfolio, ensuring sustainable income growth and long-term value creation for our unitholders.

**PORTFOLIO RE-BALANCING**

The Manager continuously assess our asset portfolio to identify opportunities for disposal of underperforming or non-core assets. Proceeds from these disposals are strategically reinvested into assets with superior growth potential, aligning our portfolio with market trends and optimizing returns.

**MARKET OPPORTUNITIES**

The Manager is actively monitoring market conditions to capitalize on attractive acquisition opportunities, while adhering to a disciplined investment strategy that prioritizes financial prudence and risk management.

By implementing these strategies, we aim to maintain a resilient and diversified portfolio that delivers consistent returns and capital appreciation over time.



Lot 162 & 163, Alor Setar  
(Previously known as Holiday Villa Alor Setar)

The Manager continues to focus its efforts on filling up the available spaces to improve the average occupancy rate of AmanahRaya REIT properties. Aggressive marketing activities and leasing strategies activities are implemented by the Manager’s in-house leasing team in collaboration with the external real estate agencies focused on improving AmanahRaya REIT’s multi-tenanted properties such as Vista Tower, Dana 13 and Wisma Comcorp. Occupancy rate post 31 December 2023 is expected to increase in line with the ongoing efforts towards securing new tenants especially for Vista Tower and Dana 13. As of 31 December 2023, the average portfolio occupancy rate was at 68.6%.

AMANAHRAYA INVESTMENT  
MANAGEMENT SDN BHD:  
**EMPOWERING FINANCIAL FUTURES**



AmanahRaya Investment Management Sdn Bhd (ARIM), licensed under the Capital Markets and Services Act, has been a key player in Malaysia’s asset management landscape since 1995. As a wholly-owned subsidiary of Amanah Raya Berhad (ARB), ARIM has taken a central role as the investment arm for the Group, especially after taking over the management of various funds from AmanahRaya Unit Trust Management Sdn Bhd (ARUTM) on January 21, 2010. With an authorized capital of RM25 million and a paid-up capital of RM10 million supporting its expansive operations, ARIM has been a key contributor to managing investments for the Group and external clients.

By the end of 2023, ARIM’s Assets Under Management (AUM) reached approximately RM7.4 billion, solidifying its position as one of the largest non-bank backed fund management companies in Malaysia. This diverse portfolio includes Shariah-compliant and conventional mandates, spanning multiple asset classes such as equity, fixed income, unit trusts and structured products. The investments are made in both Ringgit and non-Ringgit based assets, demonstrating ARIM’s capability to manage sophisticated portfolios in a complex investment environment.

In 2023, ARIM recorded a robust Profit Before Tax of RM8.3 million, underlining its financial health and operational success. Dedicated to delivering high-quality investment management services, ARIM caters to a diverse clientele, including pension funds, insurance companies, government agencies, non-profit foundations, public listed companies, and high-net-worth individuals, helping them achieve various financial objectives through customized investment solutions.

“ARIM’s commitment to excellence was acknowledged through various industry awards won from prestigious bodies including the Lipper LSEG, Morningstar, and the World Islamic Fund Awards.”



**Mohamad Shafik Badaruddin**  
Chief Executive Officer, ARIM

As a fund management company, ARIM believes that the Company’s operation can have a profound effect on its large network of stakeholders, such as public listed companies, government agencies and non-profit foundations. Therefore, ARIM aspires to encourage positive socio-economic development, establishing the Company’s inaugural sustainability framework to streamline the integration of ethical and sustainable practices into its corporate strategies.

ARIM continues to innovate and evolve to meet the changing needs of the financial landscape. The Company’s dedication to responsible investment, combined with its strategic approach to asset management, positions ARIM to deliver sustainable growth and value for its clients. Investment solutions are designed to cater to various client goals, including wealth expansion, income generation, and risk mitigation. ARIM also takes pride for its commitment to Shariah-compliant investments, providing personalized solutions that align with its clients’ commitment to shariah principles.

The Year 2023 was notable for ARIM not only due to its financial growth but also because of its achievements in product innovation and industry recognition. ARIM’s top-performing funds, such as the AmanahRaya Syariah Trust Fund (ARSTF) and AmanahRaya Unit Trust Fund (ARUTF), have shown impressive growth, demonstrating the Company’s capability to create wealth for its clients. The newly launched AmanahRaya Syariah Income Fund (ARSIF) was also making strides, exceeding the RM200 million mark, highlighting investor confidence and trust towards the Company and its team. Additionally, ARIM’s commitment to excellence was acknowledged through various industry awards won from prestigious bodies including the LSEG Lipper, Morningstar, and the World Islamic Fund Awards. These accolades serve as a testament to the standard of excellence that the Company consistently uphold.

As a subsidiary of Amanah Raya Berhad, ARIM draws strength from its parent company’s century-long legacy as Malaysia’s premier trustee company. With a commitment to responsible investment,

innovation, and excellence, ARIM is well-positioned to continue empowering financial futures and shaping the future of asset management in Malaysia.

List of Awards received from 2023 onwards:

YEAR 2023	
AWARD	Morningstar Awards Malaysia 2023 by Morningstar Inc.
FUND	AmanahRaya Unit Trust Fund (Best Malaysia Bond Fund) AmanahRaya Syariah Trust Fund (Best Malaysia Bond Fund (Shariah) Fund)
AWARD	Refinitiv Lipper Fund Awards 2023 by The Edge Malaysia
FUND	AmanahRaya Syariah Trust Fund MYR – Islamic (3 Years, 5 Years & 10 Years) AmanahRaya Unit Trust Fund MYR (3 Years, & 5 Years)
AWARD	Global Islamic Fund Awards 2023
FUND	AmanahRaya Syariah Trust Fund MYR – Islamic (3 Years, 5 Years & 10 Years)
AWARD	FSMOne 2023
FUND	AmanahRaya Syariah Trust Fund - Core Fixed Income Malaysia (Islamic) AmanahRaya Unit Trust Fund - Fixed Income Malaysia with Foreign Exposure
YEAR 2024	
AWARD	LSEG Lipper Fund Awards 2024 by The Edge Malaysia
FUND	AmanahRaya Syariah Trust Fund MYR – Islamic (3 Years, 5 Years & 10 Years) AmanahRaya Unit Trust Fund MYR (5 Years & 10 Years)
AWARD	Morningstar Award 2024
FUND	Best Malaysia Bond (Syariah)

**As a subsidiary of Amanah Raya Berhad, ARIM draws strength from its parent company’s century-long legacy as Malaysia’s premier trustee company.**

Our Vow

# AMANAHRAYA’S INTEGRITY & GOVERNANCE POLICIES

To ensure AmanahRaya’s integrity and transparency is sustained in daily practices through elements of honesty, efficiency and trustworthiness.

# AMANAHRAYA INTEGRITY & GOVERNANCE POLICIES

Upholding unwavering ethical standards, client confidentiality, and transparency to provide utmost assurance and trust for our valued clients.

## OBJECTIVES



To actively enhance a culture of professionalism and integrity in AmanahRaya



To prevent the incidence of misconduct and corruption linkages to others.



To ensure AmanahRaya integrity and transparency is sustained in daily practices through elements of honesty, efficiency and trustworthiness.

## People Who Are Subject To Our Integrity Plan



All Staff, including AmanahRaya's subsidiaries



Any person engaged under a contract for services



Any person engaged by the company in any activity

## AMANAHRAYA INTEGRITY & GOVERNANCE POLICIES

### ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

- Amanah Raya Berhad is committed towards ensuring the highest-level of integrity, accountability, and professionalism in its business activities.
- We adopt a zero-tolerance approach against all forms of bribery and corruption in all our business dealings and relationships.
- This policy was initiated based on the Ministerial Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act 2009), which sets out adequate procedures a commercial organisation needs to have in place as a safeguard mechanism to a corporate liability charge under the same Section.



### NO GIFT POLICY



- AmanahRaya's No Gift Policy serves as a notification and guideline to its directors and employees regarding receiving and giving gifts and entertainment.
- The policy is aligned with the objectives of AmanahRaya Code of Business Ethics for Employees which aims to support the vision and mission of AmanahRaya and it is also aligned with Principle III: Undertake Control Measures in the Ministerial Guidelines on Adequate Procedures pursuant to subsection (5) of Section 17A under the MACC Act 2009 to prevent any corruption risks.

## AMANAHRAYA INTEGRITY & GOVERNANCE POLICIES

## AMANAHRAYA INTEGRITY & GOVERNANCE POLICIES

### CODE OF BUSINESS ETHICS FOR EMPLOYEES

- The objective of the code is to support AmanahRaya’s Vision and the 5 Core Values we uphold in AmanahRaya, and it also serves to outline to the whole organization the acceptable and unacceptable business conducts.
- Each employee to whom this code applies must comply with all applicable laws and is responsible for being familiar with them and its contents.



### CONFLICT OF INTEREST POLICY

- The purpose of this policy is to provide guidance in identifying and handling potential and actual conflicts of interest in AmanahRaya. In general, AmanahRaya employees, committee members, and directors are obligated to avoid and disclose ethical, legal, financial, or other conflicts of interest involving AmanahRaya.



### DUE DILIGENCE POLICY

- The policy is to further enhance on the transparency of AmanahRaya’s operations and as a formalization of process in relation to AmanahRaya’s directors’ and employees’ screening, procurement process, business partners/ joint venture partners, and investment process.



### PROPRIETARY INFORMATION POLICY

- This policy is to explain the Company’s policy as well as the responsibilities of each employee to protect and keep safe all proprietary information of AmanahRaya.
- AmanahRaya employees are not allowed to use and disseminate any proprietary Company’s information, whether in printed, electronic or verbal format after termination of service without the written consent of AmanahRaya.



## AMANAHRAYA INTEGRITY & GOVERNANCE POLICIES

### WHISTLEBLOWING POLICY



- This policy signifies AmanahRaya’s commitment to promoting and maintaining a high standard of transparency, accountability, ethics, and good corporate governance practices in the workplace.

It is implemented to:

- 1) provide an avenue for all employees and members of the public to disclose any improper conduct or any action that is or could be harmful to the reputation of AmanahRaya and/or compromise the interest of the stakeholders;
- 2) provide protection for the whistleblower from reprisal as a direct consequence of making a disclosure, including his/her identity;
- 3) protect confidentiality;
- 4) provide fair treatment for both the whistleblower and the alleged wrongdoer; and
- 5) address disclosures in an appropriate and timely manner.

### ASSET DECLARATION POLICY

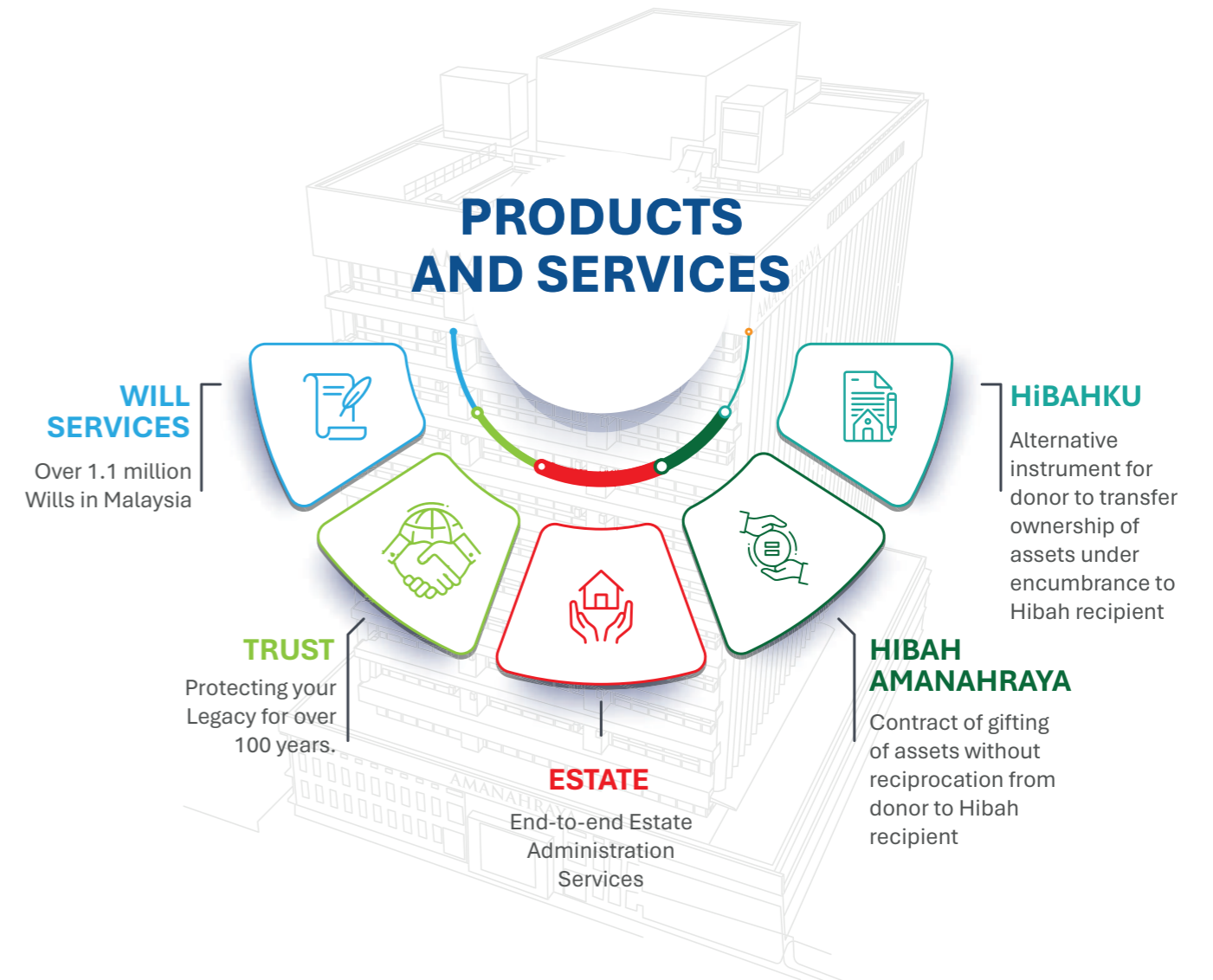
- This policy aims to prevent the abuse of power, avoid the occurrence of corrupt practices, increase clients’ confidence towards the company and foster the practice of accountability, transparency, and honesty among AmanahRaya employees.
- Asset declaration serves as one of the important strategies in preventing dishonest practices in AmanahRaya which enables identification of potential conflicts of interest before any misconduct occurs.



# AMANAHRAYA

## 100 TAHUN

Building Legacies, Securing Futures.



# CORPORATE CALENDAR 2023

## CORPORATE EVENTS

Our Journey

# AMANAHRAYA CORPORATE CALENDAR 2023

We continue to deliver Legacy Management solutions to the nation while strengthening our business portfolio through innovative products and services and optimising operational excellence.



### LAUNCH OF AMANAHRAYA SYARIAH INCOME FUND

Successful launch of new fund by AmanahRaya Investment Management Sdn. Bhd. on March 2, 2023, Kuala Lumpur.



### AMANAHRAYA REIT 11th ANNUAL GENERAL MEETING

Held on March 22, 2023 at Nexus, Bangsar, Kuala Lumpur.



### BLOOMING AIDILFITRI CELEBRATION AMANAHRAYA GROUP

On May 12, 2023, held at Dewan Perdana Felda.



### NEW OFFICE OPENING AND AIDILFITRI CELEBRATION

Amanah Raya Berhad's Teluk Intan Branch launching of new premises on May 17, 2023.

## CORPORATE CALENDAR 2023

## CORPORATE CALENDAR 2023

### CORPORATE EVENTS

### CORPORATE SOCIAL RESPONSIBILITY



#### AMANAHRAYA 100 YEARS KICK-OFF CELEBRATION

With confetti falling from the sky during a ceremonial ribbon cutting, AmanahRaya officially kicked off its centennial year with a once-in-a-lifetime party on August 24, 2023.



#### GALA DINNER CELEBRATION IN CONJUNCTION WITH AMANAHRAYA'S 100TH ANNIVERSARY

A remarkable occasion to share our milestones and achievements of the century at M Resort & Hotel Kuala Lumpur on August 25, 2023.



CSR Food Bank Programme - contributed daily necessities to 165 families in Muar, Johor on March 9, 2023.



AmanahRaya together with Yayasan AmanahRaya, contributed RM50,000 for provision of Menu Rahmah for Asnaf students at IUUKL on March 20, 2023, at the Infrastructure University Kuala Lumpur.



#### PARTICIPATING IN THE MALAYSIA UNIT TRUST WEEK 2023

held at Setia Fontaines, Bertam, Penang from September 30 to October 8, 2023.



#### TENANCY AGREEMENT SIGNING CEREMONY BETWEEN PACIFIC TRUSTEES BERHAD & IHT REHABILITATION CENTRE (SELANGOR) SDN. BHD.

on November 20, 2023, held at Hotel Intercontinental Kuala Lumpur.



AmanahRaya through Yayasan AmanahRaya's initiated CSR programme - Raya clothes shopping & Iftar for Orphans and Asnaf on April 11, 2023.



Mock cheque presentation and iftar with children and youngsters with disabilities from the Pusat Pemulihan Dalam Komuniti (PDK) Selayang by AmanahRaya-Kenedix REIT Manager Sdn. Bhd. at Selayang Mall on April 16, 2023.

## CORPORATE CALENDAR 2023

## CORPORATE CALENDAR 2023

### CORPORATE SOCIAL RESPONSIBILITY

### CORPORATE SOCIAL RESPONSIBILITY



AmanahRaya through Yayasan AmanahRaya, focuses on 'giving back to the community' and contributed essential school supplies to 330 underprivileged students at Sekolah Kebangsaan Semariang in Kuching, Sarawak, on September 15, 2023.



AmanahRaya-Kenedix REIT Manager Sdn. Bhd. held a 'Women Entrepreneurs Bazaar' in conjunction with Malaysia Day on September 16, 2023.



AmanahRaya, through Yayasan AmanahRaya, has also supported various humanitarian initiatives, including a contribution of RM100,000 to The Humanitarian Trust Fund for the People of Palestine (AAKRP) on October 19, 2023.



AmanahRaya Trustees Berhad embraces the Environmental, Social, and Governance (ESG) agenda through the 'Conserve and Care' programme by the sponsorship of a Cheetah known as 'Bolt' as a foster animal at Zoo Negara on October 21, 2023.



Business Zakat mockup cheque handover to the Federal Territories Islamic Religious Council - Zakat Collection Centre (PPZ-MAIWP) by AmanahRaya Trustees Berhad amounting RM 846,594.36 on September 18, 2023.



AmanahRaya through Yayasan AmanahRaya, presented a mock cheque for RM50,000 to 142 Asnaf during the 'Program Penghayatan Illahi' on October 14, 2023 in Alor Gajah, Melaka.



'Riadah Kasih' programme with Orphans of Rumah Kasih Harmoni at Wet World Water Park, Shah Alam on November 18, 2023.



Participation in 'The Malaysian Drones League' programme from November 25 to 26, 2023.

STAFF TESTIMONIALS FOR AMANAH RAYA

“On the occasion of its 100th anniversary, I extend my best wishes to AmanahRaya. It still has the potential to grow further in order to serve the entire Malaysian population. We must align ourselves with the Government’s aspirations by supporting the Government’s recommended platform, which is digitalisation. Through digitalisation, we can expand the scope of services we offer to the community. We can further broaden the market for existing services and seek new business opportunities to remain relevant in the industry.”

- Encik Zainudin Bin Suhaimi  
Over 31 years of service at AmanahRaya

“In terms of Will Writing, thousands of wills have gone through my review and endorsement for the purpose of storage and implementation at the branches where I have served. For me, this is an immeasurable satisfaction as I hope to have fulfilled the trust placed in me effectively. May Allah SWT bestow goodness upon the deceased and their estate that we manage, as well as upon their beneficiaries. I always pray that our sense of family in Malaysia will continue to prosper with a proper estate administration process.”

- Encik Usman Bin Hj Hamid  
• Over 22 years of service at AmanahRaya



CUSTOMER TESTIMONIALS FOR AMANAH RAYA

“Continue providing the existing services. The best experience at AmanahRaya Kuala Lumpur. Congratulations!!”

- Kuala Lumpur Branch

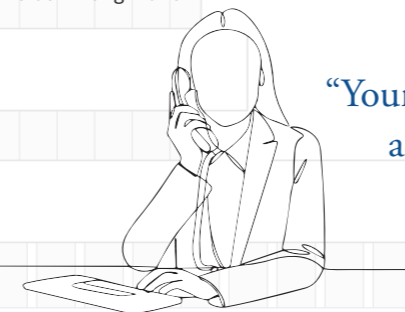


“Excellent and fast call service. At the counter, the explanation by the male staff was very satisfying, and the ladies were also good at explaining and providing a clear understanding.”

- Kota Bharu Branch

“Keep up the great work. It was an excellent experience so far. I will be visiting to complete my process after the stamp hasil is done. Assurance given is very encouraging when I was confronted with the stamping issues. Cheers to all and keep up the excellent work. Keep Malaysian spirit high at all times. Thank you.”

- Pulau Pinang Branch



“Your customer service officer in Temerloh is knowledgeable and very friendly. She can answer most of my questions. Very good. Keep up the good work.”

~ Temerloh Branch

“Your customer careline officer who attended to my call was excellent. She had patiently walked me through the online application process submission of forms and the charges to be incurred. She was very polite and courteous. Kudos to the careline team!”

- TALIAN MESRA/CARELINE

Our Stories

# AMANAHRAYA IN THE NEWS

We are committed to strengthening our strategic capabilities and image to maintain our market leader position.

## AmanahRaya Group IN THE NEWS



20 February 2023

### ESTATE PLANNING MATTERS

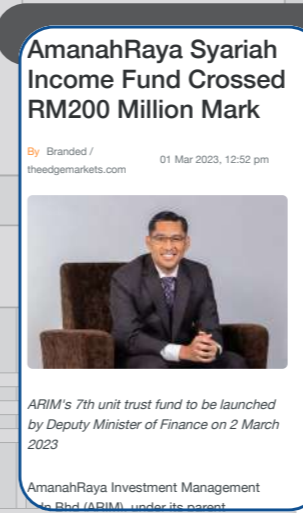
Handling affairs of the deceased: Only 1.1 million people have registered their wills with AmanahRaya



21 February 2023

### BOND FOR LIFE

Appoint AmanahRaya as your Estate Administrator today



01 March 2023

### AMANAHRAYA SYARIAH INCOME FUND CROSSED RM200M MARK

AmanahRaya Investment Management Sdn Bhd (ARIM)'s AmanahRaya Syariah Income Fund (ARSIF) to be officially launched by Deputy Minister of Finance, YB Steven Sim, on 2 March 2023.



02 March 2023

### AMANAHRAYA INVESTMENT MANAGEMENT LAUNCHES AMANAHRAYA SYARIAH INCOME FUND

AmanahRaya Investment Management Sdn Bhd (ARIM)'s AmanahRaya Syariah Income Fund (ARSIF) officially launched by Deputy Minister of Finance, YB Steven Sim, on 2 March 2023.

Amanah Raya Group In The News

Amanah Raya Group In The News



03 March 2023

**WANITA PERTAMA JADI NAZIR MASJID DI SELANGOR**

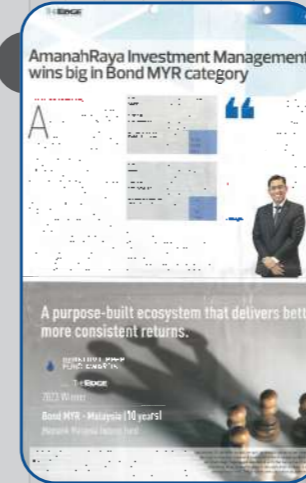
Dato' Prof Dr Noor Inayah Yaakub creates history by becoming the first woman to be appointed as Mosque Nazir (leader) in Selangor.



03 March 2023

**WARIS MILIKI SIFAT KHIANAT, FASAK TAK LAYAK URUS HARTA ANAK YATIM**

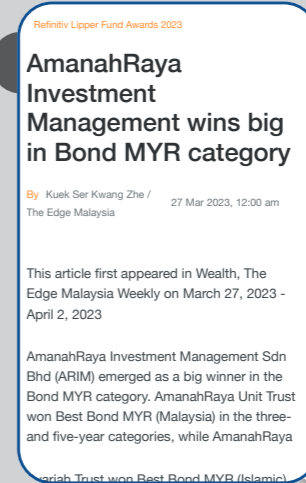
Many cases in society about estate administrators for orphans who embezzle these funds.



27 March 2023

**AMANAH RAYA INVESTMENT MANAGEMENT WINS BIG IN BOND MYR CATEGORY**

AmanahRaya Investment Management Sdn Bhd (ARIM) emerged as a big winner in the Bond MYR category of the Refinitiv Lipper fund Awards.



27 March 2023

**AMANAH RAYA INVESTMENT MANAGEMENT WINS BIG IN BOND MYR CATEGORY**

This article first appeared in Wealth, The Edge Malaysia Weekly on March 27, 2023 - April 2, 2023. AmanahRaya Investment Management Sdn Bhd (ARIM) wins big in the Bond MYR category of the Refinitiv Lipper fund Awards.



03 March 2023

**ARIM SASAR SAIZ DANA ARSIF RM500 JUTA AKHIR TAHUN**

AmanahRaya Investment Management Sdn Bhd (ARIM) targets for its AmanahRaya Syariah Income Fund (ARSIF) to reach RM500 million mark by year end.



11 March 2023

**AMANAH RAYA SENDS WARMTH TO DISASTER-STRIKEN AREAS, STAFF HELP DISASTER VICTIMS CLEAN THEIR HOMES**

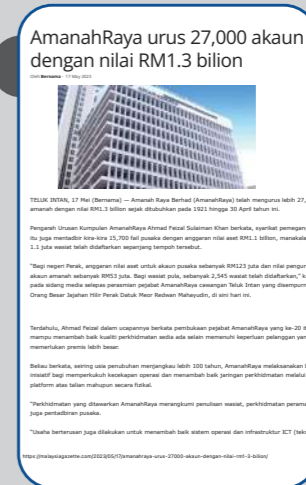
AmanahRaya's Corporate Social Responsibility Programme to assist 165 flood victims in Muar, Johore.



17 May 2023

**LAUNCHING OF NEW AMANAH RAYA BRANCH IN TELUK INTAN**

Launching of AmanahRaya Branch in Teluk Intan and Hari Raya Aidilfitri celebration.



17 May 2023

**AMANAH RAYA URUS 27,000 AKAU DENGAN NILAI RM1.3B**

AmanahRaya has managed over 27,000 accounts with a value of RM1.3 billion since its establishment in 1921 until April 30 of this year.

## Amanah Raya Group In The News

## Amanah Raya Group In The News

28 June 2023

**AmanahRaya REIT to sell Holiday Villa Resort Hotel in Langkawi for RM145 mil**

By Syafiqah Salim / theedgemalaysia.com



KUALA LUMPUR (June 28): AmanahRaya Real Estate Investment Trust (REIT) is planning to dispose of Holiday Villa Beach Resort & Hotel Spa in Langkawi, Kedah for

**AMANAH RAYA REIT TO SELL HOLIDAY VILLA RESORT HOTEL IN LANGKAWI FOR RM145MIL**

AmanahRaya Real Estate Investment Trust (REIT) is planning to dispose of Holiday Villa Beach Resort & Hotel Spa in Langkawi, Kedah for RM145 million, cash, to trim its borrowings.

08 August 2023



**AMANAH RAYA DONATES FOOD COUPONS TO UNDERPRIVILEGED UNIVERSITY STUDENTS IN KELANTAN**

AmanahRaya and Yayasan AmanahRaya's CSR project with contribution of food coupons amounting to RM64,000 to 100 less fortunate students at Universiti Malaysia Kelantan.

11 October 2023



**AMANAH RAYA LANTIK BEKAS AG IDRUS HARUN SEBAGAI PENERUSI BARU**

Former Attorney General Tan Sri Idrus Harun has been appointed as the chairman of Amanah Raya Berhad, effective yesterday.

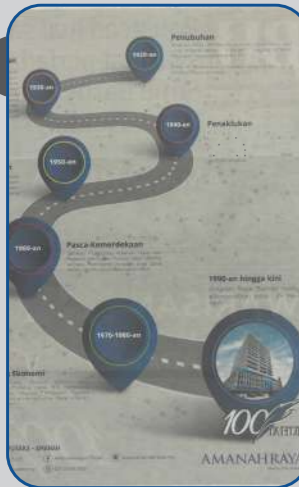
11 October 2023



**IDRUS HARUN DILANTIK PENERUSI AMANAH RAYA**

Former Attorney General Tan Sri Idrus Harun has been appointed as the chairman of Amanah Raya Berhad, effective yesterday.

25 August 2023



**PERJALANAN 100 TAHUN AMANAH RAYA**

AmanahRaya's 100th year milestones

10 October 2023



**BEKAS PEGUAM NEGARA IDRUS HARUN DILANTIK PENERUSI AMANAH RAYA BERHAD**

Former Attorney-General Tan Sri Idrus Harun has been appointed as the new Chairman of Amanah Raya Berhad, effective October 10, 2023.

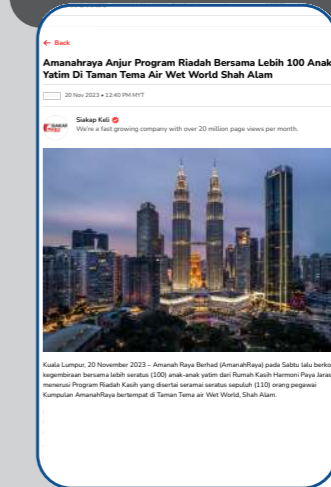
11 October 2023



**IDRUS HARUN PENERUSI AMANAH RAYA BAHARU**

Amanah Raya Berhad has announced the appointment of former Attorney General Tan Sri Idrus Harun as the new Chairman of the company, effective yesterday.

20 November 2023



**AMANAH RAYA ANJUR PROGRAM RIADAH BERSAMA LEBIH 100 ANAK YATIM DI TAMAN TEMA AIR WET WORLD SHAH ALAM**

Amanah Raya Berhad shared joy with over 100 orphans from Rumah Kasih Harmoni Paya Jaras through the Riadah Kasih Programme, alongside 110 AmanahRaya officers at Wet World Theme Park, Shah Alam.

## Amanah Raya Group In The News



27 November 2023

### PENGURUSAN HARTA PUSAKA MASIH DI TAHAP RENDAH

Estate management often poses a sensitive issue for society, particularly concerning time, finances, and effort.



27 November 2023

### PENGURUSAN HARTA PUSAKA MASIH DI TAHAP RENDAH

Only about 25 percent of Malaysia's six million population, which is approximately 1.5 million, have made early planning, such as will writing.



21 December 2023

### THE FUTURE OF ESTATE PLANNING

Amanah Raya Berhad took part in The Malaysia Will & Trust Association (MWTA) forum entitled "Shaping the Future of Estate Planning in Malaysia" in Petaling Jaya.

AmanahRaya is the only wealth management institution in Malaysia with the authority and responsibility for wealth administration services governed under the Public Trust Corporation Act 1995 (PTCA 1995). Enjoy unparalleled peace of mind that can only be found with us.

# FINANCIAL STATEMENT

- Directors' report
- Statement by directors
- Statutory declaration
- Independent auditors' report
- Consolidated statement of financial position
- Statement of financial position
- Income statements
- Statements of comprehensive income
- Consolidated statement of changes in equity
- Statement of changes in equity
- Statements of cash flows
- Notes to the financial statements

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### DIRECTORS' REPORT

“The directors hereby present their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2023”

### PRINCIPAL ACTIVITIES

“The principal activities of the Company consist of administering estates of deceased persons, acting as trustee for minors, public and unit trust schemes and the management of trust funds.

The principal activities of the subsidiaries consist of trustees, property management, project management, investment in properties and development projects, fund management, investment banking, custodian and trust services and financing. Further details of the subsidiaries are described in Note 13 to the financial statements.”

### RESULTS

	Group RM	Company RM
Net profit for the financial year	<u>18,624,255</u>	<u>14,265,812</u>

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

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

### DIVIDENDS

The amount of dividend paid by the Company since 1 January 2023 is as follow:

In respect of financial year ended 31 December 2022:

Final (single-tier) dividend of 10 sen per share, on 6,000,002 ordinary shares declared on 12 July 2023 and paid on 21 July 2023 and 15 August 2023	RM <u>600,000.20</u>
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## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### DIVIDENDS (CONT'D.)

At the forth coming Annual General Meeting, a final tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2023, of 6,000,002 ordinary shares, amounting to a dividend payable of RM600,000.20 (10 sen per ordinary share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2024.

### DIRECTORS

The directors who served since the beginning of the current financial year to the date of this report are:

<b>Tan Sri Dato' Sri Idrus Bin Harun</b> (Chairman)	(Appointed w.e.f. 10 October 2023)
<b>Prof. Dato' Dr. Noor Inayah Binti Ya'akub</b>	
<b>Datuk Mohd Radzif Bin Mohd Yunus</b>	
<b>Datuk Muhammad Azmi Bin Mohd Zain</b>	
<b>Dato' Masri Bin Mohd Daud</b>	
<b>Puan Azlin Maria Binti Mokhtar</b>	(Appointed w.e.f. 1 September 2023)
<b>Puan Noorlida Binti Mohd Khalid</b>	(Appointed w.e.f. 2 February 2024)
<b>YB Dato' Ramli Bin Dato' Mohd Nor</b>	(Resigned w.e.f. 2 January 2023)
<b>Dato' Haji Ramli Bin Chik</b>	Retired w.e.f. 1 October 2023)
<b>Dato' Ahmad Suhaimi Bin Endut</b>	(Resigned w.e.f. 1 March 2024)

The names of the directors of the Company's subsidiaries who served on the respective board of directors of the subsidiaries since the date of the last report and at the date of this report are disclosed in Note 39 to the financial statements.

In accordance with Article 73A of the Company's Articles of Association, Datuk Muhammad Azmi Bin Mohd Zain and Dato' Masri Bin Mohd Daud shall retire at the forthcoming Annual General Meeting (“AGM”) of the Company and being eligible, offer themselves for re-election.

### DIRECTORS' BENEFITS

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

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### DIVIDENDS (CONT'D.)

The directors' benefit are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2023 RM
Fees	383,135	495,318	197,135	278,463
Other emoluments	240,448	458,288	202,448	384,256
	623,583	953,606	399,583	662,719

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and the officers of the Group and the Company are RM20,000,000 and RM307,699 respectively.

### DIRECTORS' INTEREST

According to the register of directors' shareholdings, none of the directors in the office at the end of the financial year had direct or indirect interest in the Company or its related corporations during the financial year.

### OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position and statements of comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper actions had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowances had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it is necessary to write off any bad debts or to make any allowance for doubtful debts in respect of the financial statements of the Group and of the Company; and the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

### OTHER STATUTORY INFORMATION (CONT'D.)

- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### SIGNIFICANT AND SUBSEQUENT EVENTS

Details of significant and subsequent events are disclosed in Note 38 to the financial statements.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### AUDITORS

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

Auditors' remuneration is as follows:

	Group RM	Company RM
Ernst & Young PLT	567,826	228,800
Other auditors	74,000	-

To the extent permitted by law, the Group and of the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 December 2023.

Signed on behalf of the Board in accordance with a resolution of the directors dated 5 July 2024.

**Tan Sri Dato' Sri Idrus Bin Harun**

**Azlin Maria Binti Mokhtar**

Kuala Lumpur, Malaysia

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Dato' Sri Idrus Bin Harun and Azlin Maria Binti Mokhtar, being two of the directors of Amanah Raya Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 11 to 104 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 at 31 December 2023 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 5 July 2024.

**Tan Sri Dato' Sri Idrus Bin Harun**

**Azlin Maria Binti Mokhtar**

Kuala Lumpur, Malaysia

### STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Aini Fariza binti Mohd Yusoff (MIA member 9382), being the officer primarily responsible for the financial management of Amanah Raya Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 11 to 104 are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed Aini Fariza binti Mohd Yusoff  
at Kuala Lumpur in the Federal Territory  
on 5 July 2024

**Aini Fariza binti Mohd Yusoff**

Before me,

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANAH RAYA BERHAD

(Incorporated in Malaysia)

Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Amanah Raya Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 11 to 104.

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

#### Basis for opinion

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

#### Independence and other ethical responsibilities

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

#### Information other than the financial statements and auditors' report thereon

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

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANAH RAYA BERHAD (cont'd.)

(Incorporated in Malaysia)

Information other than the financial statements and auditors' report thereon (cont'd.)

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

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

#### Responsibilities of the directors for the financial statements

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

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

#### Auditors' responsibilities for the audit of the financial statements

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANAH RAYA BERHAD (cont'd.)

(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMANAH RAYA BERHAD (cont'd.)

(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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.

#### Other matters

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

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

Kuala Lumpur, Malaysia  
5 July 2024

Muhammad Syarizal bin Abdul Rahim  
No. 03157/01/2025 J  
Chartered Accountant

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 RM	2022 RM
<b>ASSETS</b>			
Cash and short-term funds	3	178,404,167	157,242,530
Deposits and placements with financial institutions	4	16,183,815	16,936,161
Financial assets at fair value through profit or loss	5	44,193,757	43,491,818
Loans and financing	6	80,455,417	85,003,861
Trade and other receivables	7	69,619,097	74,552,235
Contract assets	7	7,425,000	7,425,000
Inventories	8	32,663,572	35,849,411
Property development costs	9	11,825,620	12,797,210
Land held for property development	10	5,486,314	5,486,314
Properties held for sale	11	-	97,295,700
Tax recoverable	12	2,903,172	6,574,432
Deferred tax	14	4,404,263	3,077,358
Interest in associate	15	-	-
Right-of-use assets	16	29,290,512	34,158,685
Property and equipment	17	10,340,363	7,446,106
Investment properties	18	7,032,500	7,032,500
Intangible assets		4,065,987	3,934,926
<b>Total assets</b>		<b>504,293,556</b>	<b>598,304,247</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	19	6,000,002	6,000,002
Reserves	20	202,442,828	184,674,346
<b>Equity attributable to equity holders of the group</b>		<b>208,442,830</b>	<b>190,674,348</b>
Non-controlling interest	21	100,641	515,905
<b>Total equity</b>		<b>208,543,471</b>	<b>191,190,253</b>
<b>Liabilities</b>			
Trade and other payables	22	51,384,917	51,934,526
Provision for tax		1,197,631	2,978,820
Lease liabilities	15	29,513,979	34,029,626
Borrowings	23	213,653,558	318,171,022
<b>Total liabilities</b>		<b>295,750,085</b>	<b>407,113,994</b>
<b>Total equity and liabilities</b>		<b>504,293,556</b>	<b>598,304,247</b>

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 RM	2022 RM
<b>ASSETS</b>			
Cash and short-term funds	3	97,787,763	76,219,493
Financial assets at fair value through profit or loss	5	41,735,862	40,806,256
Trade and other receivables	7	15,631,990	18,218,902
Tax recoverable		764,958	2,165,092
Deferred tax	12	3,405,419	2,051,273
Investment in subsidiaries	13	27,305,061	27,388,061
Right-of-use assets	15	28,579,311	32,836,279
Property and equipment	16	6,414,695	5,793,070
Intangible assets	18	549,003	417,942
<b>Total assets</b>		<b>222,174,062</b>	<b>205,896,368</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital			
Retained earnings	19	6,000,002	6,000,002
<b>Total equity</b>		<b>147,440,770</b>	<b>133,774,958</b>
<b>Total equity</b>		<b>153,440,772</b>	<b>139,774,960</b>
<b>Liabilities</b>			
Trade and other payables			
Provision for tax	22	39,432,803	32,693,627
Lease liabilities		-	225,000
<b>Total liabilities</b>	15	<b>29,300,487</b>	<b>33,202,781</b>
<b>Total liabilities</b>		<b>68,733,290</b>	<b>66,121,408</b>
<b>Total equity and liabilities</b>		<b>222,174,062</b>	<b>205,896,368</b>

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### INCOME STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Revenue	24	156,394,707	159,324,506	78,840,353	81,580,099
Operating expenses		(44,581,507)	(36,200,573)	(35,499,428)	(33,531,436)
Gross profit		111,813,200	123,123,933	43,340,925	48,048,663
Other operating income	25	14,358,952	10,198,847	35,218,455	34,250,356
Personnel costs	26	(68,827,343)	(61,994,857)	(49,799,907)	(43,726,543)
Administrative expenses		(3,373,547)	(3,063,877)	(3,095,592)	(2,727,563)
Other operating expenses		(12,401,729)	(6,703,386)	(8,555,974)	(3,284,634)
Financial expenses		(5,993,086)	(1,901,991)	-	-
Allowance for impairment on amount due from subsidiaries, net		-	-	(34,806)	(4,529,355)
Allowance for impairment on investment in subsidiary		-	-	(83,000)	-
Allowance for impairment on property development cost		(848,874)	-	-	-
Write-back of impairment on investment properties		396,000	182,600	-	-
Loss on disposal of property held for sale		-	(958,762)	-	-
Allowance for impairment on financial assets		-	(3,691,897)	-	-
Write-back of impairment on trade and other receivables, net		7,798	164,669	184,468	138,074
Bad debt recovered on loan and finances, net		276,920	-	-	-
Allowance for impairment on loans and financing, net		(1,884,217)	(3,422,613)	-	-
Reversal of impairment for investment in joint venture		709,212	-	-	-
Profit before zakat and tax	27	34,233,286	51,932,666	17,174,569	28,168,998
Zakat		(5,063,782)	(3,916,892)	(3,493,706)	(3,070,298)
Profit before tax		29,169,504	48,015,774	13,680,863	25,098,700
Taxation	30	(10,545,249)	(12,158,584)	584,949	145,214
<b>Net profit for the financial year</b>		<b>18,624,255</b>	<b>35,857,190</b>	<b>14,265,812</b>	<b>25,243,914</b>
Attributable to:					
Equity holders of the Company		18,373,514	34,461,484	-	-
Non-controlling interests		250,741	1,395,706	-	-
		<b>18,624,255</b>	<b>35,857,190</b>	-	-
<b>Earnings per share Basic</b>	31	<b>3.06</b>	<b>5.74</b>		

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Profit for the financial year</b>	18,624,255	35,857,190	14,265,812	25,243,914
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation	(5,032)	577,252	-	-
Other comprehensive (loss)/ income for the year, net of tax	(5,032)	577,252	-	-
<b>Total comprehensive income for the financial year</b>	<b>18,619,223</b>	<b>36,434,442</b>	<b>14,265,812</b>	<b>25,243,914</b>
Attributable to:				
Equity holder of the Company	18,368,482	35,038,736	-	-
Non-controlling interest	250,741	1,395,706	-	-
	<b>18,619,223</b>	<b>36,434,442</b>	-	-

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Share capital RM	Exchange fluctuation reserve RM	Retained earnings RM	Total RM	Non-controlling Interest RM	Total RM
<b>At 1 January 2023</b>	6,000,002	516,185	184,158,161	190,674,348	515,905	191,190,253
Profit for the financial year	-	-	18,373,514	18,373,514	250,741	18,624,255
Other comprehensive (loss) for the financial year	-	(5,032)	-	(5,032)	-	(5,032)
<b>Total comprehensive income for the financial year</b>	-	(5,032)	18,373,514	18,368,482	250,741	18,619,223
Transactions with non-controlling interest	-	-	-	-	(666,005)	(666,005)
Dividends paid during the financial year (Note 29)	-	-	(600,000)	(600,000)	-	(600,000)
<b>At 31 December 2023</b>	<b>6,000,002</b>	<b>511,153</b>	<b>201,931,675</b>	<b>208,442,830</b>	<b>100,641</b>	<b>208,543,471</b>

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

	Share capital RM	Exchange fluctuation reserve RM	Retained earnings RM	Total RM	Non-controlling Interest RM	Total RM
<b>At 1 January 2022</b>	6,000,002	(61,067)	150,296,677	156,235,612	259,976	156,495,588
Profit for the financial year	-	-	34,461,484	34,461,484	1,395,706	35,857,190
Other comprehensive income for the financial year	-	577,252	-	577,252	-	577,252
<b>Total comprehensive income for the financial year</b>	-	577,252	34,461,484	35,038,736	1,395,706	36,434,442
Transactions with non-controlling interest	-	-	-	-	(1,139,777)	(1,139,777)
Dividends paid during the financial year (Note 29)	-	-	(600,000)	(600,000)	-	(600,000)
<b>At 31 December 2022</b>	<b>6,000,002</b>	<b>516,185</b>	<b>184,158,161</b>	<b>190,674,348</b>	<b>515,905</b>	<b>191,190,253</b>

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Share capital RM	Retained earnings RM	Total RM
<b>At January 2023</b>	6,000,002	133,774,958	139,774,960
Total comprehensive income for the financial year	-	14,265,812	14,265,812
Dividends paid during the financial year (Note 29)	-	(600,000)	(600,000)
<b>At 31 December 2023</b>	<b>6,000,002</b>	<b>147,440,770</b>	<b>153,440,772</b>
<b>At January 2022</b>	6,000,002	109,131,044	115,131,046
Total comprehensive income for the financial year	-	25,243,914	25,243,914
Dividends paid during the financial year (Note 29)	-	(600,000)	(600,000)
<b>At 31 December 2022</b>	<b>6,000,002</b>	<b>133,774,958</b>	<b>139,774,960</b>

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Cash flows from operating activities</b>				
Profit before tax	29,169,504	48,015,774	13,680,863	25,098,700
Adjustment for:				
Depreciation:				
- Property and equipment (Note 16)	2,723,580	3,213,810	1,977,243	2,316,102
- Investment properties (Note 17)	396,000	396,000	-	-
- Intangible assets (Note 18)	365,395	501,148	365,395	501,148
- Right-of-use assets (Note 15)	7,928,849	8,197,117	7,827,557	8,032,343
Interest expense on lease liabilities (Note 15)	1,604,994	381,890	1,591,655	354,072
Property and equipment written off	24,946	53,236	21,003	29,610
Rent concession	3,360	(4,294)	3,360	(4,294)
(Gain)/loss on disposal of property and equipment	(46,541)	7,874	(45,008)	7,874
(Gain)/loss on financial assets at FVTPL	(513,412)	1,466,997	(899,606)	50,847
Write-back of impairment on investment property	(396,000)	(182,600)	-	-
Write-back of impairment on trade and other receivables, net	(7,798)	(164,669)	(184,468)	(138,074)
Loss on disposal of property held for sale	-	958,762	-	-
Allowance for impairment on loans and financing, net	1,884,217	3,422,613	-	-
Reversal of impairment for investment in joint venture	(709,212)	-	-	-
Allowance for impairment on financial assets	-	3,691,897	-	-
Allowance for impairment on amount due from subsidiaries	-	-	34,806	4,529,355
Allowance for impairment on property development cost	848,874	-	-	-
Carried forward	43,276,756	69,955,555	24,372,800	40,777,683

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

### STATEMENTS OF CASH FLOWS (CONT'D.) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Cash flows from operating activities (cont'd.)</b>				
Brought forward	43,276,756	69,955,555	24,372,800	40,777,683
Allowance for impairment on investment in subsidiary	-	-	83,000	-
Adjustment for:				
Interest income	(6,385,311)	(3,105,945)	(2,842,848)	(1,766,202)
Dividend from subsidiaries	-	-	(25,193,190)	(27,586,298)
Dividend income from financial assets	(1,690,390)	(1,331,647)	(1,642,758)	(1,075,616)
Bad debt recovered on loan and finances, net	(276,920)	-	-	-
Financial expenses	5,993,086	1,901,991	-	-
Operating profit before working capital changes	40,917,221	67,419,954	5,222,996	10,349,567
Decrease in loans and financing	3,648,665	14,939,006	-	-
Decrease in Inventories	3,185,839	-	-	-
Decrease/(increase) in trade and other receivables	6,664,408	(237,141)	2,703,479	(5,644,008)
(Increase)/decrease in assets under construction	(839,123)	46,562	(517,348)	133,482
Decrease/ (increase) in property development costs	122,716	(116,728)	-	-
Increase in payables, and provision for zakat	3,569,369	11,066,991	10,004,103	6,797,238
Cash generated from operations	57,269,095	93,118,644	6,967,238	11,636,279
Zakat paid	(4,118,979)	(2,560,178)	(3,070,298)	(1,998,937)
Tax paid	(11,898,831)	(14,457,291)	211,319	(900,000)
Net cash inflows from operating activities	41,251,285	76,101,175	4,108,259	8,737,342
<b>Cash flows from investing activities</b>				
Decrease in deposits and placements with financial institutions	752,346	3,304,296	-	-
Purchase of property and equipment	(2,504,924)	(862,420)	(2,099,440)	(636,325)
Purchase of computer software	(496,458)	(4,580)	(496,458)	(4,580)
Carried forward	(2,249,036)	2,437,296	(2,595,898)	(640,905)

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### STATEMENTS OF CASH FLOWS (CONT'D.) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Cash flows from investing activities (cont'd.)</b>				
<b>Brought forward</b>	(2,249,036)	2,437,296	(2,595,898)	(640,905)
Proceeds from disposal of properties held for sale	95,000,000	-	-	-
Proceeds from disposal of property and equipment	46,591	2,303	45,011	2,301
Interest income received	6,385,311	3,105,945	2,842,848	1,766,202
Dividend from subsidiaries	-	-	25,193,190	27,586,298
Dividend income from financial assets	1,690,390	1,331,647	1,642,758	1,075,616
Net cash inflows from investing activities	<u>100,873,256</u>	<u>6,877,191</u>	<u>27,127,909</u>	<u>29,789,512</u>
<b>Cash flows from financing activities</b>				
Repayment of borrowings	(93,778,348)	(13,115,528)	-	-
Financial expenses paid	(16,732,202)	(2,054,317)	-	-
Payments of lease liabilities	(9,181,317)	(8,985,510)	(9,067,898)	(8,802,373)
Dividends paid to non-controlling interest	(666,005)	(1,139,777)	-	-
Dividends paid to shareholders	(600,000)	(600,000)	(600,000)	(600,000)
Net cash outflows from financing activities	<u>(120,957,872)</u>	<u>(25,895,132)</u>	<u>(9,667,898)</u>	<u>(9,402,373)</u>
<b>Net increase in cash and cash equivalents</b>	21,166,669	57,083,234	21,568,270	29,124,481
<b>Cash and cash equivalents at beginning of the financial year</b>	157,242,530	99,582,044	76,219,493	47,095,012
<b>Currency translation differences</b>	(5,032)	577,252	-	-
<b>Cash and cash equivalents at end of the financial year (Note 3)</b>	<u>178,404,167</u>	<u>157,242,530</u>	<u>97,787,763</u>	<u>76,219,493</u>

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

### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2023

#### 1. CORPORATE INFORMATION

The principal activities of the Company consist of administering estates of deceased persons, acting as trustee for minors, public and unit trust schemes, and the management of trust funds.

The principal activities of the subsidiaries consist of trustees, property management, project management, investment in properties and development projects, fund management, investment banking, custodian and trust services and financing.

There have been no significant changes in the nature of these activities during the financial year.

The Company is a public company limited by shares, incorporated and domiciled in Malaysia. The registered office of the Company is located at 11th floor, Wisma AmanahRaya, No. 2, Jalan Ampang, 50508 Kuala Lumpur.

The directors regard the Ministry of Finance (Incorporated) ("MOF") as the holding corporation.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 5 July 2024.

#### 2. MATERIAL ACCOUNTING POLICIES

##### 2.1 Basis of preparation

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

Trust assets held in the name of the Group and the Company and its predecessor organisation are not included in these financial statements. The activities and assets of the various unit trusts and other funds for which the Group and the Company act as trustee are not included in these financial statements as they are separate entities.

The financial statements of the Group and the Company have been prepared on a historical cost basis, unless otherwise indicated in the summary of significant accounting policies.

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2023

#### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

##### 2.1 Basis of preparation (cont'd.)

“Pursuant to Section 28(1) of Public Trust Corporation Act, 1995, the Company shall be liable to make good on any lawful claims against Amanah Raya Berhad - Kumpulan Wang Bersama (“KWB”) which cannot be met therefrom or from the KWB’s general reserve fund whether such claims relate to capital monies or income. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Group’s and the Company’s ability to continue as a going concern in the event of default by KWB.

However, Minister of Finance (Incorporated) has confirmed, via a letter of financial support, that it will continue to provide financial support to the Group, to enable the Group to continue its business operations and to carry out its statutory functions. Accordingly, the going concern basis applied in the preparation of the financial statements of the Group and the Company is deemed to be appropriate.”

The Group and the Company present their statements of financial position in the order of liquidity.

Financial assets and financial liabilities are offset and the net amount are reported in the statements of financial position of the Group and of the Company only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses are not offset in profit or loss of the Group and of the Company unless required or permitted by an accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group and of the Company.

The financial statements are presented in Ringgit Malaysia (“RM”), unless otherwise stated.

##### 2.2 Standards and annual improvements to standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 16 <i>Leases Lease Liability in a Sale and Leaseback</i>	1 January 2024

#### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

##### 2.2 Standards and annual improvements to standards issued but not yet effective (cont'd.)

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

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 101 <i>Presentation of Financial Statements - Classification of Liabilities as Current Non-current Liabilities with Covenants</i>	1 January 2024
• Amendments to MFRS 107 <i>Statement of Cash flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements</i>	1 January 2024
• Amendments to MFRS 121 <i>The Effect of Changes in Foreign Exchange Rates - Lack of exchangeability</i>	1 January 2025
• Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

The Group and the Company will adopt the above pronouncements when they become effective in the respective financial period. These pronouncements are not expected to have any significant impact to the financial statements of the Group and the Company upon their initial application.

##### 2.3 Summary of material accounting policies

###### (i) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, including the equity accounting of interest in associates as at 31 December 2023. Further details on the accounting policies for interest in associate is disclosed in Note 2.3 (iv). The financial statements of the Company’s subsidiaries, associates and joint ventures are prepared for the same reporting date as the Company, using consistent accounting policies for transactions and events in similar circumstances.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (i) Basis of consolidation (cont'd.)

Subsidiaries are consolidated from the date of acquisition or the date of incorporation, being the date on which the Group obtains control and continue to be consolidated until the date that such control effectively ceases. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full upon consolidation.

##### (ii) Investments in subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group, as defined in Note 2.3(i).

Investment in subsidiaries is stated at cost less accumulated impairment losses. Where there is an indication of impairment, the carrying amount of the investment is assessed. A write down is made if the carrying amount exceeds its recoverable amount.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (ii) Investments in subsidiaries (cont'd.)

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition is reflected as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any exchange differences that relate to the subsidiary is recognised in profit or loss attributable to the parent.

##### (iii) Non-controlling interest

Non-controlling interest at the end of the reporting period, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Group are presented in income statements and statements of comprehensive income as an allocation of the profit or loss and total comprehensive income for the year between the non-controlling interests and shareholders of the Company.

The Group treats 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) Interest in associates

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

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (iv) Interest in associates (cont'd.)

The Group's interest in its associate is accounted for using the equity method. The associate is equity accounted for from the date the Group gains significant influence or joint control until the date the Group ceases to have significant influence over the associate.

Under the equity method, the interest in associate is initially recognised at cost. The carrying amount of the investment is adjusted for changes in the Group's share of net assets of the associate since the acquisition date.

The income statements reflect the Group's share of the results of operations of the associate. Any change in other comprehensive income of those investees is presented as part of the Group's statement of comprehensive income. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes and discloses this, when applicable, in the statements of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate is eliminated to the extent of the interest in the associate. The aggregate of the Group's share of profit or loss in associate is shown on the face of the consolidated income statement outside operating profit. The Group's share of profit or loss in associate represents profit or loss after tax and non-controlling interest in the the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associates, including any long-term interests that, in substance, form part of the Group's net interest in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. The Group determines at each reporting date whether there is any objective evidence that the interest in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount, then recognises the amount in the 'share of profit in associates' on the face of the Group's income statement.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the Group's income statement.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (v) Property and equipment and depreciation

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group or the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group or the Company.

Depreciation is computed on a straight-line basis over its estimated useful lives, summarised as follows:

Building	50 years
Leasehold land	over the lease period
Computer equipment	3 years
Motor vehicles	5 years
Office equipment, furniture and fittings	5 to 10 years
Renovations	5 years

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

Depreciation on assets under construction commences when the assets are ready for their intended use.

At each date of the statements of financial position, the Group and the Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (vi) Intangible assets

###### (a) Goodwill

Goodwill represents the excess of the cost of acquisition of subsidiaries over the fair value of the Group's share of the identifiable net assets at the date of acquisition.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill (inclusive of impairment losses recognised in a previous interim period) are not reversed. Gains and losses on the disposal of a subsidiary include the carrying amount of goodwill relating to the subsidiary sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose, identified according to operating segment.

###### (b) Other intangible assets

Other intangible assets include computer software and software-in-development. Intangible assets acquired separately are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses, except for software-in-development which is not subject to amortisation until the development is completed and the asset is available for use.

Other intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate and treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the income statements in the expense category consistent with the function of the intangible asset.

Other intangible assets are amortised over their estimated finite useful lives of 3 to 10 years.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (vii) Construction contract

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised by using the stage of completion method. The stage of completion is measured by reference to the contract cost incurred for work performed to date as a percentage of the estimated total costs for the contract.

Where the outcome of a construction contract cannot reliably estimated, contract revenue is recognised up to contract cost incurred to the extent that its recoverability is probable. Contract costs are recognised as expenses in the period in which they are incurred.

When the total of costs incurred on construction contracts plus recognised profit (less recognised losses) exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

An onerous contract is a contract where costs to fulfil the terms of the contract are higher than the financial and economic benefit that is received.

When an onerous contract is identified, the company is best served by admitting the loss and determining the net financial obligation connected to it, which it then recognises in financial statements as an offsetting expense and accrued liability. This process should be undertaken at the first indication that loss is anticipated.

Other intangible assets are amortised over their estimated finite useful lives of 3 to 10 years.

##### (viii) Property development costs

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

When the financial outcome of a development activity can be estimated reliably, property development revenue and expenses are recognised in profit or loss by reference to the stage of completion of development activity at the date of statement of financial position.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (viii) Property development costs (cont'd.)

When the financial outcome of a development activity cannot be reliably estimated, the property development revenue shall be recognised only to the extent of property development costs incurred that is probable to be recoverable; property development costs on the development units sold are recognised as an expense in the period in which they are incurred.

Where it is probable that property development costs will exceed property development revenue, the expected loss is recognised as an expense immediately, including costs to be incurred over the defects liability period. Property development costs that are not recognised as expenses are recognised as assets and carried at the lower of cost and net realisable value.

##### (ix) Land held for property development

Land held for property development consists of land on which no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with the policy on impairment of non-financial assets.

Cost includes costs of land and other development costs and related overheads.

Land held for property development is reclassified to property development costs at the point when development activities have commenced and where the development activities can be completed within the normal operating cycle.

##### (x) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits and placements with financial institutions, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with the remaining maturity of less than three months.

##### (xi) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xi) Investment properties (cont'd.)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group or the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group or the Company.

Depreciation is computed on a straight-line basis over its estimated useful life at the following annual rates:

Building	50 years or over the lease period
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Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

At each date of the statements of financial position, the Group and the Company assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use.

Fair value is disclosed by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xii) Financial assets

###### (a) Date of recognition

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

###### (b) Classification

The classification depends on the purpose for which the financial assets were acquired. The Management determines the classification at initial recognition, taking into account the business model for managing the financial asset and the contractual characteristics of the financial asset.

The Group and the Company classify their financial assets in the following categories:

###### (1) Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows which represent solely payments of principal and interest.

###### (2) Financial assets at fair value through other comprehensive income ("FVOCI")

Financial assets are measured at FVOCI if the assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, where the contractual cash flows represent solely payments of principal and interest.

For non-traded equity instruments, with an irrevocable option at inception, to measure changes through FVOCI (i.e. without recycling profit or loss upon derecognition).

###### (3) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are measured at FVTPL if the assets that are held for trading or financial assets that qualify for neither held at amortised cost nor at FVOCI.

Equity instruments that were not elected for FVOCI will be measured at FVTPL.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xii) Financial assets (cont'd)

###### (c) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group or the Company commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at FVTPL. Financial assets carried at FVTPL are initially recognised at fair value, and transaction costs are expensed in profit or loss.

###### (d) Subsequent measurement - gains and losses

Financial assets at amortised cost require the use of the effective interest method and debt instruments at FVOCI are subject to MFRS 9 impairment rules. Interest and dividend income derived from these financial assets are recognised in profit or loss.

Financial assets at FVTPL and FVOCI are subsequently carried at fair value. Changes in the fair values of financial assets at FVTPL, including the effects of currency translation, are recognised in profit or loss in the period in which the changes arise."

Changes in the fair value of equity investments at FVOCI, including foreign exchange gains and losses, are recognised in other comprehensive income. Changes in the fair value of debt financial assets at FVOCI are recognised in other comprehensive income. However, foreign exchange gains and losses are recognised in profit or loss in the period in which the changes arise.

###### (e) De-recognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or the Group or the Company have transferred the contractual right to receive cash flows.

On de-recognition, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

When debt financial assets at FVOCI are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xiii) Progress billings/accrued billings

In respect of progress billings/accrued billings:

- (i) where revenue recognised in profit or loss exceeds the billings to purchasers, the balance is shown as accrued billings under current assets; and
- (ii) where billings to purchasers exceed the revenue recognised in profit or loss, the balance is shown as progress billings under current liabilities.

##### (xiv) Inventories

Inventories comprise completed apartment units and are stated at the lower of cost and net realisable value. The cost comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition. 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.

##### (xv) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

##### (xvi) Provisions

Provisions are recognised by the Group and the Company when all of the following conditions have been met:

- (i) the Group or Company has a present legal or constructive obligation as a result of past events;
- (ii) it is probable that an outflow of resources to settle the obligation will be required; and
- (iii) a reliable estimate of the amount of obligation can be made.

##### (xvii) Borrowings

Borrowings are initially recognised at fair value and subsequently measured at amortised cost.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xviii) Financial liabilities

Financial liabilities are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group or the Company become a party to the contractual provisions of the financial instrument. The Group and the Company's financial liabilities include 'trade and other payables' and 'borrowings' in the statements of financial position.

A financial liability is derecognised when the obligation under the liability is extinguished, or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the term of an existing liability are substantially modified, such as exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

##### (xix) Equity instruments

Ordinary shares are classified as equity. Dividend on ordinary shares is recognised and accounted for in equity in the period in which they are declared.

##### (xx) Revenue recognition

Revenue is recognised when (or as) a performance obligation is satisfied, namely when control of the goods or services underlying the particular performance obligation is transferred to the customer. The Group and the Company's fees collected from trust, unit trust, estate administration, wills and legal, custodian and building management operations are recognised net of service taxes, rebates and discounts, and after eliminating within the Group. Management fees are recognised based on an earned basis.

Revenue relating to sale of completed properties held for resale is recognised net of discounts when transfer of risks and rewards have been completed on the asset.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xx) Revenue recognition (cont'd.)

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

This is generally established when:

- The promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce their rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and
- The Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxi) Other revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transactions will flow to the enterprise and the amount of the revenue can be measured reliably.

##### (a) Interest/financing income

Interest income or financing income is recognised on an accrual basis using the effective interest method. Loan arrangement fees are recognised as income when all conditions precedent are fulfilled.

##### (b) Other income

Income from rental and interest income from deposits are recognised on an accrual basis. Interest income from fixed income securities is recognised using the effective interest method.

Dividend income is recognised when the Group and the Company's right to receive the payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders have approved the dividend for unlisted equity securities. Dividends from subsidiaries, associates and joint ventures are recognised by the Company on the ex-dividend date.

##### (xxii) Impairment of financial assets

The Group and the Company apply the Expected Credit Loss ("ECL") Model to financial assets measured at amortised cost or at FVOCI, irrevocable loan commitments and financial guarantee contracts, which will include loans, advances and financing and debt instruments. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

There are three stages to credit risk impairment as follows:

- Stage 1 (performing) where the credit risk has not increased significantly
- Stage 2 (under-performing) where the credit risk has increased significantly
- Stage 3 (non-performing) where the financial asset is credit impaired

Stage 1 requires for ECL to be measured based on the next 12 months, whereas stage 2 and 3 requires for ECL to be measured based on the lifetime of credit risk exposure.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxii) Impairment of financial assets (cont'd.)

The Group and the Company measure the related ECL of a financial asset in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Criteria to consider in determining an increase in the credit risk:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract such as default or delinquency in interest or principal repayments for more than 3 months;
- It becomes probable that the borrower will enter bankruptcy, entered into liquidation or appointed receiver/liquidator;
- Disappearance of an active market for that financial asset because of financial difficulties;
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including adverse changes in the payment status of borrower in the portfolio and national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the assets does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss by adjusting the allowance account.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxii) Impairment of financial assets (cont'd.)

For trade receivables, the Group and the Company apply the simplified approach to measure lifetime expected credit losses at all times.

When an asset is uncollectible, it is written off against the related gross outstanding amount. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

##### (xxiii) Impairment of non-financial assets

Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the non-financial assets exceeds its recoverable amount.

The recoverable amount is the higher of fair value less cost to sell and value in use. For the purpose of assessing impairment, non-financial assets are grouped at the lowest level for which there is separately identifiable cash flow/cash-generating units. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting period.

The impairment loss is charged to profit or loss. Impairment loss on goodwill is not reversed. In respect of other non-financial assets, any subsequent increase in recoverable amount is recognised in profit or loss.

##### (xxiv) Employee benefits

###### (a) Short term benefits

Salaries, wages, bonuses, allowances, paid annual leave, medical leave and non-monetary benefits are recognised as expenses in the financial year in which the services are rendered by the employees of the Group and the Company.

###### (b) Termination benefits

Employee termination benefits are recognised only either after an agreement is in place with the appropriate employee representatives specifying the terms of redundancy or after individual employees have been advised of the specific terms.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxiv) Employee benefits (cont'd.)

###### (c) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statement in the financial year to which they relate. Once the contributions have been paid, the Group and the Company have no future obligations.

##### (xxv) Zakat

This represents business zakat payable by the Group and the Company to comply with the principles of Syariah. The Group and the Company only pay zakat on its business and do not pay zakat on behalf of depositors or shareholders. Zakat provision is calculated based on 2.5775% of the working capital.

##### (xxvi) Income tax

Income taxes for the year comprise current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the date of the statement of financial position. Deferred taxation is provided in full, using the liability method, on temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset of liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxvi) Income tax (cont'd.)

Deferred tax is recognised in the income statements, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each date of the statements of financial position and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

##### (xxvii) Contingent liabilities and contingent assets

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group or the Company.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group or the Company. Contingent liabilities are disclosed unless the probability of outflow of economic benefits is remote. As for contingent assets, they are disclosed where inflows of economic benefits are probable but not virtually certain.

##### (xxviii) Foreign currencies

###### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in RM, which are the Group and the Company's functional and presentation currency.

###### (b) Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxviii) Foreign currencies (cont'd.)

##### (c) Foreign operations

The results and financial position of all the group entities (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are taken directly to other comprehensive income through foreign currency translation reserve.

##### (xxix) Non-current assets held for sale

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

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

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxx) Leases

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

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

##### (i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, reinstatement costs and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment as disclosed in Note 2.3(xxiii).

##### (ii) Lease liabilities

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

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.3 Summary of material accounting policies (cont'd.)

##### (xxx) Leases (cont'd.)

##### (ii) Lease liabilities (cont'd.)

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

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

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

#### 2.4 Changes in accounting policies and disclosures

On 1 January 2023, the Group and the Company adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2023:

Description	Effective for annual periods beginning on or after
• Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 Insurance Contracts)	1 January 2023
• MFRS 17 Insurance Contracts	1 January 2023
• Amendments to MFRS 17 Insurance Contracts	1 January 2023
• <i>Initial application of MFRS 17 and MFRS 9 - Comparative Information</i> (Amendment to MFRS 17 Insurance Contracts)	1 January 2023

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.4 Changes in accounting policies and disclosures (cont'd.)

On 1 January 2023, the Group and the Company adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2023: (cont'd.)

Description	Effective for annual periods beginning on or after
• <i>Classification of Liabilities as Current or Non-current</i> (Amendments to MFRS 101 - <i>Presentation of Financial Statements</i> )	1 January 2023
• <i>Disclosure of Accounting Policies</i> (Amendments to MFRS 101 <i>Presentation of Financial Statements</i> )	1 January 2023
• <i>Definition of Accounting Estimates</i> (Amendments to MFRS 108 - <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> )	1 January 2023
• <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i> (Amendments to MFRS 112 <i>Income Taxes</i> )	1 January 2023

These pronouncements do not have any significant impacts to the financial statements of the Group and the Company upon their initial application.

#### 2.5 Significant accounting estimates and judgements

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires the directors to exercise their judgement in the process of applying the Group and Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The Group and the Company make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The most significant uses of judgements and estimates are as follows:

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D.)

#### 2.5 Significant accounting estimates and judgements (cont'd.)

##### (i) Allowance for impairment of financial assets and non-financial assets

In determining impairment of financial assets, the Group and the Company assess their financial assets at each reporting date under MFRS 9 which is required to recognise the ECL to reflect changes in credit risk of the financial instruments. MFRS 9 incorporates forward looking and historical, current and forecasted information into ECL estimation.

Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of a non-financial asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, non-financial assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting period.

##### (ii) Property development

The Group recognises property development revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

##### (iii) Construction contract

The Group recognises construction revenue and expenses using the stage of completion method. The stage of completion is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the stage of completion, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

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### 3. CASH AND SHORT-TERM FUNDS

	2023 RM	2022 RM
<b>Group</b>		
Cash at banks and on hand	19,704,831	16,947,511
Short-term deposits	158,699,336	140,295,019
	<u>178,404,167</u>	<u>157,242,530</u>
<b>Company</b>		
Cash at banks and on hand	664,219	445,673
Short-term deposits	97,123,544	75,773,820
	<u>97,787,763</u>	<u>76,219,493</u>

Cash at banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and the Company, and earn interest at the respective short-term deposit rates. The weighted average effective interest rates as at 31 December 2023 and 31 December 2022 for the Group and the Company are disclosed in Note 35(c).

### 4. DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS

	2023 RM	2022 RM
<b>Group</b>		
Licensed banks	7,167,957	6,612,069
Other financial institutions	9,015,858	10,324,092
	<u>16,183,815</u>	<u>16,936,161</u>

The weighted average effective interest rate as at 31 December 2023 and 31 December 2022 for the Group is disclosed in Note 35(c).

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### 5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Group	2023 RM	2022 RM
<b>Quoted securities:</b>		
<b>In Malaysia:</b>		
Shares	802,877	1,189,071
Unit trust	41,690,862	40,791,256
Golf club membership	45,000	15,000
<b>Outside Malaysia:</b>		
Unquoted shares	1,655,018	1,496,491
	<u>44,193,757</u>	<u>43,491,818</u>
<b>Company</b>		
<b>Quoted securities:</b>		
<b>In Malaysia:</b>		
Unit trust	41,690,862	40,791,256
Golf club membership	45,000	15,000
	<u>41,735,862</u>	<u>40,806,256</u>

### 6. LOANS AND FINANCING

Group	2023 RM	2022 RM
<b>At amortised cost</b>		
Term loans	34,373,106	34,412,039
Financing receivables	98,369,103	100,994,397
<b>Gross loans and financing</b>	<u>132,742,209</u>	<u>135,406,436</u>
<b>Allowance for impairment on loans and financing</b>		
- Stage 1 - 12-month ECL	-	-
- Stage 2 - Lifetime ECL	-	-
- Stage 3 - Lifetime ECL	(52,286,792)	(50,402,575)
<b>Net loans and financing</b>	<u>80,455,417</u>	<u>85,003,861</u>

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### 6. LOANS AND FINANCING (CONT'D.)

	2023 RM	2022 RM
(i) The maturity profile of loans and financing are as follows:		
Amount repayable within 12 months	352,569	2,977,862
Amount repayable after 12 months	80,102,848	82,025,999
	<u>80,455,417</u>	<u>85,003,861</u>

(ii) Movements in impaired loans and financing (“impaired loans”) are as follows:

	2023 RM	2022 RM
At 1 January	132,781,144	132,859,372
Newly impaired	-	2,380
Amount recovered	(38,934)	(80,608)
At 31 December	<u>132,742,210</u>	<u>132,781,144</u>

(iii) Movements in the allowances for impaired loans and financing are as follows:

	Group			Total RM
	Stage 1 12-month ECL RM	Stage 2 Lifetime ECL not credit impaired RM	Stage 3 Lifetime ECL credit impaired RM	
At 1 January 2023	-	-	50,402,575	50,402,575
Net remeasurement of allowance	-	-	1,923,151	1,923,151
Recoveries	-	-	(38,934)	(38,934)
At 31 December 2023	<u>-</u>	<u>-</u>	<u>52,286,792</u>	<u>52,286,792</u>
At 1 January 2022	-	-	46,978,826	46,978,826
Net remeasurement of allowance	-	-	3,503,920	3,503,920
Recoveries	-	-	(80,171)	(80,171)
At 31 December 2022	<u>-</u>	<u>-</u>	<u>50,402,575</u>	<u>50,402,575</u>

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### 7. TRADE, OTHER RECEIVABLES AND CONTRACT ASSETS

Group	2023 RM	2022 RM
Trade receivables	71,311,392	76,731,031
Statutory deposit	100,000	100,000
Staff loans and advances (Note i)	365,046	301,859
Deposits	997,233	794,139
Prepayments	993,807	1,041,706
Other receivables	4,608,657	4,483,945
Accrued billings	870,605	748,935
Contract assets (Note ii)	7,425,000	7,425,000
	<u>86,671,740</u>	<u>91,626,615</u>
Allowance for expected credit loss (Note iii)	(9,627,643)	(9,649,380)
	<u>77,044,097</u>	<u>81,977,235</u>
Analysed into:		
Non-current	45,072,026	48,191,818
Current	31,972,071	33,785,417
	<u>77,044,097</u>	<u>81,977,235</u>
<b>Company</b>		
Trade receivables	11,709,210	12,579,565
Deposits	885,591	696,208
Staff loans and advances (Note i)	365,046	301,859
Amounts due from subsidiaries	1,597,408	1,267,893
Amounts due from related companies	6,527,233	8,716,675
Prepayments	722,083	755,422
Other receivables	1,395,344	1,634,807
	<u>23,201,915</u>	<u>25,952,429</u>
Allowance for expected credit loss (Note iii)	(7,569,925)	(7,733,527)
	<u>15,631,990</u>	<u>18,218,902</u>
Analysed into:		
Non-current	1,235,583	974,258
Current	14,396,407	17,244,644
	<u>15,631,990</u>	<u>18,218,902</u>

The amounts due from subsidiaries and related companies are unsecured, interest free and have no fixed terms of repayment.

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### 7. TRADE, OTHER RECEIVABLES AND CONTRACT ASSETS (CONT'D.)

(i) Staff loans and advances are analysed as follows:

Group	2023 RM	2022 RM
At 1 January	301,859	292,545
Loans disbursed	191,954	150,798
Repayments	(128,767)	(141,484)
At 31 December	<u>365,046</u>	<u>301,859</u>

(i) Staff loans and advances are analysed as follows:

Group	2023 RM	2022 RM
At 1 January	7,425,000	7,425,000
Revenue recognised	-	-
At 31 December	<u>7,425,000</u>	<u>7,425,000</u>

(iii) Movement for allowance for credit loss:

Group	2023 RM	2022 RM
At 1 January	9,649,380	9,928,018
Allowance made	217,714	51,910
Amount written back	(234,733)	(216,579)
Write-off	(4,718)	(113,969)
At 31 December	<u>9,627,643</u>	<u>9,649,380</u>
<b>Company</b>		
At 1 January	7,733,527	3,345,245
Allowance made	75,850	4,537,985
Amount written back	(225,512)	(146,704)
Write-off	(13,940)	(2,999)
At 31 December	<u>7,569,925</u>	<u>7,733,527</u>

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### 8. INVENTORIES

Inventories relate to completed development properties stated at cost.

### 9. PROPERTY DEVELOPMENT COSTS

Group	2023 RM	2022 RM
At 1 January	12,797,210	12,680,482
Add: Development costs incurred during the year	569,251	164,158
	<u>13,366,461</u>	<u>12,844,640</u>
Less:		
- Cost recognised as expense in the income statement	(691,967)	(47,430)
- Impairment in property development cost	(848,874)	-
At 31 December	<u>11,825,620</u>	<u>12,797,210</u>

### 10. LAND HELD FOR PROPERTY DEVELOPMENT

This relates to Kampung Baru development project, which could not be completed within the normal operating cycle.

### 11. PROPERTIES HELD FOR SALE

Group	2023 RM	2022 RM
Land at Mukim Petaling, Kuala Lumpur	-	95,000,000
Land at Taman Murni 2, Sepang	2,295,700	2,295,700
Less: Transfer to property and equipment	<u>(2,295,700)</u>	<u>-</u>
	<u>-</u>	<u>97,295,700</u>

As of 31 December 2023, the properties held for sale have been transferred back to property and equipment as the Group has ceased to find a buyer or to market the sale and complete the sale within 1 year from the date of the financial statement.

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### 12. DEFERRED TAX

Group	2023 RM	2022 RM
Movement in deferred tax:		
At 1 January	3,077,358	2,336,361
Credited to income statement (Note 30)	1,326,905	740,997
At 31 December	<u>4,404,263</u>	<u>3,077,358</u>
<b>Company</b>		
Movement in deferred tax:		
At 1 January	2,051,273	1,425,657
Credited to income statement (Note 30)	1,354,146	625,616
At 31 December	<u>3,405,419</u>	<u>2,051,273</u>

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

Group	2023 RM	2022 RM
Deferred tax assets	4,986,272	3,737,930
Deferred tax liabilities	(582,009)	(660,572)
	<u>4,404,263</u>	<u>3,077,358</u>
<b>Company</b>		
Deferred tax assets	3,698,976	2,315,689
Deferred tax liabilities	(293,557)	(264,416)
	<u>3,405,419</u>	<u>2,051,273</u>

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### 12. DEFERRED TAX (CONT'D.)

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

#### Deferred Tax Assets

	Group			Company		
	Provision for impairment of doubtful debts	Provision for bonus and other expenses	Total	Provision for impairment of doubtful debts	Provision for bonus and other expenses	Total
	RM	RM	RM	RM	RM	RM
<b>2023</b>						
At 1 January	107,799	3,630,131	3,737,930	7,156	2,308,533	2,315,689
Recognised in:						
Income statement	-	1,248,342	1,248,342	-	1,383,287	1,383,287
At 31 December	<u>107,799</u>	<u>4,878,473</u>	<u>4,986,272</u>	<u>7,156</u>	<u>3,691,820</u>	<u>3,698,976</u>
<b>2022</b>						
At 1 January	107,799	3,023,157	3,130,956	7,156	1,732,327	1,739,483
Recognised in:						
Income statement	-	606,974	606,974	-	576,206	576,206
At 31 December	<u>107,799</u>	<u>3,630,131</u>	<u>3,737,930</u>	<u>7,156</u>	<u>2,308,533</u>	<u>2,315,689</u>

## AMANAH RAYA BERHAD

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### 12. DEFERRED TAX (CONT'D.)

#### Deferred Tax Liabilities

##### Group

##### Property and equipment

	2023 RM	2022 RM
At 1 January	660,572	794,595
Recognised in:		
Income statement	(78,563)	(134,023)
At 31 December	<u>582,009</u>	<u>660,572</u>

##### Company

##### Property and equipment

	2023 RM	2022 RM
At 1 January	264,416	313,826
Recognised in:		
Income statement	29,141	(49,410)
At 31 December	<u>293,557</u>	<u>264,416</u>

Deferred tax assets have not been recognised on the following as it is not probable that the Group will generate sufficient future taxable profit against which the deductible temporary differences can be utilised:

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### 12. DEFERRED TAX (CONT'D.)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Unabsorbed tax losses carried forward	272,809,904	265,637,790	5,562,711	-
Unabsorbed capital allowance carried forward	<u>1,309,595</u>	<u>523,294</u>	<u>786,302</u>	<u>-</u>

Tax losses for which the tax effects have not been recognised in the financial statements:

	Group	
	2023 RM	2022 RM
Expiring within 5 years	98,407,217	77,820,205
Expiring within 6 to 10 years	<u>174,402,687</u>	<u>187,817,585</u>
	<u>272,809,904</u>	<u>265,637,790</u>

Deferred tax assets have not been recognised by the Group and Company in respect of these items as it is not probable that taxable profits of its subsidiaries would be available against which deductible temporary could be utilised.

Effective from year of assessment 2019, unutilised tax losses is allowed to be carried forward for a maximum period of seven years. Pursuant to Finance Act 2021, the time limit to utilise business losses has been extended to a maximum of 10 consecutive years, which is deemed to have effect from the year of assessment 2019.

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### 13. INVESTMENT IN SUBSIDIARIES

Company	2023	2022
	RM	RM
Unquoted shares, at cost	117,725,500	117,725,500
Less: Accumulated impairment losses	<u>(90,420,439)</u>	<u>(90,337,439)</u>
	<u>27,305,061</u>	<u>27,388,061</u>

Details of the subsidiaries, all of which are incorporated in Malaysia, are as follows:

	Group's effective interest (%)		
	2023	2022	
<b>Subsidiaries held directly by the Company</b>			
Amanah Raya Capital Sdn. Bhd. *	100	100	Syariah financing
AmanahRaya Development Sdn. Bhd. *	100	100	Building contractor, property investment company and trading of investment properties
Amanah Raya (Labuan) Limited *	100	100	Custodian and trust services
AmanahRaya Hartanah Sdn. Bhd. #	100	100	Consultancy services, project management and development of properties
AmanahRaya Investment Bank Limited *	100	100	Investment banking
AmanahRaya Investment Management Sdn. Bhd. *	100	100	Fund management and related services

## AMANAH RAYA BERHAD

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### 13. INVESTMENT IN SUBSIDIARIES (CONT'D.)

	Group's effective interest (%)		
	2023	2022	
<b>Subsidiaries held directly by the Company (cont'd.)</b>			
AmanahRaya Legacy Services Sdn. Bhd. *	100	100	Investment holding
AmanahRaya-Kenedix REIT Managers Sdn. Bhd. #	51	51	Management and administrative services to properties and real estate investment trust
AmanahRaya Trustees Berhad *	100	100	Trustee for unit trust schemes
AmanahRaya Ventures Sdn. Bhd. *	100	100	Investment holding
Amanah Raya Nominees (Tempatan) Sdn. Bhd. *	100	100	Investment holding
<b>Subsidiaries held by AmanahRaya Development Sdn. Bhd.</b>			
Everest Point Sdn. Bhd. *	100	100	Property development
Klang Valley Recreation Bhd. *	100	100	Investment holding
Magic Coast Sdn. Bhd. #	100	100	Property development
Annex Sentral Sdn. Bhd. *	100	100	Investment holding and property development
<b>Subsidiary held by AmanahRaya Investment Bank Limited</b>			
Al-Harameen (L) Ltd *	100	100	Investment in Islamic securities

\* Audited by Ernst & Young PLT

# Audited by firms other than Ernst & Young PLT and its affiliates.

## AMANAH RAYA BERHAD

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### 14. INTEREST IN ASSOCIATE

	2023 RM	2022 RM
<b>Group</b>		
Unquoted share at cost	69,894,000	69,894,000
Less: Allowance for impairment loss	(69,894,000)	(69,894,000)
Group's share of net assets	-	-

Details of the associate are as follows:

Name of associate	Principal activities
<i>Associate held by Al-Harameen (L) Limited</i>	
Diyaar Al Harameen Al Ola Limited ("DAHO")	Invest in investments focusing on income generating hotels and service apartments in Makkah

As at 31 December 2023, the Group has interest in an associate, DAHO which is held through a subsidiary of the Group, Al-Harameen (L) Limited. Consistent with prior year, the recoverability of the investment in DAHO could not be ascertained as the financials were not available. Full impairment on the interest in DAHO was recognised in prior years and is maintained in current financial year. No further adjustment relating to DAHO has been taken up in the financial statements.

### 15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	Equipment RM	Office Premise RM	Total RM
<b>Group</b>			
Right-of-use assets			
As at 1 January 2023	41,152	34,117,533	34,158,685
Additions	764,252	2,344,544	3,108,796
Derecognition	-	(48,120)	(48,120)
Depreciation (Note 27)	(102,158)	(7,826,691)	(7,928,849)
As at 31 December 2023	703,246	28,587,266	29,290,512

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### 15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D.)

Group	Equipment RM	Office Premise RM	Total RM
<b>Lease Liabilities</b>			
As at 1 January 2023	40,342	33,989,284	34,029,626
Additions	764,252	2,344,544	3,108,796
Interest expense (Note 27)	14,551	1,590,443	1,604,994
Rent concession	-	3,360	3,360
Derecognition	-	(51,480)	(51,480)
Lease payments	(175,788)	(9,005,529)	(9,181,317)
As at 31 December 2023	<u>643,357</u>	<u>28,870,622</u>	<u>29,513,979</u>

Group	Equipment RM	Office Premise RM	Total RM
<b>Right-of-use assets</b>			
As at 1 January 2022	5,877	10,757,346	10,763,223
Additions	44,886	31,547,693	31,592,579
Depreciation (Note 27)	(9,611)	(8,187,506)	(8,197,117)
As at 31 December 2022	<u>41,152</u>	<u>34,117,533</u>	<u>34,158,685</u>

<b>Lease Liabilities</b>			
As at 1 January 2022	5,052	11,039,909	11,044,961
Additions	44,886	31,547,693	31,592,579
Interest expense (Note 27)	1,129	380,761	381,890
Rent concession	-	(4,294)	(4,294)
Lease payments	(10,725)	(8,974,785)	(8,985,510)
As at 31 December 2022	<u>40,342</u>	<u>33,989,284</u>	<u>34,029,626</u>

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### 15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D.)

Company	Office Premise	
	2023 RM	2022 RM
<b>Right-of-use assets</b>		
As at 1 January	32,836,279	9,952,204
Additions	3,570,589	30,916,418
Depreciation (Note 27)	(7,827,557)	(8,032,343)
As at 31 December	<u>28,579,311</u>	<u>32,836,279</u>
<b>Lease Liabilities</b>		
As at 1 January	33,202,781	10,738,958
Additions	3,570,589	30,916,418
Interest expense (Note 27)	1,591,655	354,072
Rent concession	3,360	(4,294)
Lease payments	(9,067,898)	(8,802,373)
As at 31 December	<u>29,300,487</u>	<u>33,202,781</u>

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### 16. PROPERTY AND EQUIPMENT

Group	Land and building	Computer equipment	Motor vehicles	Office equipment, furniture and fittings	Renovations	Work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM
<b>Cost</b>							
At 1 January 2023	1,336,858	20,458,791	955,989	9,694,195	22,158,964	327,834	54,932,631
Additions	-	390,575	665,810	501,495	947,044	839,123	3,344,047
Transfer from properties held for sale	2,295,700	-	-	-	-	-	2,295,700
Write-offs	-	(11,969,887)	-	(2,184,700)	(2,156,803)	-	(16,311,390)
Disposals	-	(7,805)	(143,250)	-	-	-	(151,055)
At 31 December 2023	<b>3,632,558</b>	<b>8,871,674</b>	<b>1,478,549</b>	<b>8,010,990</b>	<b>20,949,205</b>	<b>1,166,957</b>	<b>44,109,933</b>
<b>Accumulated depreciation</b>							
At 1 January 2023	510,349	19,883,250	850,930	7,895,637	18,346,359	-	47,486,525
Write-offs	-	(11,969,409)	-	(2,149,052)	(2,171,069)	-	(16,289,530)
Disposals	-	(7,766)	(143,239)	-	-	-	(151,005)
Charge for the financial year	26,737	448,540	50,449	334,546	1,863,308	-	2,723,580
At 31 December 2023	<b>537,086</b>	<b>8,354,615</b>	<b>758,140</b>	<b>6,081,131</b>	<b>18,038,598</b>	<b>-</b>	<b>33,769,570</b>
<b>Net book value</b>							
At 31 December 2023	<b>3,095,472</b>	<b>517,059</b>	<b>720,409</b>	<b>1,929,859</b>	<b>2,910,607</b>	<b>1,166,957</b>	<b>10,340,363</b>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 16. PROPERTY AND EQUIPMENT (CONT'D.)

Group	Land and building	Computer equipment	Motor vehicles	Office equipment, furniture and fittings	Renovations	Work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM
<b>Cost</b>							
At 1 January 2022	1,336,858	20,457,052	955,989	9,512,359	23,225,858	374,396	55,862,512
Additions	-	326,623	-	389,959	145,838	86,920	949,340
Write-offs	-	(322,084)	-	(188,423)	(1,212,732)	-	(1,723,239)
Disposals	-	(2,800)	-	(19,700)	-	(133,482)	(155,982)
At 31 December 2022	<b>1,336,858</b>	<b>20,458,791</b>	<b>955,989</b>	<b>9,694,195</b>	<b>22,158,964</b>	<b>327,834</b>	<b>54,932,631</b>
<b>Accumulated depreciation</b>							
At 1 January 2022	483,612	19,640,316	728,270	7,742,412	17,384,050	-	45,978,660
Write-offs	-	(321,974)	-	(183,640)	(1,188,009)	-	(1,693,623)
Disposals	-	(2,796)	-	(9,526)	-	-	(12,322)
Charge for the financial year	26,737	567,704	122,660	346,391	2,150,318	-	3,213,810
At 31 December 2022	<b>510,349</b>	<b>19,883,250</b>	<b>850,930</b>	<b>7,895,637</b>	<b>18,346,359</b>	<b>-</b>	<b>47,486,525</b>
<b>Net book value</b>							
At 31 December 2022	<b>826,509</b>	<b>575,541</b>	<b>105,059</b>	<b>1,798,558</b>	<b>3,812,605</b>	<b>327,834</b>	<b>7,446,106</b>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 16. PROPERTY AND EQUIPMENT (CONT'D.)

Company	Land and building	Computer equipment	Motor vehicles	Office equipment, furniture and fittings	Renovations	Work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM
<b>Cost</b>							
At 1 January 2023	1,336,860	18,225,568	825,353	8,227,045	17,937,082	240,914	46,792,822
Additions	-	128,786	665,810	382,290	922,554	517,348	2,616,788
Write-offs	-	(11,627,714)	-	(1,842,458)	(2,092,289)	-	(15,562,461)
Disposals	-	(7,809)	(143,250)	-	-	-	(151,059)
At 31 December 2023	<b>1,336,860</b>	<b>6,718,831</b>	<b>1,347,913</b>	<b>6,766,877</b>	<b>16,767,347</b>	<b>758,262</b>	<b>33,696,090</b>
<b>Accumulated depreciation</b>							
At 1 January 2023	510,354	17,874,523	720,575	6,773,128	15,121,172	-	40,999,752
Write-offs	-	(11,627,298)	-	(1,808,942)	(2,108,304)	-	(15,544,544)
Disposals	-	(7,808)	(143,248)	-	-	-	(151,056)
Charge for the financial year	26,737	248,413	50,178	273,318	1,378,597	-	1,977,243
At 31 December 2023	<b>537,091</b>	<b>6,487,830</b>	<b>627,505</b>	<b>5,237,504</b>	<b>14,391,465</b>	<b>-</b>	<b>27,281,395</b>
<b>Net book value</b>							
At 31 December 2023	<b>799,769</b>	<b>231,001</b>	<b>720,408</b>	<b>1,529,373</b>	<b>2,375,882</b>	<b>758,262</b>	<b>6,414,695</b>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 16. PROPERTY AND EQUIPMENT (CONT'D.)

Company	Land and building	Computer equipment	Motor vehicles	Office equipment, furniture and fittings	Renovations	Work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM
<b>Cost</b>							
At 1 January 2022	1,336,860	18,365,129	825,353	8,078,158	19,031,109	374,396	48,011,005
Additions	-	165,660	-	351,960	118,705	-	636,325
Write-offs	-	(302,421)	-	(183,373)	(1,212,732)	-	(1,698,526)
Disposals	-	(2,800)	-	(19,700)	-	(133,482)	(155,982)
At 31 December 2022	<b>1,336,860</b>	<b>18,225,568</b>	<b>825,353</b>	<b>8,227,045</b>	<b>17,937,082</b>	<b>240,914</b>	<b>46,792,822</b>
<b>Accumulated depreciation</b>							
At 1 January 2022	483,617	17,812,291	622,863	6,674,299	14,771,822	-	40,364,892
Write-offs	-	(302,317)	-	(178,590)	(1,188,009)	-	(1,668,916)
Disposals	-	(2,800)	-	(9,526)	-	-	(12,326)
Charge for the financial year	26,737	367,349	97,712	286,945	1,537,359	-	2,316,102
At 31 December 2022	<b>510,354</b>	<b>17,874,523</b>	<b>720,575</b>	<b>6,773,128</b>	<b>15,121,172</b>	<b>-</b>	<b>40,999,752</b>
<b>Net book value</b>							
At 31 December 2022	<b>826,506</b>	<b>351,045</b>	<b>104,778</b>	<b>1,453,917</b>	<b>2,815,910</b>	<b>240,914</b>	<b>5,793,070</b>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 17. INVESTMENT PROPERTIES

	2023 RM	2022 RM
<b>Group</b>		
<b>Cost</b>		
At 1 January	19,800,000	19,800,000
Less: Accumulated impairment losses	<u>(10,556,410)</u>	<u>(10,952,410)</u>
At 31 December	<u>9,243,590</u>	<u>8,847,590</u>
<b>Accumulated depreciation</b>		
At 1 January	1,815,090	1,419,090
Charge for the year	396,000	396,000
At 31 December	<u>2,211,090</u>	<u>1,815,090</u>
<b>Net carrying amount</b>		
At 31 December	<u>7,032,500</u>	<u>7,032,500</u>

As at 31 December 2023, the fair values of the properties are RM7,250,000 based on valuations performed by Raine & Horne, an accredited independent firm of property valuers. The property valuers are specialists in valuing these types of investment properties. The valuation models applied are in accordance with that recommended by the International Valuation Standards Committee and meets the requirements of MFRS 13 Fair Value Measurement.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 18. INTANGIBLE ASSETS

	Goodwill RM	Software RM	Total RM
<b>Group</b>			
<b>2023</b>			
<b>Cost</b>			
At 1 January	54,635,851	9,673,391	64,309,242
Additions	-	496,458	496,458
Written-off	-	<u>(6,878,703)</u>	<u>(6,878,703)</u>
At 31 December	<u>54,635,851</u>	<u>3,291,146</u>	<u>57,926,997</u>
<b>Accumulated impairment</b>			
At 1 January	51,118,866	6,291,999	57,410,865
Written-off	-	<u>(6,291,999)</u>	<u>(6,291,999)</u>
At 31 December	<u>51,118,866</u>	<u>-</u>	<u>51,118,866</u>
<b>Accumulated amortisation</b>			
At 1 January	-	2,963,451	2,963,451
Charge for the financial year	-	365,395	365,395
Written-off	-	<u>(586,702)</u>	<u>(586,702)</u>
At 31 December	<u>-</u>	<u>2,742,144</u>	<u>2,742,144</u>
<b>Net book value</b>			
At 31 December	<u>3,516,985</u>	<u>549,002</u>	<u>4,065,987</u>
<b>Group</b>			
<b>2022</b>			
<b>Cost</b>			
At 1 January	54,635,851	9,692,431	64,328,282
Additions	-	4,580	4,580
Written-off	-	<u>(23,620)</u>	<u>(23,620)</u>
At 31 December	<u>54,635,851</u>	<u>9,673,391</u>	<u>64,309,242</u>
<b>Accumulated impairment</b>			
At 1 January/31 December	<u>51,118,866</u>	<u>6,291,999</u>	<u>57,410,865</u>
<b>Accumulated amortisation</b>			
At 1 January	-	2,462,303	2,462,303
Charge for the financial year	-	501,148	501,148
At 31 December	<u>-</u>	<u>2,963,451</u>	<u>2,963,451</u>
<b>Net book value</b>			
At 31 December	<u>3,516,985</u>	<u>417,941</u>	<u>3,934,926</u>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 18. INTANGIBLE ASSETS (CONT'D.)

Company	Software	
	2023 RM	2022 RM
<b>Cost</b>		
At 1 January	8,552,843	8,571,883
Additions	496,458	4,580
Written-off	(6,308,152)	(23,620)
At 31 December	<u>2,741,149</u>	<u>8,552,843</u>
<b>Accumulated impairment</b>		
At 1 January	6,291,999	6,291,999
Written-off	(6,291,999)	-
At 31 December	<u>-</u>	<u>6,291,999</u>
<b>Accumulated amortisation</b>		
At 1 January	,842,902	1,341,754
Charge for the financial year	365,395	501,148
Written-off	(16,151)	-
At 31 December	<u>2,192,146</u>	<u>1,842,902</u>
<b>Net book value</b>		
At 31 December	<u>549,003</u>	<u>417,942</u>

#### Goodwill on consolidation

Goodwill is allocated to the Group's CGU which are expected to benefit from the synergy of the acquisition. For annual impairment testing purposes, the recoverable amount of investment in the CGU is determined based on the value-in-use calculations, using 2 years financial budgets, which were approved by the Board of Directors. The cash flow projections are derived based on a number of key factors including past performance and management's expectations of the market developments. The discount rate of 5.5% is pre-tax and reflects specific risks relating to CGUs.

The directors are of the view that any reasonable possible changes to the assumptions applied are not likely to cause the recoverable amount of all the business segments goodwill for AmanahRaya Investment Management Sdn. Bhd. to be lower than its carrying amount.

## AMANAH RAYA BERHAD

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### 19. SHARE CAPITAL

Group and Company	2023		2022	
	Number of shares	RM	Number of shares	RM
<b>Issued and fully paid ordinary shares</b>				
At 1 January/31 December	<u>6,000,002</u>	<u>6,000,002</u>	<u>6,000,002</u>	<u>6,000,002</u>

### 20. RESERVES

Group	2023		2022	
	RM		RM	
Retained earnings	201,931,675	184,158,161		
Exchange fluctuation reserve (Note i)	511,153	516,185		
	<u>202,442,828</u>	<u>184,674,346</u>		

(i) Exchange fluctuation reserve arises from translation of the net assets of the Company's subsidiaries in Labuan, Malaysia.

### 21. NON-CONTROLLING INTEREST

	2023		2022	
	RM		RM	
Ordinary shares (Note i)	974,176	1,374,777		
Participating shares (Note ii)	(873,535)	(858,872)		
	<u>100,641</u>	<u>515,905</u>		

(i) This is related to the 49% of the total ordinary shares of a subsidiary AmanahRaya-Kennedix REIT Managers Sdn. Bhd.

(ii) This is related to the participating shares offered in one of the subsidiaries, Al-Harameen (L) Ltd, with the following main features:

- The participating shares is for the investment in an Islamic closed-end private fund, Al-Harameen Fund, for 10 years from the 1 March 2010, and may be extended at the discretion of the shareholders. The tenure of Al-Harameen Fund has ended on 1 March 2020.

## AMANAH RAYA BERHAD

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### 21. NON-CONTROLLING INTEREST (CONT'D.)

- (ii) This is related to the participating shares offered in one of the subsidiaries, Al-Harameen (L) Ltd, with the following main features: (cont'd.)
- The participating shares rank in priority on the right of return of any paid-up capital of Al-Harameen (L) Ltd. Any amount remaining shall be distributed to the ordinary shareholder of Al-Harameen (L) Ltd.
  - The participating shares do not confer any rights or entitlements to vote at meetings of Al-Harameen (L) Ltd. The rights attached to the participating shares may be varied or abrogated with the consent in writing of the ordinary shareholder.
  - The shareholders of the participating shares do not have the right to require the redemption of any of their participating shares. Only Al-Harameen (L) Ltd has the power to redeem the participating shares on any day.
  - The redemption price for each of the participating shares redeemed shall be determined by the net asset value of Al-Harameen (L) Ltd in USD. The participating shareholders will be paid a price equal to the redemption price per participating share.
  - The participating shareholders are entitled to at least 95% of Al-Harameen (L) Ltd's distributable earnings.

### 22. TRADE AND OTHER PAYABLES

	2023	2022
Group	RM	RM
<b>Current</b>		
Trade payables	1,950,266	2,339,667
Accrued expenses	26,103,795	13,973,343
Deposits received	1,107,688	11,186,688
Other payables	4,652,215	2,906,401
Bonus provision	10,120,225	13,190,044
	<u>43,934,189</u>	<u>43,596,143</u>
<b>Non-current</b>		
Accrued expenses	6,861,826	6,930,818
Deposits received	37,880	863,178
Other payables	551,022	544,387
	<u>7,450,728</u>	<u>8,338,383</u>
	<u>51,384,917</u>	<u>51,934,526</u>

## AMANAH RAYA BERHAD

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### 22. TRADE AND OTHER PAYABLES (CONT'D.)

	2023	2022
	RM	RM
<b>Company</b>		
<b>Current</b>		
Amount due to subsidiaries	14,995,406	14,942,241
Trade payables	1,174,732	1,228,871
Bonus provision	7,165,850	8,607,354
Accrued expenses	13,952,000	6,139,462
Other payables	2,144,815	1,757,499
	<u>39,432,803</u>	<u>32,675,427</u>
<b>Non-current</b>		
Deposits received	-	18,200
	<u>39,432,803</u>	<u>32,693,627</u>

The amounts due to subsidiaries are unsecured, interest free and have no fixed term of repayment.

### 23. BORROWINGS

	2023	2022
	RM	RM
<b>Group</b>		
<b>Current</b>		
Loans from KWB	207,193,325	302,102,912
Term loan from Affin Islamic Bank Bhd	6,460,233	9,693,110
	<u>213,653,558</u>	<u>311,796,022</u>
<b>Non-current</b>		
Term loan from Affin Islamic Bank Bhd	-	6,375,000
	<u>-</u>	<u>6,375,000</u>
Total borrowings	<u>213,653,558</u>	<u>318,171,022</u>

The term loans of the Group from KWB bear an interest of 5.50% (2022: 5.50%) per annum on daily rest basis. The monthly interest is repayable throughout the tenure of the term loans of 1 year to 10 years while the principal is repayable at the end of the term loans' tenure.

In 2016, the Group obtained RM95 million loan under Tawarruq Financing from Affin Islamic Bank. The principal amount of RM2.375 million plus Islamic Cost of Fund ("iCOF") + 1% per annum is repayable on quarterly basis for 40 equal payments until full settlement.

## AMANAH RAYA BERHAD

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### 24. REVENUE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Revenue from:				
- trust operation	13,845,636	12,617,730	13,845,636	12,617,730
- unit trust operation	52,006,102	51,357,329	-	-
- estate administration operation	32,173,756	30,409,822	32,173,756	30,409,822
- will and legal operation	2,871,419	5,771,604	2,871,419	5,771,604
Management fee	49,347,799	54,252,164	29,949,542	32,780,943
Financing income	46,121	906,606	-	-
Custodian fee	59,913	59,581	-	-
Building management fee	1,311,972	3,935,917	-	-
Property development revenue	4,731,989	13,753	-	-
	<u>156,394,707</u>	<u>159,324,506</u>	<u>78,840,353</u>	<u>81,580,099</u>

The Group and Company recognises all of its revenue over time upon satisfaction of performance obligations, except for will and legal operation which are recognised at a point in time.

### 25. OTHER OPERATING INCOME

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Dividend from subsidiaries	-	-	25,193,190	27,586,298
Other investment income	8,634,157	4,761,585	5,385,212	2,790,970
Rental income	143,293	349,403	1,662,199	1,575,168
Interest income from receivables	4,550,457	4,855,880	-	-
Administration fee	36,434	22,009	2,608,975	1,960,791
Other income	994,611	209,970	368,879	337,129
	<u>14,358,952</u>	<u>10,198,847</u>	<u>35,218,455</u>	<u>34,250,356</u>

### 26. PERSONNEL COSTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Salaries, wages and bonuses	52,302,171	48,246,603	37,579,862	33,928,842
Pension costs - defined contribution plan	9,746,422	7,877,334	7,358,215	5,794,408
Other staff related costs	6,778,750	5,870,920	4,861,830	4,003,293
	<u>68,827,343</u>	<u>61,994,857</u>	<u>49,799,907</u>	<u>43,726,543</u>

### 27. PROFIT BEFORE ZAKAT AND TAX

Profit before zakat and tax is arrived at after charging/(crediting):

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
(Gain)/ loss on disposal of property and equipment	(46,541)	7,874	(45,008)	7,874
Rental income	(143,293)	(349,403)	(1,662,199)	(1,575,168)
Interest income from deposits and bonds	(6,385,311)	(3,105,945)	(2,842,848)	(1,282,798)
Dividend income - investments	(1,690,390)	(1,331,647)	(1,642,758)	(1,075,616)
Directors' emoluments (Note 28)	623,583	953,606	399,583	662,719
Auditors' remuneration:				
Ernst & Young PLT				
- Statutory audit	567,826	537,735	228,800	176,000
- Other services	96,000	1,888,180	-	1,818,180
Other auditors*				
- Statutory audit	74,000	71,000	-	-
- Other services	209,880	297,760	-	297,760
Depreciation:				
- Property and equipment (Note 16)	2,723,580	3,213,810	1,977,243	2,316,102
- Investment properties (Note 17)	396,000	396,000	-	-
- Intangible assets (Note 18)	365,395	501,148	365,395	501,148
- Right-of-use-assets (Note 15)	7,928,849	8,197,117	7,827,557	8,032,343
Property and equipment written off	24,946	53,236	21,003	29,610
Interest expense on lease liability	1,604,994	381,890	1,591,655	354,072
(Gain)/loss on foreign exchange	(1,237,131)	885,348	-	-
Rental expense on premises	22,530	22,178	4,692	4,340
Lease rental of equipment	<u>1,088,911</u>	<u>1,078,859</u>	<u>694,531</u>	<u>664,748</u>

\* Relates to fees paid and payable to accounting firms other than Ernst & Young PLT.

## AMANAH RAYA BERHAD

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### 28. DIRECTORS' EMOLUMENTS

The aggregate amounts of emoluments receivable by directors of the Group and the Company during the financial year are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Directors emoluments:				
Non-Executive				
- fees	383,135	495,318	197,135	278,463
- other emoluments	240,448	458,288	202,448	384,256
	<u>623,583</u>	<u>953,606</u>	<u>399,583</u>	<u>662,719</u>

### 29. DIVIDENDS

	2023 RM	2022 RM
Final (single-tier) dividend of 10 sen per share in respect of the financial year ended 31 December 2022	600,000	-
Final (single-tier) dividend of 10 sen per share in respect of the financial year ended 31 December 2021	-	600,000
	<u>600,000</u>	<u>600,000</u>

## AMANAH RAYA BERHAD

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### 30. TAXATION

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Income tax:				
- Current year	11,087,238	12,571,243	-	480,402
- Under provision in prior financial year	784,916	328,338	769,197	-
	<u>11,872,154</u>	<u>12,899,581</u>	<u>769,197</u>	<u>480,402</u>
Deferred tax (Note 12):				
- Relating to origination and reversal of temporary difference	(1,303,956)	(772,301)	(1,354,146)	(655,469)
- (Over)/Under provision in prior financial year	(22,949)	31,304	-	29,853
	<u>(1,326,905)</u>	<u>(740,997)</u>	<u>(1,354,146)</u>	<u>(625,616)</u>
	<b><u>10,545,249</u></b>	<b><u>12,158,584</u></b>	<b><u>(584,949)</u></b>	<b><u>(145,214)</u></b>

The reconciliation of income tax expense applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and Company is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit before zakat and tax	34,233,286	51,932,666	17,174,569	28,168,998
Taxation at Malaysian statutory tax rate of 24%	8,215,989	12,463,840	4,121,897	6,760,560
Expenses not deductible for tax purposes	2,674,807	2,984,938	433,229	1,502,962

## AMANAH RAYA BERHAD

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### 30. TAXATION (CONT'D.)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Income not subject to tax	(1,951,816)	(2,462,156)	(6,594,546)	(6,879,890)
Effect of zakat deduction	(1,065,717)	(871,569)	(838,489)	(736,871)
Utilisation of capital allowances previously not recognised	-	(408,252)	-	(408,252)
Utilisation of tax losses previously not recognised	(437,107)	(524,120)	-	(413,576)
Unabsorbed capital allowance for which no deferred tax asset was recognised	188,712	16,929	188,712	-
Unabsorbed tax losses for which no deferred tax asset was recognised	2,158,414	489,015	1,335,051	-
Deferred tax liability/(asset) recognised on tax income/(losses)	-	110,317	-	-
(Over)/Under provision of deferred tax in prior financial year	(22,949)	31,304	-	29,853
Under provision of tax in prior financial years	784,916	328,338	769,197	-
Tax expense for the year	<u>10,545,249</u>	<u>12,158,584</u>	<u>(584,949)</u>	<u>(145,214)</u>

### 31. BASIC EARNINGS PER SHARE

The basic earnings per share for the Group has been calculated based on the net profit attributable to the equity holders of the Company of RM18,373,514 (2022: Profit RM34,461,484) divided by the weighted average number of ordinary shares in issue during the financial year of 6,000,002 (2022:6,000,002).

### 32. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group makes various commitments and incur certain contingent liabilities with legal recourse to customers. The Group's commitments mainly comprise irrevocable commitments to extend credit. As at 31 December 2023, commitments and contingencies amount to RM3,142,822 (2022: RM3,515,793).

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### 33. NON-CANCELLABLE OPERATING LEASE COMMITMENTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Future minimum lease payment</b>				
Not later than 1 year	400,547	428,668	297,108	312,125
Later than 1 year and not later than 5 years	634,065	735,508	465,041	463,046
	<u>1,034,612</u>	<u>1,164,176</u>	<u>762,149</u>	<u>775,171</u>

### 34. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

#### Related parties and relationship

The related parties and their relationship with the Company, are as follows:

#### Related parties

Ministry of Finance (Incorporated)	Holding corporation
Subsidiaries as disclosed in Note 13	Subsidiaries of the Company
Associates as disclosed in Note 14	Associates of the Company
Key management personnel	The key management personnel of the Company consists of the Board Representatives and Group Managing Director
Related parties of key management	(i) Close family members and dependents of personnel key management personnel  (ii) Entities that are controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly by key management personnel or its close family members

The related party transactions were carried out in the normal course of business under normal trade terms. The significant related party transactions of the Group are as below:

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### 34. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

	Company	
	2023 RM	2022 RM
<b>Significant related party transactions (cont'd.)</b>		
<b>Subsidiaries</b>		
AmanahRaya Investment Management Sdn. Bhd.		
- Management and arrangement fee	7,187,357	7,522,967
- Commission	2,204,780	2,451,795
- Rental income	(510,247)	(510,247)
- Administration fee	(451,836)	(329,894)
- Dividend income	(6,100,000)	(8,000,000)
Amanah Raya Capital Sdn. Bhd.		
- Administration fee	(15,945)	-
Amanah Raya (Labuan) Limited		
- Administration fee	(4,867)	(23,018)
AmanahRaya Development Sdn. Bhd.		
- Administration fee	(120,404)	(122,835)
AmanahRaya Trustees Berhad		
- Administration fee	(1,558,720)	(861,623)
- Dividend income	(4,600,000)	(4,600,000)
- Rental income	(886,696)	(886,696)
AmanahRaya Nominees (Tempatan) Sdn. Bhd.		
- Dividend income	(4,600,000)	(4,600,000)
AmanahRaya Investment Bank Limited		
- Administration fee	(14,921)	(11,928)
AmanahRaya Hartanah Sdn. Bhd.		
- Building management fee	801,266	2,411,329
- Consultancy fee	-	16,592
- Rental income	-	-
- Administration fee	(87,810)	(212,766)

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### 34. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

	Company	
	2023 RM	2022 RM
<b>Significant related party transactions (cont'd.)</b>		
<b>Subsidiaries</b>		
AmanahRaya Legacy Sdn. Bhd.		
- Dividend income	(4,600,000)	(4,600,000)
AmanahRaya Ventures Sdn. Bhd.		
- Dividend income	(4,600,000)	(4,600,000)
Everest Point Sdn.Bhd,		
- Administration fee	(1,800)	(60,537)
Magic Coast Sdn Bhd		
- Administration fee	(1,800)	(110,565)
Annex Sentral Sdn. Bhd.		
- Administration fee	(3,600)	(3,600)
AmanahRaya-REIT Managers Sdn. Bhd.		
- Administration fee	(347,124)	(223,689)
- Rental income	(265,256)	(172,725)
- Dividend income	(693,190)	(1,186,298)
<b>Key management personnel</b>	<b>2,493,604</b>	<b>1,429,667</b>

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### 34. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

	Company	
	2023 RM	2022 RM
<b>Related party balances</b>		
<b>Subsidiaries</b>		
AmanahRaya Development Sdn. Bhd.	12,623	20,248
Amanah Raya Capital Sdn. Bhd.	2,000	2,000
AmanahRaya Trustees Berhad	942,332	723,808
AmanahRaya Investment Bank Limited	131,535	9,726
AmanahRaya Legacy Services Sdn. Bhd.	(51,356)	(50,315)
AmanahRaya Ventures Sdn. Bhd.	(14,804,490)	(14,805,836)
AmanahRaya-REIT Managers Sdn. Bhd.	386,015	231,080
AmanahRaya Hartanah Sdn. Bhd.	-	151,361
AmanahRaya Investment Management Sdn. Bhd.	(139,560)	(86,091)
Amanah Raya (Labuan) Ltd.	<u>122,904</u>	<u>41,573</u>

### 35. FINANCIAL INSTRUMENTS

#### (a) Financial risk management objectives and policies

The Group and Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group and Company's overall financial risk management objective is to ensure that the Group and Company create value for its shareholders. Financial risk management is carried out through risk reviews, internal control systems and adherence to Group and Company's financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### Market risk

Market risk is defined as a risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities traded in the market. Market risk exposure arises from investments in quoted shares as the value of the investments will fluctuate as a result of changes in equity market prices. The Group and the Company manage interest rate risk by ensuring the interest rates are pre-determined.

#### Credit risk

Credit risk is defined as the possibility of losses due to an unexpected default or due to a deterioration of the counterparty's credit-worthiness. The Group and Company manage its credit risks by:

- placing its deposits with major financial institutions in Malaysia with good financial standing;
- requiring guarantors for staff loans;
- assessing each application including ensuring that loans issued are adequately secured and adhere to the lending guidelines;
- receivables are monitored on an on-going basis via management reporting procedures; and
- ensuring each development project is contracted for an imputing controlling features such as security on landed properties, obtaining guarantee from counterparties, and having board representatives.

#### Liquidity risk

Liquidity risk relates to the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Prudent liquidity risk management implies maintaining marketable securities and sufficient cash for operation and ability to close our market positions. The Group and Company aim at mitigating liquidity risk by adopting a prudent policy in accepting funds and maintaining flexibility in funding by keeping the cash in the short term money market and marketable securities.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (b) Financial instruments by category

Group	Financial assets at amortised cost RM	Financial assets at FVTPL RM	Total RM
<b>2023</b>			
<b>Assets</b>			
Cash and short-term funds	178,404,167	-	178,404,167
Deposits and placements with financial institutions	16,183,815	-	16,183,815
Financial assets at FVTPL	-	44,193,757	44,193,757
Loans and financing	80,455,417	-	80,455,417
Trade and other receivables*	68,339,195	-	68,339,195
	<u>343,382,594</u>	<u>44,193,757</u>	<u>387,576,351</u>
		Other financial liabilities RM	Total RM
<b>Liabilities</b>			
Trade and other payables*		41,264,692	41,264,692
Lease Liabilities		29,513,979	29,513,979
Borrowings		213,653,558	213,653,558
		<u>284,432,229</u>	<u>284,432,229</u>

\* Excludes bonus provision, prepayments, accrued billings and interest receivables.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (b) Financial instruments by category (cont'd)

Group	Financial assets at amortised cost RM	Financial assets at FVTPL RM	Total RM
<b>2022</b>			
<b>Assets</b>			
Cash and short-term funds	157,242,530	-	157,242,530
Deposits and placements with financial institutions	16,936,161	-	16,936,161
Financial assets at FVTPL	-	43,491,818	43,491,818
Loans and financing	85,003,861	-	85,003,861
Trade and other receivables*	73,296,410	-	73,296,410
	<u>332,478,962</u>	<u>43,491,818</u>	<u>375,970,780</u>
		Other financial liabilities RM	Total RM
<b>Liabilities</b>			
Trade and other payables*		38,744,482	38,744,482
Lease Liabilities		34,029,626	34,029,626
Borrowings		318,171,022	318,171,022
		<u>390,945,130</u>	<u>390,945,130</u>

\* Excludes bonus provision, prepayments, accrued billings and interest receivables.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (b) Financial instruments by category (cont'd)

	Financial assets at amortised cost RM	Financial assets at FVTPL RM	Total RM
<b>Company</b>			
<b>2023</b>			
<b>Assets</b>			
Cash and short-term funds	97,787,763	-	97,787,763
Financial assets at FVTPL	-	41,735,862	41,735,862
Trade and other receivables*		13,016,291	13,016,291
	<u>97,787,763</u>	<u>54,752,153</u>	<u>152,539,916</u>
		Other financial liabilities RM	Total RM
<b>Liabilities</b>			
Trade and other payables*		17,271,547	17,271,547
Lease Liabilities		29,300,487	29,300,487
		<u>46,572,034</u>	<u>46,572,034</u>

\* Excludes bonus provision and prepayments, amount due to/from related party and interest receivable.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (b) Financial instruments by category (cont'd)

	Financial assets at amortised cost RM	Financial assets at FVTPL RM	Total RM
<b>Company</b>			
<b>2022</b>			
<b>Assets</b>			
Cash and short-term funds	76,219,493	-	76,219,493
Financial assets at FVTPL	-	40,806,256	40,806,256
Trade and other receivables*		13,713,520	13,713,520
	<u>76,219,493</u>	<u>54,519,776</u>	<u>130,739,269</u>
		Other financial liabilities RM	Total RM
<b>Liabilities</b>			
Trade and other payables*		9,144,032	9,144,032
Lease Liabilities		33,202,781	33,202,781
		<u>42,346,813</u>	<u>42,346,813</u>

\* Excludes bonus provision and prepayments, amount due to/from related party and interest receivable.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (c) Market risk

##### Interest rate risk

The following tables summarise the Group and Company's exposure to interest rate risk. The carrying amount of financial assets and liabilities are categorised by the earlier of the contractual repricing or maturity dates:

	Less than 1 year RM	1 - 5 years RM	Over 5 years RM	Non- interest sensitive RM	Total RM
<b>Group</b>					
<b>2023</b>					
<b>Assets</b>					
Cash and short-term funds	158,699,336	-	-	19,704,831	178,404,167
Deposits and placements with financial institutions	7,167,957	9,015,858	-	-	16,183,815
Loans and financing*	352,569	80,102,848	-	-	80,455,417
Trade and other receivables**	3,762,781	20,293,025	23,719,565	20,563,824	68,339,195
	<u>169,982,643</u>	<u>109,411,731</u>	<u>23,719,565</u>	<u>40,268,655</u>	<u>343,382,594</u>
<b>Liabilities</b>					
Trade and other payables**	-	-	-	41,264,692	41,264,692
Borrowings	213,653,558	-	-	-	213,653,558
	<u>213,653,558</u>	<u>-</u>	<u>-</u>	<u>41,264,692</u>	<u>254,918,250</u>

\*This represents outstanding impaired loans and financing after deducting expected credit loss.

\*\*Excludes bonus provision, prepayments, accrued billings and interest receivables.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (c) Market risk (cont'd.)

##### Interest rate risk (cont'd.)

	Less than 1 year RM	1 - 5 years RM	Over 5 years RM	Non- interest sensitive RM	Total RM
<b>Group</b>					
<b>2022</b>					
<b>Assets</b>					
Cash and short-term funds	140,295,019	-	-	16,947,511	157,242,530
Deposits and placements with financial institutions	9,905,087	7,031,074	-	-	16,936,161
Loans and financing*	2,977,862	82,025,999	-	-	85,003,861
Trade and other receivables**	121,953	171,269	106,781	72,896,407	73,296,410
	<u>153,299,921</u>	<u>89,228,342</u>	<u>106,781</u>	<u>89,843,918</u>	<u>332,478,962</u>
<b>Liabilities</b>					
Trade and other payables**	-	-	-	38,744,482	38,744,482
Borrowings	311,796,022	6,375,000	-	-	318,171,022
	<u>311,796,022</u>	<u>6,375,000</u>	<u>-</u>	<u>38,744,482</u>	<u>356,915,504</u>

\*This represents outstanding impaired loans and financing after deducting expected credit loss.

\*\*Excludes bonus provision, prepayments, accrued billings and interest receivables.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (c) Market risk (cont'd.)

##### Interest rate risk (cont'd.)

	Less than 1 year RM	1 - 5 years RM	Over 5 years RM	Non- interest sensitive RM	Total RM
<b>Company</b>					
<b>2023</b>					
<b>Assets</b>					
Cash and short-term funds	97,123,545	-	-	664,218	97,787,763
Trade and other receivables*	13,199	138,317	211,675	12,653,100	13,016,291
	97,136,744	138,317	211,675	13,317,318	110,804,054
<b>Liabilities</b>					
Trade and other payables*	-	-	-	17,271,547	17,271,547
<b>2022</b>					
<b>Assets</b>					
Cash and short-term funds	75,773,820	-	-	445,673	76,219,493
Trade and other receivables*	21,954	171,269	106,781	13,413,516	13,713,520
	75,795,774	171,269	106,781	13,859,189	89,933,013
<b>Liabilities</b>					
Trade and other payables*	-	-	-	9,144,032	9,144,032

\* Exclude bonus provision, prepayments, interest receivables and amount due to/from related party

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (c) Market risk (cont'd.)

##### Interest rate risk (cont'd.)

The effective interest rates of the Group and of the Company's financial assets and financial liabilities as at the date of statement of financial position are as follows:

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
<b>Financial assets</b>				
Financing receivables	-	(0.3)	-	-
Cash and short-term funds	3.8	3.6	3.7	3.8
Deposits and placements with financial institutions	3.7	3.7	-	-
Staff loans and advances	4.0	4.0	4.0	4.0
<b>Financial liabilities</b>				
Borrowings	5.5	5.5	-	-

##### Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as financial assets held at FVTPL. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

##### Sensitivity analysis for market price risk

Changes in the fair value of the investments are monitored on a yearly basis. The table below summarises the Group's exposure to price risk.

	2023 RM	2022 RM
Impact on profit after tax:		
Market value +5%	55,573	- 53,328
Market value -5%	(55,573)	(53,328)

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (c) Market risk (cont'd.)

##### Foreign currency exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured.

The Group is exposed to foreign currency exchange risk arising from its financial investment in foreign country and cash and bank balances which denominated in a currency other than the functional currency of the Group. The currency giving rise to foreign currency risk is primarily USD currency.

##### Sensitivity analysis for foreign currency exchange risk

The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The table below summarises the Group's exposure to foreign currency exchange risk.

	2023	2022
	RM	RM
Impact on profit after tax:		
Foreign currency exchange rate +5%	1,817,911	1,730,633
Foreign currency exchange rate -5%	(1,817,911)	(1,730,633)

#### (d) Liquidity risk

Liquidity risk is defined as the current and prospective risk arising from the inability of the Group and the Company to meet its contractual or regulatory obligations when they come due without incurring substantial losses. Liquidity obligations arise from repayments of borrowings at maturity, extensions of credit and working capital needs. The Group and the Company seek to project, monitor and manage their liquidity needs under normal as well as adverse circumstances.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (d) Liquidity risk (cont'd.)

The following tables present the cash outflows for the Group and the Company's financial assets and liabilities by remaining contractual maturities on discounted basis. The balances in the tables below will not agree to the balances reported in the statements of financial position as the tables incorporate all contractual cash flows, on an undiscounted basis, relating to both principal and interest payments.

	Up to 6 months RM	6 to 12 months RM	1 to 5 years RM	Over 5 years RM	No-specific maturity RM	Total RM
<b>Group</b>						
<b>2023</b>						
<b>Financial assets</b>						
Cash and short-term funds	161,745,224	-	-	-	19,704,831	181,450,055
Deposits and placements with financial institutions	7,300,765	-	9,684,042	-	-	16,984,807
Loans and financing	352,623	-	80,162,926	-	-	80,515,549
Trade and other receivables*	4,149,155	19,120,277	21,266,293	23,861,900	-	68,397,625
	<u>173,547,767</u>	<u>19,120,277</u>	<u>111,113,261</u>	<u>23,861,900</u>	<u>19,704,831</u>	<u>347,348,036</u>
<b>Financial liabilities</b>						
Trade and other payables*	20,350,647	13,463,317	7,294,994	155,734	-	41,264,692
Borrowings	206,030,542	10,068,236	9,306,364	11,242,606	-	236,647,748
Lease liabilities	4,712,923	4,461,757	23,416,717	-	-	32,591,397
	<u>231,094,112</u>	<u>27,993,310</u>	<u>40,018,075</u>	<u>11,398,340</u>	<u>-</u>	<u>310,503,837</u>
Net financial (liabilities)/assets	<u>(57,546,345)</u>	<u>(8,873,033)</u>	<u>71,095,186</u>	<u>12,463,560</u>	<u>19,704,831</u>	<u>36,844,199</u>

\* Excludes bonus provision, prepayments, accrued billings and interest receivables.

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (d) Liquidity risk (cont'd.)

Group	Up to 6 months RM	6 to 12 months RM	1 to 5 years RM	Over 5 years RM	No-specific maturity RM	Total RM
<b>2022</b>						
<b>Financial assets</b>						
Cash and short-term funds	142,813,315	-	-	-	16,947,511	159,760,826
Deposits and placements with financial institutions	8,401,575	-	9,330,044	-	-	17,731,619
Loans and financing	2,982,329	-	82,641,194	-	-	85,623,523
Trade and other receivables*	6,698,790	22,780,442	33,018,082	37,904,099	-	100,401,413
	<u>160,896,009</u>	<u>22,780,442</u>	<u>124,989,320</u>	<u>37,904,099</u>	<u>16,947,511</u>	<u>363,517,381</u>
<b>Financial liabilities</b>						
Trade and other payables*	20,729,230	9,676,869	8,187,812	150,571	-	38,744,482
Borrowings	111,008,744	196,250,991	5,026,341	11,242,607	-	323,528,683
Lease liabilities	4,607,125	4,669,453	32,330,550	-	-	41,607,128
	<u>136,345,099</u>	<u>210,597,313</u>	<u>45,544,703</u>	<u>11,393,178</u>	<u>-</u>	<u>403,880,293</u>
Net financial (liabilities)/assets	<u>24,550,910</u>	<u>(187,816,871)</u>	<u>79,444,617</u>	<u>26,510,921</u>	<u>16,947,511</u>	<u>(40,362,912)</u>

\* Excludes bonus provision, prepayments, accrued billings and interest receivables.

## AMANAH RAYA BERHAD

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (d) Liquidity risk (cont'd.)

Company	Up to 6 months RM	6 to 12 months RM	1 to 5 years RM	Over 5 years RM	No-specific maturity RM	Total RM
<b>2023</b>						
<b>Financial assets</b>						
Cash and short-term funds	98,935,787	-	-	-	664,219	99,600,006
Trade and other receivables*	19,026	12,152,035	1,211,446	254,010	-	13,636,517
	<u>98,954,813</u>	<u>12,152,035</u>	<u>1,211,446</u>	<u>254,010</u>	<u>664,219</u>	<u>113,236,523</u>
<b>Financial liabilities</b>						
Trade and other payables*	17,271,547	-	-	-	-	17,271,547
Lease liabilities	4,536,301	4,285,135	23,026,523	-	-	31,847,959
	<u>21,807,848</u>	<u>4,285,135</u>	<u>23,026,523</u>	<u>-</u>	<u>-</u>	<u>49,119,506</u>
Net financial assets	<u>77,146,965</u>	<u>7,866,900</u>	<u>(21,815,077)</u>	<u>254,010</u>	<u>664,219</u>	<u>64,117,017</u>
<b>2022</b>						
<b>Financial assets</b>						
Cash and short-term funds	77,213,523	-	-	-	445,673	77,659,196
Trade and other receivables*	179,028	13,066,294	954,225	128,137	-	14,327,684
	<u>77,392,551</u>	<u>13,066,294</u>	<u>954,225</u>	<u>128,137</u>	<u>445,673</u>	<u>91,986,880</u>
<b>Financial liabilities</b>						
Trade and other payables*	9,125,832	-	18,200	-	-	9,144,032
Lease liabilities	4,496,492	4,558,820	31,847,959	-	-	40,903,272
	<u>13,622,324</u>	<u>4,558,820</u>	<u>31,866,159</u>	<u>-</u>	<u>-</u>	<u>50,047,304</u>
Net financial assets	<u>63,770,227</u>	<u>8,507,474</u>	<u>(30,911,934)</u>	<u>128,137</u>	<u>445,673</u>	<u>41,939,576</u>

\* Excludes bonus provision, prepayments, interest receivables and amount due to/from related party.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk

##### (i) Maximum exposure to credit risk

The maximum exposure to credit risk at the date of the statement of financial position include the amounts on the statements of financial position as well as off statements of financial position financial instruments, without taking into account of any collateral held or other credit enhancements. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

The table below shows the maximum credit exposure to credit risk for the Group and the Company:

	Group RM	Company RM
<b>2023</b>		
Cash and short-term funds (excluding cash on hand)	178,282,557	97,673,263
Deposits and placements with financial institutions	16,183,816	-
Loans and financing	80,455,417	-
Trade and other receivables*	68,339,195	13,016,291
	<u>343,260,985</u>	<u>110,689,554</u>
Credit risk exposure relating to off-statements of financial position items:		
Commitments and contingencies	3,142,822	-
Total maximum credit exposure	<u>346,403,807</u>	<u>110,689,554</u>
<b>2022</b>		
Cash and short-term funds (excluding cash on hand)	157,120,419	76,104,993
Deposits and placements with financial institutions	16,936,161	-
Loans and financing	85,003,861	-
Trade and other receivables*	73,296,410	13,713,520
	<u>332,356,851</u>	<u>89,818,513</u>
Credit risk exposure relating to off-statements of financial position items:		
Commitments and contingencies	3,515,793	-
Total maximum credit exposure	<u>335,872,644</u>	<u>89,818,513</u>

\* Excludes bonus provision, prepayments, interest receivables and amount due to/from related party.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (i) Maximum exposure to credit risk (cont'd.)

The following tables set out the credit risk concentrations and counter parties of the Group and the Company:

	Finance and business services RM	Property, infrastructure and utilities companies RM	Estate and trust services RM	Others RM	Total RM
<b>Group</b>					
<b>2023</b>					
Cash and short-term funds (excluding cash on hand)	178,282,557	-	-	-	178,282,557
Deposits and placements with financial institutions	16,183,816	-	-	-	16,183,816
Loans and financing	-	80,102,848	-	352,569	80,455,417
Trade and other receivables*	-	47,888,236	16,294,001	4,156,958	68,339,195
	<u>194,466,373</u>	<u>127,991,084</u>	<u>16,294,001</u>	<u>4,509,527</u>	<u>343,260,985</u>

\* Excludes bonus provision, prepayments, accrued billings and interest receivables.

## AMANAH RAYA BERHAD

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (i) Maximum exposure to credit risk (cont'd.)

Group	Finance and business services RM	Property, infrastructure and utilities companies RM	Estate and trust services RM	Others RM	Total RM
<b>2022</b>					
Cash and short-term funds (excluding cash on hand)	157,120,419	-	-	-	157,120,419
Deposits and placements with financial institutions	16,936,161	-	-	-	16,936,161
Loans and financing	-	84,651,292	-	352,569	85,003,861
Trade and other receivables*	-	51,822,400	17,932,922	3,541,088	73,296,410
	<u>174,056,580</u>	<u>136,473,692</u>	<u>17,932,922</u>	<u>3,893,657</u>	<u>332,356,851</u>

\* Excludes bonus provision, prepayments, accrued billings and interest receivables.

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (i) Maximum exposure to credit risk (cont'd.)

Company	Finance and business services RM	Estate and trust services RM	Others RM	Total RM
<b>2023</b>				
Cash and short-term funds (excluding cash on hand)	97,673,263	-	-	97,673,263
Trade and other receivables*	-	11,679,394	1,336,897	13,016,291
	<u>97,673,263</u>	<u>11,679,394</u>	<u>1,336,897</u>	<u>110,689,554</u>
<b>2022</b>				
Cash and short-term funds (excluding cash on hand)	76,104,993	-	-	76,104,993
Trade and other receivables*	-	12,549,748	1,163,772	13,713,520
	<u>76,104,993</u>	<u>12,549,748</u>	<u>1,163,772</u>	<u>89,818,513</u>

\* Excludes bonus provision, prepayments, interest receivables and amount due to/from related party.

## AMANAH RAYA BERHAD

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (ii) Collaterals

The main types of collateral obtained by the Group are as follows:

- (a) Land and buildings
- (b) Quoted and unquoted shares
- (c) Institutional Trust Deposits and security deposits

The Group also accepts non-tangible securities such as support, guarantees from individuals, corporate and institutions, bank guarantees, debentures, assignment of contract payments, which are subject to internal guidelines on eligibility.

##### (iii) Credit quality

#### (a) Loans and financing

Loans and financing are summarised as follows:

	Group	
	2023 RM	2022 RM
Neither past due nor impaired	-	2,625,294
Past due but not impaired	-	-
Impaired	132,742,210	132,781,143
	<u>132,742,210</u>	<u>135,406,437</u>
Gross loans and financing		
Less: Impairment allowance	(52,286,793)	(50,402,576)
Net loans and financing	<u>80,455,417</u>	<u>85,003,861</u>

## AMANAH RAYA BERHAD

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### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (iii) Credit quality (cont'd.)

- (b) Cash and short term funds, deposits and placement with financial institutions and trade and other receivables.

Group	Cash, short term funds (excluding cash on hand)	Deposits and placement with financial institutions	Trade and other receivables	Total
	RM	RM	RM	RM
<b>2023</b>				
Neither past due nor impaired	178,282,557	16,183,816	55,746,720	250,213,093
Past due but not impaired	-	-	12,437,951	12,437,951
Impaired	-	-	8,911,562	8,911,562
Less: Impairment losses	-	-	(8,757,038)	(8,757,038)
	<u>178,282,557</u>	<u>16,183,816</u>	<u>68,339,195</u>	<u>262,805,568</u>
<b>2022</b>				
Neither past due nor impaired	157,120,419	16,936,161	58,695,742	232,752,322
Past due but not impaired	-	-	14,534,760	14,534,760
Impaired	-	-	8,966,353	8,966,353
Less: Impairment losses	-	-	(8,900,445)	(8,900,445)
	<u>157,120,419</u>	<u>16,936,161</u>	<u>73,296,410</u>	<u>247,352,990</u>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (iii) Credit quality (cont'd.)

(b) Cash and short term funds, deposits and placement with financial institutions and trade and other receivables. (cont'd.)

Company	Cash, short term funds (excluding cash on hand) RM	Trade and other receivables RM	Total RM
<b>2023</b>			
Neither past due nor impaired	97,673,263	885,590	98,558,853
Past due but not impaired	-	12,053,295	12,053,295
Impaired	-	1,228,534	1,228,534
Less: Impairment losses	-	(1,151,128)	(1,151,128)
	<u>97,673,263</u>	<u>13,016,291</u>	<u>110,689,554</u>
<b>2022</b>			
Neither past due nor impaired	76,104,993	696,209	76,801,202
Past due but not impaired	-	12,875,577	12,875,577
Impaired	-	1,491,269	1,491,269
Less: Impairment losses	-	(1,349,535)	(1,349,535)
	<u>76,104,993</u>	<u>13,713,520</u>	<u>89,818,513</u>

## AMANAH RAYA BERHAD

(Incorporated in Malaysia)

### 35. FINANCIAL INSTRUMENTS (CONT'D.)

#### (e) Credit risk (cont'd.)

##### (iii) Credit quality (cont'd.)

(b) Cash and short term funds, deposits and placement with financial institutions and trade and other receivables. (cont'd.)

Ageing of trade and other receivables past due but not impaired are as follows:

	Group RM	Company RM
<b>2023</b>		
Past due up to 30 days	8,610,594	8,610,595
Past due 31 to 60 days	820,797	702,295
Past due 61 to 180 days	1,276,734	1,258,065
Past due more than 180 days	1,729,826	1,482,340
Past due but not impaired	<u>12,437,951</u>	<u>12,053,295</u>
<b>2022</b>		
Past due up to 30 days	9,077,487	9,076,739
Past due 31 to 60 days	2,168,667	1,217,139
Past due 61 to 180 days	1,769,244	1,162,337
Past due more than 180 days	1,519,362	1,419,362
Past due but not impaired	<u>14,534,760</u>	<u>12,875,577</u>

(c) The movement in the allowance for impairment losses of trade and other receivables are stated in Note 7 (iii).

## AMANAH RAYA BERHAD

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### 36. FAIR VALUE OF FINANCIAL INSTRUMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's and the Company's financial instruments, other than those with carrying amounts are reasonable approximations of fair values:

Group	2023		2022	
	Carrying amount RM	Fair Value RM	Carrying amount RM	Fair Value RM
<b>Financial assets</b>				
Loans and financing	<u>80,455,417</u>	<u>80,455,418</u>	<u>85,003,861</u>	<u>84,832,113</u>
<b>Financial liability</b>				
Borrowings	<u>213,653,558</u>	<u>109,175,604</u>	<u>318,171,022</u>	<u>262,955,525</u>

The fair values of the financial assets and liabilities are based on the following methodologies and assumptions:

#### Deposits, cash and bank balances

For deposits, cash and bank balances with maturities of less than 1 year, the carrying amount is a reasonable estimate of fair value.

#### Loans and financing

For floating rate loans and financing, the carrying amount is generally a reasonable estimate of fair value. For fixed rate loans and financing, the fair value is estimated by discounting the estimated future cash flows using the prevailing market rates of loans with similar credit risk and maturities.

The fair values of impaired floating and fixed rate loans and financing are represented by their carrying value, net of impairment allowance.

#### Trade and other receivables and trade and other payables

The carrying value less any estimated impairment allowance for financial assets and liabilities are assumed to approximate their fair values as these items are not materially sensitive to the shift in the market interest rates.

#### Borrowings

The estimated fair values of other borrowings with maturities less than one year approximate the carrying values. For other borrowings with maturities one year or more, the fair values are estimated based on discounted cash flows using prevailing market rates for borrowings with similar risk profiles.

## AMANAH RAYA BERHAD

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### 36. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D.)

#### Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (a) Level 1 - quoted price (unadjusted) in active markets for identical assets and liabilities;
- (b) Level 2 - inputs other than quoted price included within level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (c) Level 3 - inputs for the asset and liability that are not based on observable market data (unobservable inputs).

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>2023</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	802,877	41,690,862	1,700,018	44,193,757
Loans and financing	-	-	80,455,418	80,455,418
	<u>802,877</u>	<u>41,690,862</u>	<u>82,155,436</u>	<u>124,649,175</u>
<b>Financial liability</b>				
Borrowings	-	-	109,175,604	109,175,604
<b>2022</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	1,189,071	40,791,256	1,511,491	43,491,818
Loans and financing	-	-	84,832,113	84,832,113
	<u>1,189,071</u>	<u>40,791,256</u>	<u>86,343,604</u>	<u>128,323,931</u>
<b>Financial liability</b>				
Borrowings	-	-	262,955,525	262,955,525

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## AMANAH RAYA BERHAD

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### 36. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D.)

#### Fair value measurements (cont'd.)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>Company</b>				
<b>2023</b>				
<b>Financial assets</b>				
Financial assets at FVTPL	-	41,690,862	45,000	41,735,862
<b>2022</b>				
<b>Financial assets</b>				
Financial assets at FVTPL	-	40,791,256	15,000	40,806,256

The following table presents the changes in Level 3 instruments for the financial year.

	Group RM	Company RM
<b>2023</b>		
<b>Financial assets FVTPL</b>		
Balance at the beginning of the financial year	1,700,018	15,000
Additions	-	30,000
Gains and losses recognised in profit or loss	-	-
Impairment	-	-
Balance at the end of the financial year	<u>1,700,018</u>	<u>45,000</u>
<b>2022</b>		
<b>Financial assets FVTPL</b>		
Balance at the beginning of the financial year	6,467,093	15,000
Gains and losses recognised in profit or loss	(1,263,705)	-
Impairment	(3,691,897)	-
Balance at the end of the financial year	<u>1,511,491</u>	<u>15,000</u>

### 37. CAPITAL MANAGEMENT

In managing its capital, the Group's and Company's objectives are:

- to maintain sufficient capital resources to meet the regulatory capital requirements for certain subsidiaries as set forth by the relevant regulatory bodies;
- to maintain sufficient capital resources to support the Group's and Company's risk appetite and to enable future business growth; and
- to meet the expectations of key stakeholders, including shareholders, investors, regulators and rating agencies.

In line with this, the Group aims to maintain sufficient capital resources that are comfortably above the regulatory requirements for certain subsidiaries, while balancing shareholders' desire for sustainable returns and high standards of prudence.

### 38. SIGNIFICANT AND SUBSEQUENT EVENTS

#### (a) Financial support letter issued by MOF

The holding corporation, MOF has confirmed via a letter issued to the Chairman of the Board of Directors of the Company dated 2 July 2024 that it will continue to assist in providing financial support as and when necessary to enable the Group and the Company to carry on its business and to perform its statutory duties without a significant curtailment of operations.

#### (b) Settlement for financing of agricultural land in Nusa Damai

On 18 April 2024, the Group via its subsidiary AmanahRaya Development Sdn. Bhd. ("ARD") as a current chargee of the said land has entered into two material agreements to secure the recovery of ARD's financing to Lakehill Resort Development Sdn Bhd ("LHRD"). LHRD is the joint venture investee company of Oriental Pearl City Properties Sdn Bhd ("OCPC") which is a wholly owned subsidiary of Malaysia Pacific Corporation Berhad ("MPCB"). The collateral for the financing is 188.4 acres of agricultural land in Nusa Damai ("the Property"), owned by Taman Bandar Baru Masai Sdn Bhd ("TBBM"), a wholly owned subsidiary of MPCB. Under Settlement Agreement dated 23 August 2019 between all parties, MPCB is required to convert the Property into residential and commercial components measuring approximately 131.95 acres.

## AMANAH RAYA BERHAD

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### 38. SIGNIFICANT AND SUBSEQUENT EVENTS (CONT'D.)

#### (b) Settlement for financing of agricultural land in Nusa Damai (cont'd.)

The agreements dated 18 April 2024 are as follows:

- Six Party Agreement between ARD, MPCB, OCPC, LHRD, TBBM and the purchaser Ekuiti Idaman Sdn Bhd (“EISB”) to settle all claims and issues with regards to the Property.
- Sale and Purchase Agreement between TBBM (as the vendor), EISB (as the purchaser), and ARD (as the chargee) for the sale of the Property, where the sale proceeds of RM110,000,000 are payable to ARD. The Purchaser has paid an earnest deposit of RM2,200,000 on 14 February 2024 and RM8,800,000 balance deposit on 18 April 2024 to ARD’s solicitor.

### 39. DIRECTORS OF SUBSIDIARIES OF THE GROUP

The following is the list of directors (excluding common directors of the Board of the Company) who served on the boards of the subsidiaries of the Group:

Datuk Ismail Bin Kamaruddin  
 Mohd Razlan Bin Mohamed  
 Haliza Aini Binti Othman  
 Puan Azura Binti Azman  
 Mohamad Shafik Bin Badaruddin  
 Dato’ Haji Che Pee Bin Samsudin  
 Shahlan Bin Md Shukor @ Kadari  
 Puan Aida Mosira Binti Mokhtar  
 Wan Azman Bin Ismail  
 Dato’ Mohammed Noor Azmall Bin Jamaluddin  
 Naoto Kojima  
 Tunku Rozita Binti Tunku Abdul Malek  
 Nguyen Thi Hoang Hanh  
 Aini Fariza Binti Mohd Yusoff  
 Wan Izzah Binti Wan Taib  
 Lokman Bin Ab Latif  
 Mohamad Sabri Bin Jahya  
 Mohd Razi Bin Mohamad Yunus  
 Wan Numzila binti Wan Junuh  
 Ahmad Feizal Bin Sulaiman Khan

(Appointed on 4 January 2024)

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### 39. DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONT'D.)

Har Yee Ken	(Appointed on 5 January 2024)
Mohd Iskandar Dzulkarnanin Bin Ramli (Alternate Director to Ahmad Feizal Bin Sulaiman Khan)	(Appointed on 2 February 2024)
Yap Ngee Heong (Alternate Director to Ahmad Feizal Bin Sulaiman Khan)	(Appointed on 7 February 2024)

### 40. CONTINGENT LIABILITIES

In 2021, the Company, together with 4 other incorporations were named as defendants in 2 writs of summons from investors of a fraud previously managed by one of the subsidiary seeking for the return of their investment sum and/or other related damages.

The plaintiff for the first writ of summon seeks USD7.5 million in damages, cost and interest at the rate of 18% per annum from 1 March 2010 to the date of judgement and interest at the rate of 5% per annum from the date of judgement until full settlement to be paid by the defendants.

The plaintiff for the second writ of summon seeks USD6.0 million in damages, cost and interest at the rate of 3% per month from 24 October 2010 until full settlement, to be paid by the defendants.

The suit is currently on going with the next hearing date on 5 August 2024 to 8 August 2024 and 13 August 2024 to 15 August 2024.

Upon advice of the solicitors, Management is of the view that the Company has a good case in defending the claims.

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