

# Additional Compliance Information

## 1. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

The Company did not raise any fund through any corporate proposal during the financial year. Therefore, there was no utilisation of proceeds for the financial year.

## 2. AUDIT AND NON-AUDIT FEES

Details of the nature of non-audit service rendered by the External Auditors an/or its affiliates for the financial year ended 30 June 2021 are set out as follows:

Audit Fees	Group (RM)	Company (RM)
<b>(1) Audit Fees Paid/Payable to Messrs Baker Tilly Monteiro Heng PLT (“BTMH”)</b>		
(a) Review of the audited financial statements for the financial year ended 30.06.2021	422,000	92,000
<b>Total</b>	<b>422,000</b>	<b>92,000</b>

Non-Audit Fees	Group (RM)	Company (RM)
<b>(1) Non-Audit Fees Paid/Payable to BTMH</b>		
(a) Review of the Statement on Risk management and Internal Control	7,000	7,000
<b>(2) Non-Audit Fees Paid/Payable to affiliates of BTMH</b>	135,719	2,900
<b>Total</b>	<b>142,719</b>	<b>9,900</b>

## 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 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.

## Additional Compliance Information

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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 and 1 November 2019, Titijaya Group Sdn. Bhd. and the Company mutually agreed to extend the period for a further period of 1 year. Subsequently, on 2 November 2020, Titijaya Group Sdn. Bhd. and the Company mutually agreed to extend the period for a further period of 1 year to 4 November 2021 to obtain the development approvals in respect of the land.

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

At the Eighth Annual General Meeting of the Company held on 26 November 2020, 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 2021.