

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

- a) On 10 November 2017, the Company had established an Islamic Commercial Paper Program (“ICP”) of up to RM150.0 million in nominal value. During the financial year ended 30 June 2020, the Company had issued the following ICP: -

Series No.	Date of issuance	Amount	Tenure	Utilisation of proceeds
		RM'000	Month	
10	2 August 2019	50,000	6	RM 50 million for working capital
11	14 August 2019	50,000	3	RM49.5 million for repayment of maturing Sukuk Series 9, RM 0.5 million for working capital
12	14 November 2019	50,000	3	RM49.3 million for repayment of maturing Sukuk Series 10, RM 0.7 million for working capital
13	14 November 2019	20,000	3	RM19.7 million for partial repayment of Sukuk Series 11, RM 0.3 million for working capital
12	14 February 2020	70,000	3	RM69.1 million for repayment of maturing Sukuk Series 12 and 13, RM 0.9 million for working capital

2. AUDIT AND NON-AUDIT FEES

Details of the nature of non-audit service rendered by the External Auditors and/or its affiliates for the financial year ended 30 June 2020 are set out as follows:

Audit Fees	Group (RM)	Company (RM)
(1) Audit Fees Paid/Payable to Messrs Baker Tilly Monteiro Heng PLT (“BTMH”)		
(a) Review of the audited financial statements for the financial year ended 30.06.2020	414,000	92,000
Total	414,000	92,000

Non-Audit Fees	Group (RM)	Company (RM)
(1) Non-Audit Fees Paid/Payable to BTMH		
(a) Review of the Statement on Risk management and Internal Control	7,000	7,000
(2) Non-Audit Fees Paid/Payable to affiliates of BTMH	110,590	22,300
Total	117,590	29,300

ADDITIONAL COMPLIANCE INFORMATION

(continued)

3. MATERIAL CONTRACTS

Save as disclosed below, the Company and its subsidiaries have not entered into any material contracts subsisting at the end of the financial year or entered into since the end of the previous financial year, which involved the interest of the Directors and major shareholders other than contracts entered into in the ordinary course of business: -

- (i) City Meridian Development Sdn. Bhd. (“**CMD**”), a wholly owned subsidiary of the Company, had on 21 May 2014, entered into a sale and purchase agreement (“**SPA**”) with Titijaya Group Sdn. Bhd. (“**TGSB**”) to purchase a parcel of leasehold land held under PN4022, Lot No. 12174, Mukim 12, Daerah Barat Daya, Pulau Pinang (“**Land**”) for cash consideration at RM126,000,000 (“**Acquisition of Land**”).

On 19 January 2015, CMD had entered into the supplemental agreement with TGSB to vary, amend, modify or alter certain provisions, terms and conditions of the SPA and to extend the period for the fulfilment of the conditions precedent for 1 year from 21 September 2014 or any other period as mutually agreed between the parties.

The Company had on 27 May 2015 obtained the approval from its shareholders in relation to the Acquisition of Land.

Subsequently, pursuant to the letters between CMD and TGSB dated 21 September 2015, 10 November 2015, 15 February 2016 and 26 May 2016, the parties had mutually agreed to further extend the date for fulfilment of the conditions precedent of the SPAs to 10 November 2015, 10 February 2016, 10 May 2016 and 10 December 2016, respectively. On 22 September 2016, the conditions precedent had been fulfilled by the respective parties.

TGSB, on behalf of CMD as stipulated in the SPAs, is in the midst of preparing its submission application to the Town and Country Planning Department of Penang and State Planning Committee of Penang for approval in varying the zoning of the land use to mixed development and approval in undertaking the development ratio of the Land with plot ratio of 1:4.

On 23 October 2018, Titijaya Group Sdn. Bhd. and the Company mutually agreed to extend the period for a further period of 1 year. Subsequently, on 1 November 2019, Titijaya Group Sdn. Bhd. and the Company mutually agreed to extend the period for a further period of 1 year to 4 November 2020 to obtain the development approvals in respect of the land.

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the Seventh Annual General Meeting of the Company held on 28 November 2019, the Company had obtained a general mandate from its shareholders (“**Shareholders’ Mandate**”) for a recurrent related party transaction of revenue and trading nature (“**RRPT**”).

There were no RRPTs conducted pursuant to the Shareholders’ Mandate during the financial year ended 30 June 2020.