



MUI Properties Berhad

Company No: 6113-W





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NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fifty-First Annual General Meeting of the Company will be held at Rembau Room, Corus Paradise resort Port Dickson, 3.5km, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan Darul Khusus on Thursday, 7 December 2017 at 3.00 p.m. for the following purposes:-

As Ordinary Business

1. To receive the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 30 June 2017.
2. To approve the payment of Directors' Fees of RM224,000 for the financial year ended 30 June 2017. **Resolution 1**
3. To approve the payment of Directors' Benefits (other than Directors' Fees) of up to RM95,000 for the period from 1 February 2017 until the next Annual General Meeting. **Resolution 2**
4. To re-appoint Tan Sri Dato' Khoo Kay Peng as Director of the Company. **Resolution 3**
5. To re-elect Tan Sri Dato' Dr Yeoh Oon Kheng, who is retiring in accordance with Article 109 of the Company's Articles of Association. **Resolution 4**
6. To re-appoint Messrs Crowe Horwath as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

As Special Business

To consider and, if thought fit, pass the following resolutions:-

7. Ordinary Resolution
 - Proposed authority for Datuk Christopher Martin Boyd to continue in office as Independent Non-Executive Director

"THAT authority be and is hereby given to Datuk Christopher Martin Boyd who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

Resolution 6
8. Ordinary Resolution
 - Proposed authority for Encik Abdul Rashid bin Ismail to continue in office as Independent Non-Executive Director

"THAT authority be and is hereby given to Encik Abdul Rashid bin Ismail who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company."

Resolution 7



9. Ordinary Resolution

- Proposed authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting or until the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being.”

Resolution 8

10. Ordinary Resolution

- Proposed renewal of authority for the purchase of own shares by MUI Properties Berhad

“THAT, subject to the Companies Act, 2016 and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given to the Company to purchase and/or hold such amount of ordinary shares in the Company (“Proposed Share Buy-Back”) as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (“Bursa Securities”) provided that:-

- (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company pursuant to this resolution shall not exceed ten per centum (10%) of the issued and paid-up share capital of the Company at the time of purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of the Proposed Share Buy-Back shall not exceed the Company’s retained profits;

AND THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution, and will, subject to renewal thereat, expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or the expiry of the period within which the next Annual General Meeting is required by law to be held (unless earlier revoked or varied by ordinary resolution in a general meeting of shareholders of the Company), whichever occurs first and in any event, in accordance with the provisions of the Bursa Securities Main Market Listing Requirements and/or any other relevant authorities;

AND THAT authority be and is hereby given to the Directors of the Company to decide in their absolute discretion to:-

- (i) cancel the shares so purchased; or
- (ii) retain the shares so purchased as treasury shares; or
- (iii) retain part of the shares so purchased as treasury shares and cancel the remainder; or
- (iv) distribute the treasury shares as dividends to shareholders and/or resell on Bursa Securities and/or cancel all or part of them;

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing any relevant documents) as they may consider expedient or necessary to complete and give effect to the aforesaid authorisation with full powers to assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time.”

Resolution 9



NOTICE OF MEETING (Cont'd)

11. To transact any other business of which due notice shall have been received.

By order of the Board

Lee Chik Siong
Norlyn binti Kamal Basha
Joint Company Secretaries

Kuala Lumpur
31 October 2017

Notes:-

1. Only a member whose name appears on the Record of Depositors as at 27 November 2017 shall be entitled to attend and vote at the meeting. A member of the Company entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting. There shall be no restriction as to the qualification of the proxy.
2. A member entitled to attend and vote shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy only in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act, 1991 which is exempted from compliance with the provisions of subsection 25A(1) of the Securities Industry (Central Depositories) Act, 1991.
3. Where a member and/or an exempt authorised nominee appoint two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy in the instrument appointing the proxies.
4. The Form of Proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its common seal or under the hand of the attorney.
5. The Form of Proxy must be deposited at the registered office of the Company at Unit 3, 191, Jalan Ampang, 50450 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
6. Pursuant to the Bursa Securities Main Market Listing Requirements, all the resolutions set out in this Notice will be put on vote by way of poll.

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS

1. The Ordinary Resolution proposed under item 4, if passed, will authorise the continuation of Tan Sri Dato' Khoo Kay Peng as Director of the Company from the date of the Fifty-First Annual General Meeting and he shall be subject to retirement by rotation at least once in every three (3) years thereafter in accordance with the Articles of Association of the Company.

Tan Sri Dato' Khoo Kay Peng was re-appointed as Director of the Company at the Fiftieth Annual General Meeting held on 8 December 2016 to hold office until the conclusion of the Fifty-First Annual General Meeting under Section 129(6) of the then Companies Act 1965, which the provision has since been repealed.

2. The Ordinary Resolution proposed under item 7, if passed, will authorise Datuk Christopher Martin Boyd to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.

The Nomination Committee, with Datuk Christopher Martin Boyd abstaining from the deliberation of his own assessment, had assessed the independence of Datuk Christopher Martin Boyd who has served on the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. Datuk Christopher Martin Boyd has met the independence guidelines as set out in Chapter 1 of the Bursa Securities Main Market Listing Requirements. The length of his service does not interfere with Datuk Christopher Martin Boyd's ability and exercise of independent judgment as Independent Director.



3. The Ordinary Resolution proposed under item 8, if passed, will authorise Encik Abdul Rashid bin Ismail to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting of the Company.

The Nomination Committee, with Encik Abdul Rashid bin Ismail abstaining from the deliberation of his own assessment, had assessed the independence of Encik Abdul Rashid bin Ismail who has served on the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years. Encik Abdul Rashid bin Ismail has met the independence guidelines as set out in Chapter 1 of the Bursa Securities Main Market Listing Requirements. The length of his service does not interfere with Encik Abdul Rashid bin Ismail's ability and exercise of independent judgment as Independent Director.

4. The Ordinary Resolution proposed under item 9 is a renewal of the general authority for the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016. If passed, it will empower the Directors of the Company, from the date of the above Annual General Meeting until the next Annual General Meeting to allot and issue shares in the Company up to and not exceeding in total ten per centum (10%) of the issued and paid-up share capital of the Company for the time being for such purposes as they consider would be in the interests of the Company. This authority will expire at the next Annual General Meeting of the Company, unless revoked or varied at a general meeting.

The Company has not issued any new shares under the general authority which was approved at the Fiftieth Annual General Meeting held on 8 December 2016 and which will lapse at the conclusion of the Fifty-First Annual General Meeting to be held on 7 December 2017.

The general authority to issue shares will allow the Company to take advantage of any strategic opportunities, including but not limited to, issuance of new shares for purpose of funding investment project(s), working capital and/or acquisitions which require new shares to be allotted and issued speedily and would also save the cost involved in convening a general meeting to approve such issuance of shares.

5. The Ordinary Resolution proposed under item 10, if passed, will empower the Directors of the Company to purchase MUI Properties Berhad shares through Bursa Securities up to ten per centum (10%) of the issued and paid-up share capital of the Company.



MUI Properties Berhad
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Incorporated in Malaysia

CORPORATE INFORMATION

Board of Directors

Tan Sri Dato' Khoo Kay Peng, *P.S.M., D.P.M.J., K.M.N., J.P., HonD Litt, Hon LLD, Hon Ph.D, Chairman & Chief Executive*
Datuk Christopher Martin Boyd, *Independent Non-Executive Director*
Abdul Rashid bin Ismail, *Independent Non-Executive Director*
Tan Sri Dato' Dr Yeoh Oon Kheng, *Independent Non-Executive Director*
Datin Ngiam Pick Ngoh, *Independent Non-Executive Director*

Joint Company Secretaries

Lee Chik Siong (MAICSA 7054334)
Norlyn binti Kamal Basha (BC/N/1224)

Auditors

Crowe Horwath, *Chartered Accountants*

Principal Bankers

Malayan Banking Berhad
Affin Bank Berhad

Registrar

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur
Tel No. 03-27839299 Fax No. 03-27839222

Registered Office

Unit 3, 191, Jalan Ampang, 50450 Kuala Lumpur
Tel. No.: 03-21487696 Fax. No.: 03-21445209
Website: www.muiproperties.com.my



PROFILE OF DIRECTORS

Tan Sri Dato' Khoo Kay Peng

Age 78. Male. Chairman and Chief Executive of MUI Properties Berhad. He was appointed as Director on 25 November 1977 and has been Chairman since 1979. Currently, he is the Chairman and Chief Executive of Malayan United Industries Berhad. He is also the Chairman of Pan Malaysian Industries Berhad, Metrojaya Berhad, West Synergy Sdn Bhd, Laura Ashley Holdings plc and Corus Hotels Limited (formerly known as Corus Hotels plc), United Kingdom. He is presently a trustee of Regent University, Virginia, USA, a board member of Northwest University, a Council Member of the Malaysian-British Business Council, the Malaysia-China Business Council and the Asia Business Council. He was the Chairman of the then Tourist Development Corporation (now known as the Malaysia Tourism Promotion Board), Vice Chairman of Malayan Banking Berhad (Maybank), a trustee of the National Welfare Foundation and sat on the Boards of SCMP Group Limited (South China Morning Post) and The Bank of East Asia Limited, Hong Kong. He was conferred an Honorary Doctor of Letters by the Curtin University of Technology, Perth, Australia in 1993, Honorary Doctor of Law by Northwest University, Kirkland, Seattle, USA in 2000 and Doctor of Philosophy in Business Management (Honoris Causa) by UCSI University, Malaysia in 2011. In 1985, he was awarded the Manager of the Year by the Harvard Business School Alumni Club of Malaysia and he was also honoured with the Entrepreneur of the Year Award by the Asian Institute of Management Graduates' Association of Malaysia and the Association of Banks, Malaysia. In 2012, he was awarded the Lifetime Achievement Award for 'Leadership in Global Business' by the Asian Strategy & Leadership Institute at the World Chinese Economic Forum. In 2013, he was awarded the Lifetime Achievement Award for entrepreneurship by Enterprise Asia and the BrandLaureate Premier Brand ICON Leadership Award. Also in 2013, he was conferred a medal by the United States Commission on International Religious Freedom, a Commission established by the United States Congress. In February 2015, he was awarded Chairman of the Year by the BrandLaureate Brand Leadership Awards 2014-2015. He is a deemed substantial shareholder of MUI Properties Berhad. He attended all the four (4) Board Meetings held during the financial year ended 30 June 2017.

Datuk Christopher Martin Boyd

Age 70. Male. He is an Independent Non-Executive Director of MUI Properties Berhad. He was appointed as Director on 27 July 1994 and subsequently on 1 April 1995, he was appointed as Managing Director. He relinquished his post as Managing Director on 1 February 2001, but remained as Non-Executive Director. Thereafter, he was re-designated from a Non-Independent Non-Executive Director to an Independent Non-Executive Director on 20 November 2006. He is the Chairman of the Audit Committee and Nomination Committee. He is also a member of the Remuneration Committee. He is a Fellow of the Royal Institution of Chartered Surveyors and the Royal Institution of Surveyors (Malaysia). He is also a member of the Singapore Institute of Surveyors and Valuers and an Associate of the Australian Property Institute. Formerly, he was a partner of Jones Lang Wootton Malaysia from 1974 to 1981; a Director of Jones Lang Wootton Singapore from 1981 to 1985 and a partner of Knight Frank Baillieu Malaysia from 1986 to 1995; all of which are firms principally engaged in property valuation, agency, management and consultancy. Currently, he is the Executive Chairman of Savills (Malaysia) Sdn Bhd, a firm engaged in property valuation, estate agency, property management and research. He also sits on the Board of Eastern & Oriental Berhad. He attended three (3) out of four (4) Board Meetings held during the financial year ended 30 June 2017.

Abdul Rashid bin Ismail

Age 46. Male. He is an Independent Non-Executive Director of MUI Properties Berhad. He was appointed as Director on 3 January 2007. He is the Chairman of Remuneration Committee. He is also a member of the Audit Committee and Nomination Committee. He is an Advocate and Solicitor of the High Court of Malaya. He holds an LLB (Hons) Degree from University of Exeter, England. He was admitted as a Barrister at Law of the Honourable Society of Lincoln's Inn, England in 1994. He was also admitted as an Advocate and Solicitor of the High Court of Malaya in 1995. Currently, he is a partner of the law firm, Messrs Rashid Zulkifli. He attended three (3) out of four (4) Board Meetings held during the financial year ended 30 June 2017.



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PROFILE OF DIRECTORS (Cont'd)

Tan Sri Dato' Dr Yeoh Oon Kheng

Age 64. Male. He is an Independent Non-Executive Director of MUI Properties Berhad. He was appointed to the Board on 18 October 2011. He is a member of the Audit Committee. He also sits on the Board of Pan Malaysia Corporation Berhad. He is the Co-Founder and Chief Executive Officer of the Asian Strategy & Leadership Institute (ASLI), Founder Vice-Chairman of ASLI's Centre for Public Policy Studies (CPPS), Chairman of the World Chinese Economic Forum and the ASEAN Leadership Forum, a board member of Malaysia-China Business Council, a member of the Board of Governors of Wawasan Open University, the Research Advisory Committee of University of Malaya, the Institute of Strategic and International Studies London, the UK Institute of Directors and Fellow of the Malaysian Institute of Management. He was appointed by the Prime Minister of Malaysia to be a Member of the National Unity Consultative Council, the Advisory Board of the Malaysian Anti-Corruption Commission and a Commissioner in Malaysia's Competition Commission. He was appointed by the Malaysian Government to be Malaysia's Representative with Ambassador status on the ASEAN High Level Task Force on Connectivity. He has served two terms as a Commissioner in Malaysia's Human Rights Commission. He graduated in Economics and Accountancy from Australia's Monash University and has undertaken senior executive programmes at Harvard Business School and Aresty Institute of Wharton School. He was conferred a Doctorate in Laws (Honoris Causa) by University of Nottingham. He has authored several books on leadership, management and politics. He attended three (3) out of four (4) Board Meetings held during the financial year ended 30 June 2017.

Datin Ngiam Pick Ngoh

Age 62. Female. She is an Independent Non-Executive Director of MUI Properties Berhad. She was appointed as Director on 16 November 2011. She holds a Bachelor of Arts (Hons) in Sociology & Anthropology, University of Malaya and a Diploma in Advertising and Marketing, Institute of Communication, Advertising and Marketing (CAM), United Kingdom. She currently sits on the Board of Star Media Group Berhad ("The Star"), Hong Leong Assurance Berhad, Heineken Malaysia Berhad. She also serves on the Board of Trustees of Yayasan Sin Chew. She was appointed as Group Managing Director/Chief Executive Officer of The Star on 1 July 2008 and retired on 30 June 2011. She served as Deputy Group General Manager from 2004 until her appointment as Group Chief Operating Officer in The Star in 2005. Prior to this, she was General Manager, Advertising and Business Development (1985-2003). She is also a member of The Star Finance Committee. She was a Board Member of the Audit Bureau of Circulations (ABC) Malaysia and Chairman of the Audit Bureau of Circulations (ABC) Content & Communications Committee and was the honorary secretary of the Malaysian Newspaper Publishers Association (MNPA) and Board Member of the Advertising Standards Authority Malaysia (ASA). She also served as Chairman on the subsidiaries of The Star Group namely, Cityneon Holdings Ltd, Singapore, StarRfm Sdn Bhd, Rimakmur Sdn Bhd and Leaderonomics Sdn Bhd. She attended three (3) out of four (4) Board Meetings held during the financial year ended 30 June 2017.

Note:-

None of the Directors has any family relationship with any Director and/or major shareholders of the Company. None of the Directors has any conflict of interest with the Company nor have they been convicted of any offences within the past five (5) years. There were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2017.

All the Directors are Malaysians except for Datuk Christopher Martin Boyd who is British with Malaysian Permanent Resident status.



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PROFILE OF KEY SENIOR MANAGEMENT

Wong Nyen Faat

Age 60. Male. He is the Chief Operating Officer of the MUI Group since August 2011. He sits on the Boards of Pan Malaysia Corporation Berhad, Pan Malaysia Holdings Berhad, Pan Malaysia Capital Berhad, Pan Malaysian Industries Berhad and Metrojaya Berhad in Malaysia. He also sits on the Boards of Laura Ashley Holdings plc and Corus Hotels Limited in the United Kingdom. He holds a First Class Honours Bachelor's Degree in Science (Mathematics) with Education from the University of Malaya and a Master's Degree in Business Management from the Asian Institute of Management. He had served as Executive Director of Morning Star Resources Limited in Hong Kong.

Chan Chee Meng

Age 55. Male. He is General Manager of the Group's Property Division and General Manager of West Synergy Sdn Bhd. He joined the Group in November 2016. He has a degree of Bachelor of Arts (Architecture) from Deakin University, Australia. He has more than 25 years of experience in architectural consultancy and property development. He was previously with UOA Development Bhd and prior to joining the MUI Group, he was Deputy General Manager of the Mah Sing Group.

Wong Shuk Fuen

Age 47. Female. She is the Group Financial Controller. She joined the MUI Group as Financial Controller in October 2014. She has 23 years of experience in accounting and finance, and is a member of the Chartered Institute of Management Accountants, United Kingdom and a member of the Malaysian Institute of Accountants. She started her career as Accounts Officer at Guolene Plastic Products Sdn Bhd before moving on to various accounting and financial positions in Kenneison Brothers Group. Prior to joining the MUI Group, she was Vice President of AlloyMtd Group.

Note:-

None of the Key Senior Management has any family relationship with any Director and/or major shareholder of the Company. None of the Key Senior Management has any conflict of interest with the Company nor have they been convicted of any offences within the past five (5) years. There were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2017.

All the Key Senior Managements are Malaysians.



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (the “Board”) is committed to the principles of corporate governance set out in the Malaysian Code on Corporate Governance. The Board is also committed in continuously observing corporate governance practices that are best suited to achieve the objectives and goals of the Company.

In implementing the corporate governance practices, the Company ensures compliance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Corporate Governance Statement reports on how the Company has applied the principles and recommendations of good corporate governance during the financial year ended 30 June 2017, having considered the Group’s structure, business environment and industry practices.

The Board will continuously evaluate the status of the Group’s corporate governance practices and procedures with a view to adopt and implement the recommendations of the Code wherever applicable in the best interests of the shareholders of the Company. The Board considers that it has generally applied the principles and recommendations of the Code.

Set out below is the description on the manner in which the Company has applied the principles and recommendations of the Code.

1. Board of Directors

1.1 Composition of Board

The Board is responsible for the overall performance of the Company and focuses mainly on strategy, performance, standard of conduct and critical business issues.

The Board currently consists of five (5) Directors:-

- One (1) Chairman and Chief Executive
- Four (4) Independent Non-Executive Directors

The Code states that the Board must comprise of a majority of Independent Directors where the Chairman of the Board is not an Independent Director. Currently, the Board has a majority of Independent Directors.

The Chairman functions both as Chairman of the Board and Chief Executive and is supported by experienced Board members with a wide range of expertise. The Board is mindful of the combined roles but is comfortable that there are no concerns as all related party transactions are dealt with in accordance with the Bursa Securities Listing Requirements.

On a related note, the Board is satisfied with the dual role held by the same person as he has put in the necessary time in carrying out his responsibilities. The Board is satisfied with the check and balance system on the decision making process as the Board comprises of a majority of Independent Directors.

The Board complies with the Bursa Securities Listing Requirements that requires at least two (2) or one-third (1/3) of the Board, whichever is higher, to be independent Directors.

The Board has reserved certain material matters for the collective review and decision by the Board. The roles and contributions of independent Directors also provide an element of objectivity, independent judgement and check and balance on the Board. Matters reserved for the Board include but are not limited to the following:-



1. Board of Directors (Cont'd)

1.1 Composition of Board (Cont'd)

- (a) Group's business strategy and business plan;
- (b) Annual budgets, including major capital commitments;
- (c) Material acquisition and disposal of assets; and
- (d) Changes to the senior management and control structure

The Management is accountable to the Board for the Company's performance and is required to report regularly to the Board on the progress made by the Company's business units.

Together, the Directors bring a wide range of business and financial experience for effective direction and management of the Group's businesses. A brief description of the background of each Director is presented in pages 7 and 8 of the Annual Report.

Datuk Christopher Martin Boyd has been identified as the senior independent non-executive Director to whom concerns regarding the Company may be conveyed.

The Board recognises the importance of gender, age and ethnic diversity in the composition of the Board. The Board currently does not have any gender, age and ethnic policies and targets. The Board believes that candidature to the Board should be based on a candidate's skills, experience, knowledge, expertise and commitment to fulfill the role and responsibilities of the position.

The Board has formed different Board committees, in support of independent oversight of management that operate within the defined terms of reference. These committees are:-

- Audit Committee
- Nomination Committee
- Remuneration Committee

The Report of the Audit Committee for the financial year ended 30 June 2017 is set out in pages 24 and 25 of the Annual Report.

Details of the Nomination Committee and Remuneration Committee are set out in Section 2.2 and Section 2.3 respectively of this Statement.

1.2 Independence of Directors

The Code recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, upon completion of the nine years, the Independent Director may continue to serve the Board subject to shareholders' approval.

The Board will continuously evaluate from time to time the independence of each of its Independent Directors. In this regard, the Board will be guided by the criteria set out in the Bursa Securities Listing Requirements.

1.3 Board Charter and Code of Ethics & Conduct

The Board has established a Board Charter which prescribes, among other things, the roles of the Board, schedule of matters reserved for the Board's collective decision and a Code of Ethics and Conduct.

The Directors conduct themselves with the highest ethical standards. All Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Company.



STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

1. Board of Directors (Cont'd)

1.3 Board Charter and Code of Ethics & Conduct (Cont'd)

The Board Charter is subject to review by the Board from time to time to ensure that the Board Charter remains consistent with the Board's objectives, current laws and practice.

The Board Charter was adopted by the Company on 31 May 2013. The Board Charter is available on the Company's corporate website at www.muiproperties.com.my

1.4 Board Meetings

The Board meets at least four (4) times a year, with additional meetings convened as necessary. The Chairman is responsible for setting the agenda for Board meetings. Any Board member may, however, recommend the inclusion of items on the agenda. Such recommendations will be accommodated to the extent practicable. The agenda typically reaches the Board at least two (2) weeks prior to Board meetings. Board meetings are typically scheduled a year in advance.

Four (4) Board Meetings were held during the financial year ended 30 June 2017. Details of the attendance of the Directors are set out in the Profile of Directors appearing in pages 7 and 8 of the Annual Report.

1.5 Appointments to the Board

The Nomination Committee is responsible in identifying and evaluating potential candidates based on their skills, experience, knowledge, expertise and commitment to fulfill the role and responsibilities of the position before making any recommendation to the Board for approval of the appointment. The proposed appointment of each new Director will be deliberated by the Board based on the recommendation by the Nomination Committee.

The Board has taken note of the recommendation in the Code pertaining to the establishment of board gender diversity policy. The Board recognises the importance of boardroom diversity and aims to ensure diversity in its composition. The Board currently has one (1) female Director, namely Datin Ngiam Pick Ngoh.

The Directors have direct access to the services of the Joint Company Secretaries who are responsible for ensuring that all appointments are properly made and all necessary information are obtained from Directors, both for the Company's own records and for the purposes of meeting the requirements of the Companies Act, 2016, Bursa Securities Listing Requirements and other regulatory requirements.

1.6 Re-election of Directors

In accordance with the Company's Articles of Association, Directors who are appointed by the Board are subject to election by shareholders at the next Annual General Meeting following their appointment.

The Company's Articles of Association provide that at every Annual General Meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office and shall be eligible for re-election. The Company's Articles of Association further provide that subject to the provisions of any contract between a Managing Director and the Company, all Directors shall retire from office at least once in every three years and shall be eligible for re-election.



1. Board of Directors (Cont'd)

1.7 Directors Remuneration

The Remuneration Committee will review the remuneration of the Directors and submit its recommendations to the Board for approval. The individual director concerned will abstain from discussion of their own remuneration. Directors' fees are approved at the Annual General Meeting by the shareholders.

For the financial year ended 30 June 2017, the aggregate of remuneration of the Directors received from the Company and the Group's subsidiaries are categorised into appropriate components and is as follows:-

<i>Directors' Remuneration</i>	<i>Salaries RM'000</i>	<i>Fees RM'000</i>	<i>Benefits- in-kind RM'000</i>	<i>Allowance &Others RM'000</i>	<i>Total RM'000</i>
Group					
Executive Directors	180	83	5	306	574
Non-Executive Directors	-	159	-	16	175
	180	242	5	322	749
Company					
Executive Directors	180	72	5	306	563
Non-Executive Directors	-	144	-	16	160
	180	216	5	322	723

The number of Directors of the Company whose remuneration during the year falls within the respective bands are as follows:-

<i>Range of Remuneration</i>	<i>Group Number of Directors</i>		<i>Company Number of Directors</i>	
	<i>Executive Directors</i>	<i>Non-Executive Directors</i>	<i>Executive Directors</i>	<i>Non-Executive Directors</i>
Below RM50,000	-	3	-	4
Below RM50,001 to RM100,000	-	1	-	-
RM500,001 to RM600,000	1	-	1	-
	1	4	1	4

1.8 Supply of Information

The Board has unrestricted access to information necessary for the furtherance of their duties.

The Board is also updated by the Joint Company Secretaries on new statutory and regulatory requirements concerning their duties and responsibilities from time to time.

Board papers are distributed to Board members prior to the meeting. Important matters that are reasonably expected to have a material effect on the price, value or market activity of the Company's shares may be discussed at the meeting without materials being distributed prior to the meeting.

All Directors have access to the advice and services of the Joint Company Secretaries and where necessary, in the furtherance of their duties, obtain independent professional advice at the Group's expense.



STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

1. Board of Directors (Cont'd)

1.9 Qualified and Competent Company Secretary

The Board is supported by two (2) Joint Company Secretaries that are qualified to act as Company Secretary under Section 235(2) of the Companies Act, 2016. One of them is a member of the Malaysian Institute of Chartered Secretaries and Administrators (“MAICSA”) whilst the other is a member of the Malaysian Bar. The Joint Company Secretaries play an advisory role to the Board in relation to the Company’s compliances with relevant regulatory requirements, guidelines and legislation. The Joint Company Secretaries circulate relevant guidelines and updates on statutory and regulatory requirements from time to time for the Directors’ reference.

The Joint Company Secretaries facilitate the orientation of new Directors besides coordinating the directors’ training and development. The Joint Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that deliberations, proceedings and resolutions are properly minuted and documented. The Joint Company Secretaries constantly keep themselves up-to-date through continuous training of the regularly evolving capital market environment, regulatory changes and developments in Corporate Governance.

1.10 Directorships in Other Companies

In accordance with the Bursa Securities Listing Requirements, each member of the Board holds not more than five (5) directorships in public listed companies. Prior to acceptance of any other appointment for directorships in other public listed companies, the Directors are required to consult with the Chairman to ensure that the acceptance of the new directorships would not affect their commitments and responsibilities to the Group. Any acceptance of new directorship must be notified to the Company immediately and the Board is informed on all changes to the directorships held by the Directors at the following Board meeting.

1.11 Directors’ Training

All the Directors have attended and successfully completed the Mandatory Accreditation Programme prescribed by Bursa Securities. During the financial year, all the Directors have attended annual training which aims to assist them in the discharge of their duties as Directors.

For the financial year under review, Tan Sri Dato’ Khoo Kay Peng, Datuk Christopher Martin Boyd, Tan Sri Dato’ Dr Yeoh Oon Kheng and Datin Ngiam Pick Ngoh had attended a training on the subject of “What Directors Need to Know On Reporting & Disclosure Obligations To Prevent Public Reprimand & Fines By The Regulators”. The training was organised by the Company and held in-house.

Datuk Christopher Martin Boyd had attended various training programmes on the subject of “Malaysian Property Summit – Mid Year Review 2016”, “Property Report Congress Malaysia 2016 – Living Smart: the Rise of Cyberjaya (and how it compares to its regional counterparts)”, Insights of the KL Market Outlook & the Impact of High Speed Rail”, “Board of Valuers Seminar – Recent Development in Valuers Negligence”, “Edge Special Property Symposium – the Impact of the High Speed Rail on Property in Malaysia”, “REITs Seminar 2016 – the Growth & Changes of the Malaysian REITs Market in 2016 & Beyond”, “Post Brexit: Impact on UK Commercial & Residential Investment”, “Regional Economic & Business Outlook Conference: What is to build in 2017”, “Malaysian Annual Real Estate Convention 2017: Transforming Your Real Estate Business in a Changing Era” and “Malaysia External Trade Development Corporation Investment Forum – Property Market Review”. Encik Abdul Rashid bin Ismail had attended “20th Commonwealth Law Conference” and “Employment Law Conference”. Tan Sri Dato’ Dr Yeoh Oon Kheng had attended various training programmes on the subject “Leadership and the Digital Disruption: A Global Assessment” and “Sustainability Engagement Series for Director/Chief Executive Officer 2017”. Datin Ngiam Pick Ngoh had attended “Directors’ Continuing Education Programme”, “Sustainability Engagement Series for Director/Chief Executive Officer 2017” and “Training on Companies Act, 2016”.



1. Board of Directors (Cont'd)

1.11 Directors' Training (Cont'd)

The Directors were also encouraged to attend various training programmes and seminars which they feel may be conducive to ensure that they are kept abreast on various aspects related to business of the Group and its regulations, compliance, risk management and sustainability.

2. Board Committees

2.1 Audit Committee

The Audit Committee comprises exclusively Non-Executive Directors, and all are Independent Directors. The members of Audit Committee are as follows:-

Chairman	Datuk Christopher Martin Boyd	- Independent Non-Executive Director
Members	Abdul Rashid bin Ismail	- Independent Non-Executive Director
	Tan Sri Dato' Dr Yeoh Oon Kheng	- Independent Non-Executive Director

The attendance of members at the Audit Committee Meeting and work of the Audit Committee for the financial year ended 30 June 2017 are set out in the Report of the Audit Committee in pages 24 and 25 of the Annual Report. The terms of reference of the Audit Committee are available in the Company's corporate website at www.muiproperties.com.my

2.2 Nomination Committee

The Nomination Committee comprises exclusively Non-Executive Directors, and all are Independent Directors. The members of the Nomination Committee are as follows:-

Chairman	Datuk Christopher Martin Boyd	- Independent Non-Executive Director
Member	Abdul Rashid bin Ismail	- Independent Non-Executive Director

The Nomination Committee held one (1) meeting during the financial year ended 30 June 2017. The Nomination Committee has carried out the annual assessment for the financial year ended 30 June 2017 and is satisfied that the size of the Board is optimum and there is an appropriate mix of knowledge, skills, attributes, diversity and core competencies in the Board's composition.

The Nomination Committee assesses every Director annually and such assessment is based on different criteria. Some of them being:-

- (a) Fit and proper
- (b) Contribution and Performance
- (c) Calibre and Personality

Annual appraisals on the Independent Directors are also conducted via a self-assessment questionnaire to be filled-up by each Independent Director and submitted to the Nomination Committee before recommending to the Board on its composition.

The terms of reference of the Nomination Committee are available in the Company's corporate website at www.muiproperties.com.my



STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

2. Board Committees (Cont'd)

2.3 Remuneration Committee

The Remuneration Committee comprises exclusively Non-Executive Directors. The members of the Remuneration Committee are as follows:-

Chairman	Abdul Rashid bin Ismail	- Independent Non-Executive Director
Member	Datuk Christopher Martin Boyd	- Independent Non-Executive Director

The primary duty and responsibility of the Remuneration Committee is to recommend to the Board the remuneration of Executive Directors in all forms, drawing from outside advice as necessary. Nevertheless, the determination of remuneration packages of Executive Directors is a matter for the Board as a whole and individual Executive Directors are required to abstain from discussion of their own remuneration.

The Remuneration Committee shall also recommend to the Board the remuneration of Non-Executive Directors. The determination of the remuneration of the Non-Executive Directors is a matter for the Board collectively.

3. Corporate Disclosure Policy

The Company aims to provide accurate and fair disclosure of corporate information to enable informed and orderly market decisions by investors in accordance with the requirements under the Bursa Securities Listing Requirements as the Company promotes transparency in all aspects of its business and/or management.

4. Whistleblower Policy

The Company has adopted and implemented a Whistleblower Policy which is committed in promoting and maintaining high standards of transparency, accountability and ethics in the workplace, in line with good corporate governance and prevailing legislation.

Pursuant to this Whistleblower Policy, employees in the Company are encouraged to report or disclose alleged, suspected and/or known improper conduct in the workplace without fear of retribution or detrimental action.

5. Relationship with Shareholders and Investors

In addition to various announcements made during the year, the timely release of quarterly interim financial report provides shareholders with a regular overview of the Group's performance and operations.

Shareholders and members of the public can also obtain information on the annual and quarterly reports and the announcements made by the Company by accessing Bursa Securities' website and the Company's corporate website at www.muiproperties.com.my

Notice of the Annual General Meeting and the Annual Report are sent to all shareholders. At Annual General Meetings, shareholders have direct access to the Directors and are given the opportunity to ask questions during the question and answer session. This process highlights the check and balance system that is required under Malaysian Law.

Pursuant to Paragraph 8.29A(1) of the Bursa Securities Listing Requirements, the Company is required to ensure that any resolution set out in the notice of general meetings is voted by poll.



5. Relationship with Shareholders and Investors (Cont'd)

Shareholders and other interested parties may contact the Joint Company Secretaries for investor relations matter by writing or via telephone/facsimile as follows:

Postal Address : Unit 3, 191, Jalan Ampang, 50450 Kuala Lumpur
Telephone number : 03-21487696
Facsimile number : 03-21445209

6. Accountability and Audit

6.1 Financial Reporting

The Audit Committee is tasked to assist the Board in ensuring that the financial statements comply with the Companies Act, 2016 and the applicable financial reporting standards. The Board has the overall responsibility to ensure that the financial statements reviewed and recommended by the Audit Committee for the Board's approval are prepared in accordance with the Companies Act, 2016 and applicable financial reporting standards so as to present a true and fair view of the state of affairs of the Group.

The Statement by Directors pursuant to Section 251(2) of the Companies Act, 2016 is set out in page 42 of the Annual Report, and the Statement explaining the Directors' responsibilities for preparing the annual audited financial statements pursuant to paragraph 15.26(a) of Bursa Securities Listing Requirements is set out in page 19 of the Annual Report.

6.2 Risk Management and Internal Control

The Directors acknowledge their responsibilities for the internal control system in the Group, covering not only financial controls but also controls relating to operational, compliance and risk management. The system of internal control involves each key business unit and its management, including the Board, and is designed to meet the business units' particular needs, and to manage the risks to which they are exposed. The system, by its nature, can only provide reasonable and not absolute assurance against material misstatement, loss or fraud. The concept of reasonable assurance recognises the costing aspect, whereby the cost of control procedures is not to exceed the expected benefits. The Board has established an internal audit function who reports directly to the Audit Committee. Details of the internal audit functions are set out in Report of the Audit Committee in pages 24 and 25 of the Annual Report.

The Board recognises that risks cannot be fully eliminated. As such, the Group has an Enterprise Risk Management ("ERM") framework in place to minimise and manage them. The Board has established a Risk Management Committee comprising senior management staff and guided by documented terms of reference. Meetings are held regularly to deliberate on risk and control issues. Ongoing reviews are continuously carried out to ensure the effectiveness, adequacy and integrity of the system of internal controls and ERM framework in safeguarding the Group's assets.

Details of the Company's internal control system and risk management are set out in Statement on Risk Management and Internal Control in pages 20 to 22 of the Annual Report.

6.3 Relationship with the External Auditors

The Company's external auditors have continued to report to members of the Audit Committee on their findings which are included as part of the Company's financial reports with respect to their audit on the statutory financial statements. In doing so, the Company has established a transparent arrangement with the auditors to meet their professional requirements.



STATEMENT ON CORPORATE GOVERNANCE (C o n t ' d)

6. Accountability and Audit (Cont'd)

6.3 Relationship with the External Auditors (Cont'd)

The Audit Committee met the external auditors three (3) times during the financial year ended 30 June 2017 without presence of management to discuss key concerns and obtain feedback relating to the Company's affairs.

Further, the Audit Committee carries out its own evaluation on the external auditors to determine their suitability from various aspects such as their audit scope and independence. The external auditors have also provided assurances to the Audit Committee on its independence via the Audit Planning Memorandum.

The role of the Audit Committee in relation to the external auditors is set out in the Report of the Audit Committee in pages 24 and 25 of the Annual Report.



DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year, which give a true and fair view of the financial position of the Group and of the Company as at the end of the financial year and of the financial performance and cash flows of the Group and of the Company for the financial year.

The Directors ensure that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgments and estimates have been made, in the preparation of the financial statements.

The Directors also ensure that applicable approved Financial Reporting Standards in Malaysia have been followed.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 2016.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Board's Responsibility

The Board of Directors ("Board") is responsible for the Group's system of internal control and risk management and for reviewing the adequacy and integrity of the system. The system covers risks and controls on financial, operational, compliance/legal and external aspects. This system is designed to manage, rather than to eliminate, the risks in the pursuit of the Group's business objective as well as to safeguard shareholders' investments and Group's assets. The system serves to provide reasonable but not absolute assurance against the risk of material misstatement, loss or fraud.

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. The Bursa Malaysia Securities Berhad's ("Bursa Securities") Listing Requirements require directors of public listed companies to include a statement in their annual reports on their risk management and internal control system. The Bursa Securities' Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines") provides guidance for compliance with these requirements. Set out below is the Board's Statement on Risk Management and Internal Control, which has been prepared in accordance with the Guidelines.

Risk Management

The Board confirms that an ongoing process for identifying, measuring and managing the Group's principal risks is in place. This process is carried out via the following risk management governance structure:-

- The Board – discharges its responsibilities and duties by ensuring a sound system of risk management and internal control is in place for the Group. The Board has established the Audit Committee to assist them in fulfilling their responsibilities and duties. The Board formulates the Group's business strategies and reviews the Group's performance on a quarterly basis. Additional meetings may be called as and when the Board deems necessary. The Board also directs appropriate actions as and when significant risks and internal control issue arise.
- The Audit Committee – on behalf of the Board, the Audit Committee, with the assistance of the Risk Management Committee and the Group's Internal Audit Department, establishes a system of risk management and internal control. The Audit Committee, on behalf of the Board, reviews the significant risks and internal controls of the Group's business and activities and highlights significant risks and issues to the Board on a quarterly basis. The Group Internal Audit Department which reports directly and independently to the Audit Committee regularly conducts audits on the Group's business and activities, and reviews the adequacy and effectiveness of the Group's system of risk management and internal control.
- The Risk Management Committee ("RMC") – assists the Audit Committee in establishing risk management framework and process capable of identifying and managing significant risks inherent or developed in the Group's business and activities. The RMC meets with the risk owners to review the risks on a quarterly basis and presents its reports to the Audit Committee quarterly. Additional meetings may be called as and when the RMC deems necessary. The RMC comprises the Chief Operating Officer, the Group Financial Controller and the Head of Operations/Business.



Risk Management Process

Risks are reported, monitored and managed at the operational level using Risk Register which captures risks, mitigating measures and risk ratings. The Risk Register is presented to the RMC for review on a quarterly basis.

Significant risks are consolidated and presented by the RMC to the Audit Committee for review quarterly, and if deemed necessary to be escalated for review at the Board level.

Changes in significant existing risks and significant emerging risks are reported to the Audit Committee/Board.

Types of Risks

The principal business activities of the Group are investment holding, property development, sale of oil palm fruits and property investment. There have been no significant changes in the nature of these activities during the financial year ended 30 June 2017.

The significant risks faced by the Group during the financial year ended 30 June 2017 can be broadly categorised as follows:

Financial Risk

- Potential impairment of investments

Operational Risk

- Project implementation: cost overrun, delays, quality, safety
- Project planning: feasibility study, conceptualisation, design, approvals
- Demand forecasting
- Inventories
- Change of key management staff

Compliance/Legal Risk

- Failure to comply with statutory/regulatory requirements
- Any legal suits that may arise from time to time

External Risk

- Domestic and/or global slowdown
- High banks' rejection rates for housing loans
- Fluctuations in prices of building materials and crude palm oil
- Emergence of competitors' developments in proximity and price wars among competitors



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (C o n t ' d)

Key Elements of Internal Control

The key elements of the Group's internal control system, that are regularly reviewed by the Board and are in accordance with the Guidelines, are described below:-

- Establishment of a control environment in respect of the overall attitude, awareness and actions of Directors and Management regarding the internal control system and its importance to the Group;
- Recruitment of experienced, skilled and professional staff with the necessary caliber to fulfill the respective responsibilities and ensuring that adequate controls are in place;
- Clear Group structure, reporting lines of responsibilities and appropriate levels of delegation;
- Documented policies, procedures and limits of approving authorities for key aspects of the business. This provides a framework of authority and accountability within the organisation and facilitates corporate decision making at the appropriate level in the organisation's hierarchy;
- Establishment of segregation of duties via independent checks, review and reconciliation activities to prevent human errors, fraud and abuses;
- Quarterly management reports to the Board from various lines of operations and business units, on key business performance, operating statistics and regular matters. This allows for an effective monitoring of significant variances and deviation from standard operating procedures and budget;
- Group Internal Audit function independently reviews the risk identification procedures and control procedures implemented by Management, and reports to the Audit Committee on a quarterly basis. The Group Internal Audit function assesses the operation and validity of the system of internal control in relation to the level of risk involved using Risk-Based-Auditing methodology; and
- The Audit Committee convenes meetings to deliberate on the findings and recommendations for improvement by the Group Internal Audit function, external auditors as well as regulatory authorities. The Audit Committee reviews the actions taken to rectify the findings in a timely manner, and to evaluate the effectiveness and adequacy of the Group's internal control systems.

Adequacy and Effectiveness of the Group's Risk Management and Internal Control System

The Board has received assurance from the Chief Operating Officer, the Group Financial Controller and the Head of Operations/Business that the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

The Board is of the view that the risk management and internal control system in place for the financial year under review and up to the date of issuance of the financial statements, is adequate and effective to safeguard the shareholders' investment and the Group's assets. The system of risk management and internal control continues to be subject to enhancement, validation and regular review.

Review of Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the annual report of the Company for the financial year ended 30 June 2017 and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is it factually inaccurate.



OTHER INFORMATION

1. Utilisation of Proceeds raised from Corporate Proposal

The Company does not have any corporate proposal during the financial year ended 30 June 2017.

2. Audit and Non-Audit Fees

During the financial year ended 30 June 2017, the amounts of audit and non-audit fees paid by the Company and the Group to the external auditors are as follows:-

	Group (RM'000)	Company (RM'000)
Audit Fees	272	55
Non-Audit Fees	45	18

3. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests, either still subsisting at the end of the financial year ended 30 June 2017 or entered into since the end of the previous financial period except as disclosed in the financial statements.



REPORT OF THE AUDIT COMMITTEE

The Audit Committee was established on 5 July 1994. The Board shall ensure that the composition of the Audit Committee comply with the Bursa Securities Listing Requirements as well as other regulatory requirements. The terms of reference of the Audit Committee is available in the Company's corporate website.

1. Members

The Audit Committee consists of the following members:-

<i>Name</i>	<i>Designation</i>
Datuk Christopher Martin Boyd - <i>Chairman</i>	<i>Independent Non-Executive Director</i>
Abdul Rashid bin Ismail	<i>Independent Non-Executive Director</i>
Tan Sri Dato' Dr Yeoh Oon Kheng	<i>Independent Non-Executive Director</i>

2. Meetings

During the financial year ended 30 June 2017, five (5) Audit Committee Meetings were held and the records of each member are as follows:-

<i>Name</i>	<i>Attendance</i>
Datuk Christopher Martin Boyd - <i>Chairman</i>	5 out of 5
Abdul Rashid bin Ismail	4 out of 5
Tan Sri Dato' Dr Yeoh Oon Kheng	5 out of 5

In addition to the Committee members, the Head of Internal Audit and officer in charge of accounts are invited to each meeting. The respective head of companies/departments and their management team attend when audit reports on their companies/departments are tabled for discussion. The presence of the external auditors will be requested when required.

Upon the request of the external auditors, the Chairman shall convene a meeting of the Audit Committee to consider any matter the external auditors believe should be brought to the attention of the Board or shareholders.

3. Summary of Work of the Audit Committee during the financial year ended 30 June 2017

The Audit Committee reviewed and deliberated five (5) audit reports on assignments and four (4) audit follow-up reports conducted by the Internal Audit. The Audit Committee also appraised the adequacy and effectiveness of Management's response in resolving the audit issues reported.

In addition, the unaudited quarterly interim financial reports and the audited financial statements of the Company and the Group were reviewed by the Audit Committee prior to recommending the same for approval by the Board, upon being satisfied that the financial reporting and disclosure requirements of the relevant authorities had been complied with.

The Audit Committee met with the external auditors and discussed the nature and scope of the audit, considered any significant changes in accounting and auditing issues, reviewed audit issues and concerns affecting the financial statements of the Group and discussed applicable accounting and auditing standards that may have significant implication on the Group's financial statements. The Audit Committee also reviewed related party transactions carried out by the Group.



3. Summary of Work of the Audit Committee during the financial year ended 30 June 2017 (Cont'd)

The Audit Committee reviewed and approved the Internal Audit Plan for the financial year ending 30 June 2018. In its review of the Internal Audit Plan, the Audit Committee reviewed the scope and coverage over the activities of the respective business units of the Group.

Further, the Audit Committee also reviewed and deliberated the Internal Audit Manual for the Group. In carrying out such review, the Audit Committee considered the effectiveness of the policies and procedures in ensuring a smooth and efficient workflow of the internal audit function.

4. Internal Audit Function

The internal audit function is performed by the Group Internal Audit Department (“GIAD”) of Malayan United Management Sdn Bhd, a company under the MUI Group of companies and is independent of the activities audited. The function is performed with impartiality, proficiency and due professional care. The GIAD reports directly to the Audit Committee, and regularly reviews and appraises the Group’s key operations to ensure that key risk and control concerns are being effectively managed.

The Internal Audit carries out audit assignments based on risk-based audit plan that is reviewed and approved by the Audit Committee. The reports of the audits undertaken were presented to the Audit Committee and forwarded to the management concerned for attention and necessary action.

During the financial year ended 30 June 2017, the GIAD carried out reviews on the scope of tendering process and appointment of contractors and consultants, regulatory compliance, handling of defect complaints, investigation and other assignments as required by the Audit Committee.

Follow-up reviews on previous audit reports are conducted by GIAD on quarterly basis to ensure appropriate actions are implemented to address the concerns highlighted.

The cost incurred for the internal audit function of the Company for the financial year ended 30 June 2017 was approximately RM118,125.



MUI Properties Berhad
6113-W
Incorporated in Malaysia

CORPORATE SOCIAL RESPONSIBILITY

The MUI Properties Berhad Group recognises its duty as a responsible corporate citizen. We are firmly committed to the principles and practice of corporate social responsibility (“CSR”). Our CSR initiatives are rooted in the universal belief that every organisation owes a duty to act responsibly for the good of its employees, customers, shareholders, the communities in which it operates, the environment and society at large. The Group’s CSR involvement is summarised under the following broad headings:

Community

The Group believes in sharing its success with the community. In addition to providing quality products and services to the people, the Group has taken active steps to organise and participate in the charity projects through its various operating companies. The Group believes that a consolidated effort in CSR initiatives will be more effective and impactful for the beneficiaries that included charitable organisations, community projects, health care institutions, education institutions, and social activities. For over a decade, the Group has offered patronage, encouragement, and support for the Malaysian performing arts.

Workplace

The Group prioritises in fostering an excellent human resource system. Mindful of employees’ welfare, the Group stands firm in its practices that comply with accepted standards of safety and health in the workplace. The Group continues to inculcate a sense of awareness amongst employees to accept responsibilities in occupational safety, health and environmental matters and to maintain a clean, safe and orderly working environment. As a responsible company, the Group emphasises on the well-being, health, and safety of employees in the workplace. The on-going responsibility is entrusted to various operating companies or committees, and each is headed by a senior member of management. Key personnel attend various training programs that deal with occupational safety and health, hygiene and sanitation, first aid and fire-fighting.

Marketplace

One of the underlying principles of the Group’s business philosophy is sense of fair dealing in business practices. Ethical engagement with the marketplace is something the Company takes very seriously. In this regard, the Company strives to deliver products and services that meet the criteria of value, safety, quality, and satisfaction to its customers and clients. The Company produces quality products and provides excellent services by ethical sourcing and promoting human rights, and consistently engaging with external stakeholders to understand the situation and feedback from the market and industry.

Environment

The Company believes that a business practice with friendly environment can boost its business, improve reputation, and drive market opportunities. The Group recognises the importance of environmental protection and preservation in all its business operations. Conscious of the importance of proper care for environment, the Group supports efforts that promote a cleaner and healthier environment in its day-to-day activities and operations. Procedures that ensure sound environmental practices are encouraged in its workplace and construction site. In its township development, homes are developed with generous provisions of well-maintained landscaped spaces and infrastructure.



MUI Properties Berhad
6113-W
Incorporated in Malaysia

Corporate Governance

The Group values sound and responsible business practices and encourages strong corporate governance. The Company is committed to practising a high level of corporate governance across all business functions. It seeks to uphold a corporate culture that is strong in corporate governance, efficient in management and trustworthy in business dealings. By interacting responsibly with its stakeholders, the Company emphasises economic, social, and environmental wellness.

HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

During the financial year ended 30 June 2017, the Group supported the cultural and charitable activities organised by the Philharmonic Society of Selangor. West Synergy Sdn Bhd donated to Rumah Orang Tua Chok Lam, Pertubuhan Kebajikan Ihsan Kehidupan Baru, Persatuan Kebajikan Kanak-Kanak Rhema and the deserving students for their curriculum fees at SMK Yam Tuan Radin, Negeri Sembilan. These activities have enabled our employees to better understand the struggles, needs, and challenges faced by the needy people.



MUI Properties Berhad
6113-W
Incorporated in Malaysia

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, I present the Annual Report of our Company and the Group for the financial year ended 30 June 2017.

The Malaysian property market was relatively soft for the financial year under review mainly due to higher cost of living, cautious consumer spending and the undersupply of affordable housing for the mass market.

The Group recorded revenue of RM38.6 million for the financial year under review compared with RM52.9 million, on prorated basis, for the previous 12-month period. The lower revenue was due to lower progressive recognition and slower new launches in response to cautious market sentiment. Correspondingly, the Group's profit before tax for the financial year under review was lower at RM6.2 million.

The Group's Bandar Springhill township development in Seremban-Port Dickson is well positioned to meet growing demand for affordable housing in Negeri Sembilan and the southern corridor of the Greater Klang Valley. Population in these areas will increase as the Greater Klang Valley expands southwards. The several infrastructure projects that are underway or proposed, together with increased development in these areas will improve the value of Bandar Springhill.

The Group has envisioned a long-term overall plan to develop Bandar Springhill into a livable and sustainable community township. Numerous improvements in amenities and facilities will enhance the overall branding of Bandar Springhill.

At the corporate level, the Group is rationalising its assets and streamlining its structure to achieve a leaner and more productive business entity.

On behalf of the Board, I wish to take this opportunity to thank our valued customers, shareholders, business associates and bankers for their continued support. I would like to express my appreciation to the management and staff for their hard work and dedication. Last but not least, I wish to thank my fellow Board members for their invaluable contributions.

To God Be The Glory

Tan Sri Dato' Khoo Kay Peng
Chairman

18 October 2017



MANAGEMENT DISCUSSION & ANALYSIS

Overview of Business and Operations

The Company's principal activity is investment holding while its subsidiaries' principal activities are property development, sale of oil palm fruits, property investment and investment holding. There have been no significant changes in the nature of these activities during the financial year ended 30 June 2017.

The Group's main business is the development of a 1990-acre township known as Bandar Springhill which is situated along the Seremban-Port Dickson Highway. This development is undertaken by West Synergy Sdn Bhd ("West Synergy"), a 60:40% joint-venture with Chin Teck Plantations Berhad. The oil palm plantation located within the overall development is a secondary business.

Cumulatively as of 30 June 2017, more than 3,000 units of residential and commercial properties, mostly terrace, semi-detached and bungalow houses have been built and sold. The majority of the purchasers were from Negeri Sembilan and some of them were from the southern corridor of the Greater Klang Valley.

The Group's revenue is generated from two sources: property development and oil palm plantation. The revenue from property development is the main source and is expected to increase in the future whereas the revenue from the oil palm plantation will continue to decrease from year to year due to the aging of the oil palm trees, and as more agricultural land is utilised for residential and commercial development.

There are several infrastructure projects underway or proposed in the areas of Seremban, Port Dickson and the southern corridor of the Greater Klang Valley. These include the Paroi-Senawang-KLIA-Salak Tinggi Expressway, the West Coast Expressway, KLIA Aeropolis, the Singapore-Kuala Lumpur High Speed Rail, and the Malaysia Vision Valley. These developments will bring about population growth and mobility in these areas, and hence will enhance the value of the Bandar Springhill development.

To-date, there are still about 1,000 acres of undeveloped land remaining in Bandar Springhill for future development over the next 10-15 years.

The Group has envisioned a long-term overall development plan to transform Bandar Springhill into a livable and sustainable community township comprising residences, clubhouse, recreational park, public amenities, business district, international school, university hospital and other lifestyle components.

The Group's strategy is to offer a broad spectrum of landed houses nestled within a nature-friendly environment for families seeking more spacious accommodation around 1-hour travel distance from the Kuala Lumpur City Centre. Such strategy is formulated by capitalising on its land size, low land acquisition cost and transportation accessibility.



Bandar Springhill, an integrated township in Port Dickson, Negeri Sembilan.

Financial Results

Note: There are no comparative audit figures for the previous 12-month period because the Company has changed its financial year end from 31 December to 30 June to be coterminous with the ultimate holding company, Malayan United Industries Berhad. Where it is appropriate, prorated figures for the previous 12-month period are used for comparison purposes.

The Group's revenue was RM38.6 million for the financial year under review compared with the prorated RM52.9 million for the previous 12-month period (RM79.4 million for the 18-month financial period ended



MANAGEMENT DISCUSSION & ANALYSIS (Cont'd)

30 June 2016). The decrease in revenue, on prorated basis, was due to lower progressive recognition and slower launches during the financial year ended 30 June 2017 in response to the cautious market sentiment.

The Group achieved profit before tax of RM6.2 million for the financial year under review (RM19.8 million for the 18-month financial period ended 30 June 2016). Higher profit before tax was recorded for the previous 18-month financial period due to higher progressive recognition and a one-off gain of RM11.2 million on redemption of preference shares whereas there was no such gain for the financial year under review. The majority of the profit before tax for the financial year under review came from the property development activities. There was no significant impairment of assets, trade receivables, inventories and one-off gain or loss during the financial year under review. There was also no major disposal or acquisition of assets during that period.

The Group has dissolved two inactive subsidiaries during the financial year under review. Another two inactive subsidiaries were dissolved after the reporting period in line with the Group's on-going process of streamlining the corporate structure. The dissolution of the four subsidiaries did not have any material effect on the earnings and net assets of the Group.

The Group's borrowings were minimal, i.e., RM0.7 million as at 30 June 2017 whereas its deposits, bank balances and cash stood at RM81.9 million as at 30 June 2017. The Group generated net positive cash of RM11.6 million from operating activities and its current ratio was 9.1 times for the financial year under review.



Semi-D developed by West Synergy in Bandar Springhill.



The houses in Bandar Springhill built amidst lush green areas, affording some of the most picturesque views of its surroundings.

Review of Operating Activities

Property Development

For the financial year under review, 131 units of houses (gross development value of RM40 million) were sold compared with 178 units sold (gross development value of RM46 million) for the previous year.

Gross profit margin of property development for the financial year under review increased to 34% from 25% for the previous year due to some upward adjustments of market selling prices for certain properties sold.

During the second half of the financial year under review, an initial batch of 134 units of larger-sized, higher-priced terrace houses with an average unit selling price of about RM580,000 were launched. The response to these units is generally encouraging but many of the purchasers are faced with stringent loan requirements by the banks resulting in higher loan rejection rates.

In view that the demand for the medium-priced terrace houses is still strong and that the loan rejection rates by the banks are relatively lower, the Group has switched its focus on launching more medium-end terrace houses. A new phase of 252 units of terrace houses with an average unit selling price of about RM400,000 (gross development value of about RM100 million) is targeted to be launched in stages beginning from the fourth quarter of 2017.

The Group adopts a prudent property development approach which aims to achieve minimal inventory after each launch. As at 30 June 2017, the value of inventories (completed properties) is RM2.9 million.



Oil Palm Plantation

For the financial year under review, about 5,500 tones of fresh fruit bunches (“FFB”) were harvested from approximately 790 acres of oil palm, giving revenue of RM3.4 million and gross profit of RM2.2 million. Unless the average CPO price moves up significantly, the income from the sale of FFB will decline as more of the existing agricultural land is utilised for property development.

Risks

There have been more new developments by major property developers such as Matrix Concepts, Sime Darby Property, IJM Land, Sunrise MCL Land and OSK Property emerging in Negeri Sembilan and the southern corridor of the Greater Klang Valley. Bandar Springhill continues to face a competitive landscape.

The relatively high loan rejection rates by the banks for higher priced terrace house remain a concern.

To minimise the risks as mentioned above, the Group has started planning the launching of more affordable medium-end terrace houses to cater to the market demand.

At the corporate level, the Group’s investment in overseas unquoted shares will continue to be subjected to yearly impairment test.

Outlook

The rising cost of living and high household debts have resulted in a decline of affordability and cautious consumer spending. The slower uptake in new launches and the resultant higher level of unsold properties will dampen the property market. Nevertheless, there is still demand for affordable houses in Negeri Sembilan as the Klang Valley expands southwards.

Total unbilled sales as at 30 June 2017 were RM19 million. This has since improved to RM26 million in September 2017 and will further increase after the launch of medium-priced houses in the fourth quarter of 2017.

The Group will be undertaking significant improvements in Bandar Springhill such as building a clubhouse and enhancing its recreational park to improve the overall branding of Bandar Springhill.

The Group is in various stages of planning to launch new phases in Bandar Springhill, successively within the next five years. The Group will focus on the medium-end segment in the next two years, and thereafter will move to the medium-upper segment, by which time the market demand should be reviving more steadily.

At the corporate level, the Group will continue streamlining of its corporate structure and is planning to dispose of its non-core assets towards building a leaner and more productive business entity.



GROUP FINANCIAL HIGHLIGHTS FIVE-YEAR SUMMARY

	2017 RM'000	2016 RM'000	2014 RM'000	2013 RM'000	2012 RM'000
KEY RESULTS (RM'000)					
Revenue	38,610	79,396	31,096	48,160	38,229
Operating profit/(loss) (EBITDA)	6,636	20,437	(9,894)	10,082	7,661
Profit/(loss) before tax	6,217	19,759	(10,325)	9,532	6,610
Net profit/(loss) attributable to equity holders of the Company	717	10,937	(14,411)	4,679	502
OTHER KEY DATA (RM'000)					
Total assets	356,272	339,944	317,607	328,418	323,912
Total liabilities	22,597	17,739	12,621	10,135	14,025
Share capital	162,468	152,812	152,812	152,812	152,812
Equity attributable to Owners of the Company	258,750	249,755	233,562	249,233	243,858
Total equity	333,675	322,205	304,986	318,283	309,887
Total borrowings	701	1,303	811	-	2,690
FINANCIAL RATIOS					
Operating profit/(loss) margin (%)	17.19	25.74	(31.82)	20.93	20.04
Current ratio (times)	9.09	11.02	13.51	21.25	12.28
Gearing ratio (times)	-	-	-	-	0.01
SHARE INFORMATION					
Basic earnings/(loss) per share (sen)	0.10	1.48	(1.95)	0.63	0.07
Net assets per share attributable to Owners of the Company (RM)	0.35	0.34	0.32	0.34	0.33



DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2017.

Principal Activities

The principal activity of the Company is investment holding whilst the principal activities of its subsidiaries are property development, sale of oil palm fruits, property investment and investment holding.

Results

	The Group RM'000	The Company RM'000
Profit/(Loss) after taxation for the financial year	3,192	(10,741)
Attributable to:-		
Owners of the Company	717	(10,741)
Non-controlling interests	2,475	-
	3,192	(10,741)

Dividends

No dividend was paid since the end of the previous financial period and the Directors do not recommend the payment of any dividends for the current financial year.

Reserves and Provisions

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.



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DIRECTORS' REPORT (Cont'd)

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company except for the transfer of the Company's share premium account to the Company's share capital pursuant to the transitional provision set out in Section 618(2) of the Companies Act 2016; and
- (b) there were no issues of debentures by the Company.

Treasury Shares

As at the end of the financial year, the Company held as treasury shares a total of 23,145,300 of its ordinary shares and the number of outstanding ordinary shares issued and paid-up after deducting treasury shares held is 740,914,596 ordinary shares. The treasury shares are held by the Company at a total cost of RM6,301,000.

Options Granted Over Unissued Shares

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.



Bad and Doubtful Debts

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the Directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

Current Assets

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their values as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

Valuation Methods

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



DIRECTORS' REPORT (Cont'd)

Contingent and Other Liabilities

The contingent liability is disclosed in Note 34 to the financial statements. At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

Change of Circumstances

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

Items of an Unusual Nature

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Group and of the Company for the financial year, in which the report is made.



Directors

The names of Directors of the Company who served during the financial year until the date of this report are as follows:-

Tan Sri Dato' Khoo Kay Peng (Chairman and Chief Executive)
Datuk Christopher Martin Boyd (Independent Non-Executive Director)
Abdul Rashid bin Ismail (Independent Non-Executive Director)
Tan Sri Dato' Dr Yeoh Oon Kheng (Independent Non-Executive Director)
Datin Ngiam Pick Nghoh (Independent Non-Executive Director)

The names of directors of the Company's subsidiaries who served during the financial year until the date of this report, not including those directors mentioned above, are as follows:

Ching Eng Chin @ Ching Eng Ching
Gho Lian Chin
Goh Wei Lei
Ho Ruey Ming (He Rui Ming)
Lawrence Chai
Lee Chik Siong (Appointed on 12.5.2017)
Lim Fei Fong
Marguerite Lai
Ng Kwan Cheong
Ong Hung Ming
Raymond Yeoh Huat Hock
Ronald G. Bickford
Wong Nyen Faat
Wong Shuk Fuen (Appointed on 1.11.2016)
Chin Suan Yong (Resigned on 12.5.2017)
Soo-Hoo Siew Hoon (Resigned on 31.3.2017)



DIRECTORS' REPORT (Cont'd)

Directors' Interests

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

	<u>Number of Ordinary Shares</u>		
	At 1.7.2016	Bought	Sold
The Company			
<i>Deemed Interest</i>			
Tan Sri Dato' Khoo Kay Peng	550,612,661	-	-

	<u>Number of Ordinary Shares</u>		
	At 1.7.2016	Bought	Sold
Malayan United Industries Berhad ("MUI")			
<i>Direct Interest</i>			
Tan Sri Dato' Dr Yeoh Oon Kheng	358,461	-	-
<i>Deemed Interest</i>			
Tan Sri Dato' Khoo Kay Peng	1,397,855,289	-	(2,500,000)

	<u>Number of Ordinary Shares</u>		
	At 1.7.2016	Bought	Sold
Pan Malaysia Corporation Berhad			
<i>Deemed Interest</i>			
Tan Sri Dato' Khoo Kay Peng	471,146,200	-	-



Directors' Interests (Cont'd)

	At 1.7.2016	<u>Number of Ordinary Shares</u>		At 30.6.2017
		Bought	Sold	
Pan Malaysia Holdings Berhad				
<i>Deemed Interest</i>				
Tan Sri Dato' Khoo Kay Peng	643,330,487	-	(629,704)	642,700,783

	At 1.7.2016	<u>Number of Ordinary Shares</u>		At 30.6.2017
		Bought	Sold	
Metrojaya Berhad				
<i>Deemed Interest</i>				
Tan Sri Dato' Khoo Kay Peng	122,690,133	-	-	122,690,133

	At 1.7.2016	<u>Number of Ordinary Shares</u>		At 30.6.2017
		Bought	Sold	
MUI Continental Berhad				
(Under Members' Voluntary Winding-up)				
<i>Deemed Interest</i>				
Tan Sri Dato' Khoo Kay Peng	5,221	-	-	5,221

By virtue of his deemed interest in the shares of MUI, Tan Sri Dato' Khoo Kay Peng is deemed to have interest in the shares in all the other subsidiaries of MUI to the extent that MUI has an interest, in accordance with Section 8 of the Companies Act 2016.

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

Directors' Benefits

Since the end of the previous financial period, no Director has received or become entitled to receive any benefit (other than benefits included in the aggregate amounts of remuneration received or due and receivable by Directors shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in Note 29 to the financial statements.

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



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DIRECTORS' REPORT (Cont'd)

Directors' Remuneration

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are disclosed in Note 25 to the financial statements.

Indemnity and Insurance Cost

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors of the Company are RM75,000,000 and RM37,571 respectively. No indemnity was given to or insurance effected for auditors of the Company.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 8 to the financial statements.

Significant Events during the Financial Year

The significant events during the financial year are disclosed in Note 32 to the financial statements.

Significant Events Occurring After the Reporting Period

The significant events occurring after the reporting period are disclosed in Note 33 to the financial statements.

Ultimate Holding Company

The ultimate holding company is Malayan United Industries Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.



Auditors

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

The auditors' remuneration are disclosed in Note 25 to the financial statements.

Signed in accordance with a resolution of the Directors dated 11 October 2017.

Datuk Christopher Martin Boyd

Abdul Rashid bin Ismail



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STATEMENT BY DIRECTORS

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

We, Datuk Christopher Martin Boyd and Abdul Rashid bin Ismail, being two of the Directors of MUI Properties Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 50 to 139 are drawn up in accordance with 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 at 30 June 2017 and of their financial performance and cash flows for the financial year ended on that date.

The supplementary information set out in Note 36 on page 140 which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the Directors dated 11 October 2017

Datuk Christopher Martin Boyd

Abdul Rashid bin Ismail

STATUTORY DECLARATION

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

I, Wong Shuk Fuen, being the officer primarily responsible for the financial management of MUI Properties Berhad, do solemnly and sincerely declare that the financial statements set out on pages 50 to 140 are, to the best of my knowledge and belief, 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
Wong Shuk Fuen
at Kuala Lumpur in the Federal Territory
on 11 October 2017.

Wong Shuk Fuen

Before me

P.Valliamah
Commissioner for Oaths