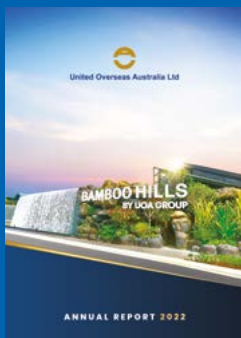




United Overseas Australia Ltd

BAMBOO HILLS
BY UOA GROUP

ANNUAL REPORT 2022



Cover

Situated in Jalan Ipoh, Kuala Lumpur, Bamboo Hills is filled with exceptional food scenes, quirky café cultures, gourmet dining experiences and fresh local produce. This new dining discovery is centred around having lush bamboo landscape and pockets of greenery at every corner with unique dining pavilions and vast outdoor spaces.

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Komune Living & Wellness - Facade Park View

CORPORATE DIRECTORY

A.C.N 009 245 890

A.B.N 81 009 245 890

DIRECTORS

Mr. Chong Soon Kong (*Managing Director*)

Mr. Pak Lim Kong (*Executive Director*)

Mr. Chee Seng Teo (*Independent Director*)

Mr. Stuart Alexander Third (*Independent Director*)

Ms. Jeslyn Jacques Wee Kian Leong (*Independent Director*) (appointed on 14 April 2022)

Ms. May Chee Kong (*alternate for C.S. Kong*)

COMPANY SECRETARY

Mr. Stuart Alexander Third

ASX CODE

UOS

REGISTERED OFFICE

Suite 51

11 Tanunda Drive

Rivervale, Western Australia 6103

Telephone +618 9368 0366

Email stuart@downsaccounting.com.au

PRINCIPAL PLACE OF MANAGEMENT

UOA Corporate Tower

Lobby A, Avenue 10, The Vertical

Bangsar South City

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Malaysia

SHARE REGISTRY

Advanced Share Registry Services Ltd

110, Stirling Highway

Nedlands, Perth

Western Australia 6009

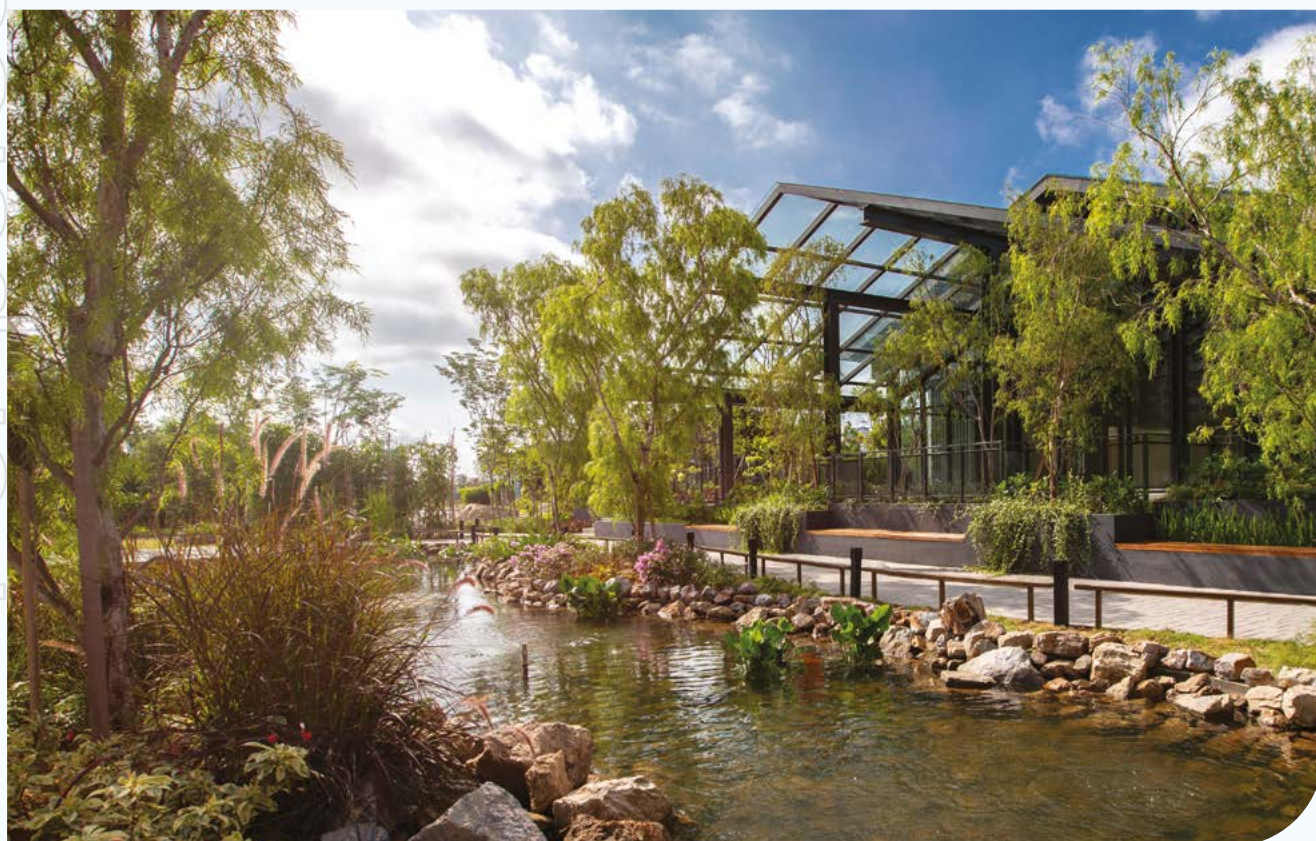
AUDITORS

Grant Thornton Audit Pty Ltd

Central Park

Level 43, 152-158 St Georges Terrace

Perth, Western Australia 6000



Bamboo Hills

FROM THE OFFICE OF MANAGING DIRECTOR

Dear Valued Shareholders,

The financial year 2022 continued to be challenging against the backdrop of a volatile business environment and the underlying risks of economic disruptions caused by the COVID-19 pandemic.

With the country's high vaccination rate, new normal safety controls, and gradual relaxation of restrictions, the economy is expected to recover positively with the reopening of more economic and social sectors, in line with improved domestic and global demand.

Profit after tax and minority interest for the financial year ended 31 December 2022 was \$66.8 million. This is a decrease of 16.7% in comparison to the results for the preceding financial year. The Board of Directors has resolved to declare a final dividend of 2.0c (unfranked) for the year ended 31 December 2022.

Despite the tumultuous impacts of the pandemic, we remain committed to ensuring resilience in an uncertain environment as we work on strengthening the long-term value of our business with prudence and agility.

Last but not least, I would like to take this opportunity to express my sincere gratitude to our shareholders, Board of Directors, Management, esteemed customers, business associates and staff, for their unrelenting dedication, support and commitment to United Overseas Australia Ltd. I look forward to your continued support as we strive to achieve a better fiscal 2023.

Thank you.

C.S. Kong
Managing Director

EXECUTIVE DIRECTOR'S REVIEW OF OPERATIONS

The year ended 31 December 2022 has been one of profitable operations for the Group albeit in a very difficult market, allowing it to continue to retain a strong and positive balance sheet.

REVIEW OF OPERATIONS

Australia

East Parade Condominiums

The Company has completed sales of all remaining units within the development during year. The Company initially partnered with an Australian developer who had approval for the project, before wholly taking over the development mid-project. The development was completed just prior to the COVID-19 pandemic, which impacted on the length of time the units took to sell. Despite the longer than anticipated timeframe to sell all units, the Company sees the development as a successful project.

Leederville

The buildings within the Leederville complex are currently 68% occupied (by tenancy) with enquiries continuing to be received for the balance of space remaining in a very competitive market. The Leederville precinct continues to evolve and remains a sought after location with the expectation that occupancy will increase during the coming year.

Vietnam

UOA Tower has seen an increase in occupancy and rental rates post COVID-19. We believe these trends are expected to continue in financial year 2023.

Malaysia

UOA Development Bhd and its subsidiaries (the "UOAD Group") continued to deliver positive results for financial year 2022. As at 31 December 2022, the UOAD Group achieved total revenues of \$148.2 million and profit after tax of \$73.1 million.

UOA Development Bhd

The Financial Report of UOA Development Bhd for year ended 31 December 2022 can be downloaded at www.uoadev.com.my. UOA Development Bhd is 72.33% owned.

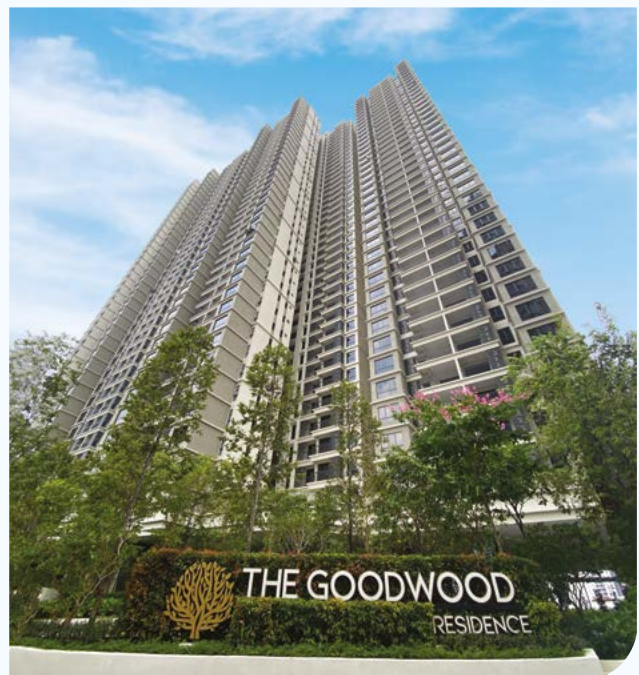
UOA Real Estate Investment Trust

The Financial Report of UOA Real Estate Investment Trust for year ended 31 December 2022 can be downloaded at www.uoareit.com.my. UOA Real Estate Investment Trust is 34.16% owned.

SNAPSHOT OF COMPLETED AND CURRENT DEVELOPMENTS

In financial year 2022, The Goodwood Residence, Aster Green Residence, Komune Living & Wellness and the first phase of Bamboo Hills were completed.

The Goodwood Residence is located within Bangsar South and it consists of 1 block of 40-storey residential tower with 678 units which is ideal for multi-generational living. This project was completed in the second quarter of financial year 2022.



The Goodwood Residence



Aster Green Residence

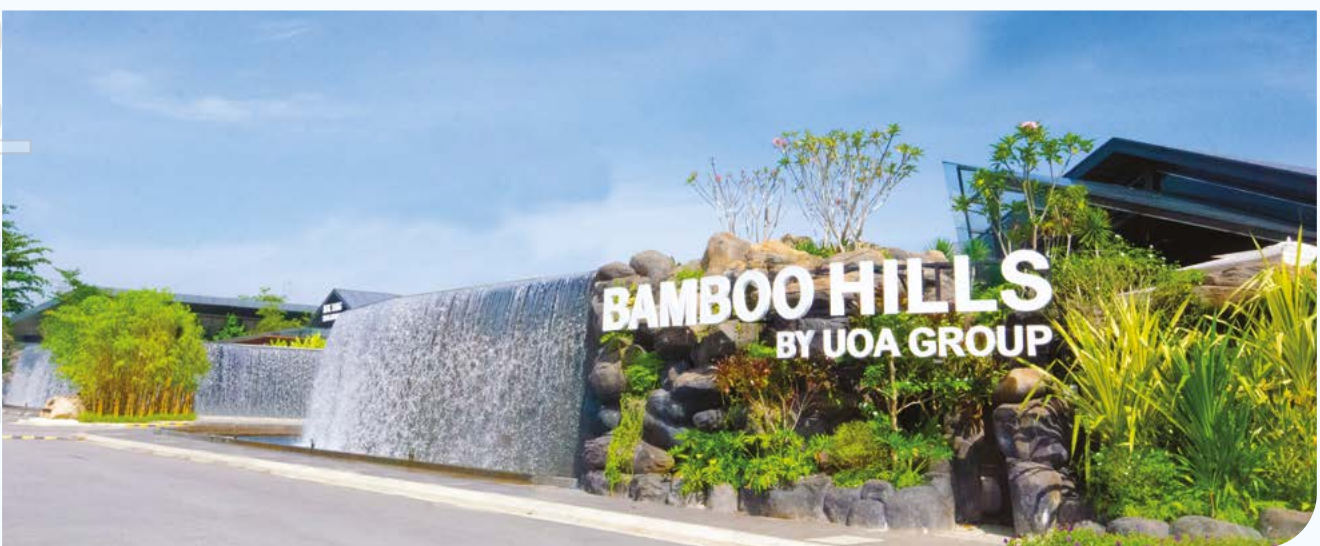
Located within the established township of Sri Petaling, Aster Green Residence consists of a block of 26-storey residential tower with 440 units. It is strategically located close to major highways and plenty of established amenities in the vicinity. This project was completed in the third quarter of financial year 2022.



Komune Living & Wellness

Komune Living & Wellness is an integrated co-living and wellness hub next to an urban park in the thriving township of Cheras. It houses a co-living hotel, senior living facilities and a wellness centre which collectively offers comprehensive health, wellness and care services for better community living. This project was officially launched in May 2022.

The 3 completed projects have a combined GDV of approximately AUD \$382.6 million.



Bamboo Hills

Located within our development land near Jalan Ipoh, the first phase of Bamboo Hills is an exclusive dining location that houses multiple restaurants. This development is centred around having a lush landscape and water features with unique dining pavilions and vast outdoor spaces. The location is easily accessible just minutes from the Kuala Lumpur city centre and it also has an approval to directly link to the Mass Rapid Transit line 2. This project was completed in financial year 2022.

Executive Director's Review Of Operations

(Continued)

Laurel Residence is an on-going project located in Bangsar South and it consists of 2 blocks of 42-storey residential towers, housing a total of 1,260 units. Located in the heart of Bangsar South, the development is supported by ample amenities. This project has a GDV of approximately AUD \$183.0 million and it is expected to complete in financial year 2026.



Laurel Residence

UPCOMING / FUTURE DEVELOPMENTS

The planned developments namely Aster Hill (formerly known as Sri Petaling Phase 2), Desa 3, 2 blocks of office towers in Bangsar South and Bamboo Hills Residence

are targeted to be launched by the Group in financial year 2023.

Aster Hill is a residential project located adjacent to our newly completed project, Aster Green Residence at Sri Petaling and it consists of 2 blocks of 32-storey residential towers with 1,150 units. This project is scheduled to be launched in the first quarter of financial year 2023. Desa 3 is a residential project located in Taman Desa. It consists of 8 units of semi-detached houses. The 2 blocks of office towers are located within The Vertical in Bangsar South which are supported by well-established amenities and connectivity. These 3 projects have a combined GDV of approximately AUD\$598.2 million.

Located next to the first phase of Bamboo Hills, Bamboo Hills Residential is another residential project targeted to be launched in financial year 2023.

Moving into financial year 2023, the Group remains cautious amid economic headwinds and uncertain outlook given the interest rate hike, elevated inflation and on-going labour shortage that continue to pose challenges to the industry. Despite the challenging market conditions, the property market saw some gradual improvements. In financial year 2023, the Group continues its focus on future development projects in targeted strategic locations such as Bangsar South, Sri Petaling and Jalan Ipoh. The Group continues its focus on the mid-end residential segment within the Klang Valley.



Aster Hill

DIRECTORS' REPORT

The Directors present their report together with the Financial Report of United Overseas Australia Ltd (the Company) and of the Group, being the Company, its subsidiaries and the Group's interest in any jointly controlled entities for the financial year ended 31 December 2022 together with the report of the Company's Auditors.

The names and details of the Company's director in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Name	Current Occupation/Position
Chong Soon Kong @ Chi Suim	Managing Director
Pak Lim Kong	Executive Director
Terence Teo Chee Seng	Independent Director
Stuart Alexander Third	Independent Director
Jeslyn Jacques Wee Kian Leong	Independent Director (appointed on 14 April 2022)
May Chee Kong	Alternate Director to Chong Soon Kong @ Chi Suim

Information on the areas of prime responsibility, the business and working experience of the Directors is set out below.

Chong Soon Kong @ Chi Suim (Managing Director)

Chong Soon Kong @ Chi Suim, Malaysian, male, aged 82, is responsible for the overall group management and strategy development. He has over 38 years of experience in the construction and property development industries, both in Malaysia and Singapore. He played a key role as Project Advisor to the Harapan group of companies where he was instrumental in overseeing the successful construction of three internationally-rated hotels in Singapore, namely Hotel Meridien, Glass Hotel and Changi Meridien Hotel, valued in excess of SGD\$866.0 million, during the 1970s and 1980s.

In 1987, Mr. Kong co-founded United Overseas Australia Ltd ("UOA" or "Parent Group") and spearheaded our Parent Group's rapid growth in Malaysia. Over the last 33 years, our Parent Group together with other Group members have successfully completed numerous residential, industrial and commercial developments in various parts of Kuala Lumpur. He has in the past served in various capacities in several public-listed companies both in Malaysia and Singapore which included Raleigh Bhd, Town and City Properties Ltd and Tuan Sing Holdings Ltd.

Mr. Kong graduated with an Associateship in Civil Engineering from Perth Technical College (now known as Curtin University) in 1964 and is a member of the Chartered Engineers of Australia.

He has no convictions for any offences, and there is no sanction or penalty imposed on him by any regulatory bodies over the past 5 years or any conflict of interest with the Company.

May Chee Kong, Alternate Director for Mr. Kong on United Overseas Australia Ltd Board and Sze Choon Kong, Alternate Director for Mr. Kong on UOA Development Bhd Board and Executive Director of UOA REIT, are both children of Mr. Kong.

Kong Sze Hou, Head of the Group Hospitality Division and Investment Officer for the Group's Vietnam operations is a child of Mr. Kong.

Mr. Kong has also served as a director of the following other listed companies:

UOA Development Bhd

Bursa Malaysia Securities Berhad Listed

Directors' Report*(Continued)***Pak Lim Kong** (Executive Director)

Pak Lim Kong, Malaysian, male, aged 70, oversees the planning and design of the Group's commercial and residential projects and is also responsible for the identification and negotiation of all new land acquisitions.

Mr. Kong has over 43 years of experience in the construction, mining and property development industries in both Malaysia and Australia. He has worked extensively in various capacities in Australia, among them as Project Engineer in Davis Wemco in charge of mining design, construction and material handling and as a Director of Ferro Engineering Pty Ltd responsible for structural and mechanical fabrication of oil & gas and mining equipment.

He co-founded United Overseas Australia Ltd with Mr. Chong Soon Kong and has played an integral part in spearheading the Group's rapid growth.

Mr. Kong graduated with a Bachelor of Engineering Degree with Honours from University of Western Australia in 1975. He is a member of the Institute of Engineers Malaysia and the Association of Professional Engineers Malaysia.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences, and there is no sanction or penalty imposed on him by any regulatory bodies over the past 5 years.

Stephanie Kong Pei Zen, Alternate Director for Pak Lim Kong on the UOA Development Bhd Board is a daughter of Mr. Kong.

Mr. Kong has also served as a director of the following other listed companies:

UOA Development Bhd

Bursa Malaysia Securities Berhad Listed

Terence Teo Chee Seng (Independent Non-Executive Director)

Mr. Chee Seng Teo, Singaporean, male, aged 68, is an Independent Non-Executive Director of the Company. He is also a member of the Audit and Risk Management Committee and the Nomination and Remuneration Committee.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences, and there is no sanction or penalty imposed on him by any regulatory bodies over the past 5 years.

Mr. Teo has also served as a director of the following other listed companies:

Lasseters International Holdings Limited

SGX-ST Listed

Envictus International Holdings Limited

SGX-ST Listed

Soilbuild Group Holdings Ltd

SGX-ST Listed

UOA Development Bhd (retired on 25 May 2022)

Bursa Malaysia Securities Berhad Listed

Directors' Report*(Continued)***May Chee Kong** (Alternate Director to Chong Soon Kong @ Chi Suim)

May Chee Kong, Singaporean, female, aged 49, is the Alternate Director for Chong Soon Kong @ Chi Suim.

May Chee Kong is the daughter of Chong Soon Kong @ Chi Suim.

Stuart Alexander Third (Independent Director)

Stuart Alexander Third, male, aged 52, is also a member of the Audit and Risk Management Committee. He has been involved in professional public practice for over 26 years providing business and taxation advice to clients in various industries. Mr. Third has experience in corporate governance, company secretarial, management and restructuring matters. He currently is on the Board of, and company secretary of, ASX listed Advanced Share Registry Ltd and has previously served as company secretary of other ASX listed companies. He also works within the accounting profession as a facilitator for the Chartered Accountants Program.

Mr. Third graduated from University of Tasmania in 1993 with a Bachelor of Business and from University of New South Wales in 2001 with a Master of Taxation as well as having completed a Graduate Diploma in Applied Corporate Governance in 2014. He is a Fellow of Chartered Accountants Australia and New Zealand, a Chartered Tax Adviser and an Associate of both the Governance Institute of Australia and The Chartered Governance Institute.

Mr. Third does not have any family relationship with any director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences and there has been no sanction or penalty imposed on him by any regulatory authority over the past 5 years.

Jeslyn Jacques Wee Kian Leong (Independent Director)

Jeslyn Jacques Wee Kian Leong, female, aged 54, is a financial accountant with over 26 years' experience in corporate finance. Her experience includes time within the building and construction industry, including the building materials sector of the market as well as multi-jurisdictional trading companies.

Ms Leong has experience within corporate governance roles and is currently an Accountant with Orrcon Steel, a wholly-owned subsidiary of BlueScope Steel Limited (listed on ASX), a leading Australian manufacturer and distributor of steel, tubes and pipes.

Ms Leong was an independent Non-Executive Director of Asian American Medical Group Limited (listed on ASX) from 1 January 2012 until 30 January 2023, and was a member of that company's Audit Committee. She is currently a director of Botanical Services Pty Ltd.

Ms Leong holds a professional body qualification with the Association of Chartered Certified Accountants (United Kingdom).

Directors' Report*(Continued)***COMPANY SECRETARY****Stuart Alexander Third**

Director	Director's Meetings		Audit and Risk Management Committee		Nomination and Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
C S Kong	5	5	-	-	-	-
P L Kong	5	5	1	1	1	1
C S Teo	5	5	1	1	1	1
S A Third	5	5	1	1	1	1
J J W K Leong	3	3	-	-	-	-

Corporate Governance Statement

The Company has established a Corporate Governance framework which is set out in the Company's Corporate Governance Statement which is available on its website (www.uoa.com.my) under the section marked "Investor relations UOA Ltd".

Dividends	Cents
Final dividend recommended	
• On ordinary shares	2.0
Dividends paid in the year	
Interim for the year	
• On ordinary shares	NIL
Final for 2021 shown as recommended in the 2021 report	
• On ordinary shares	1.35

Interests in the shares of the Company and related bodies corporate

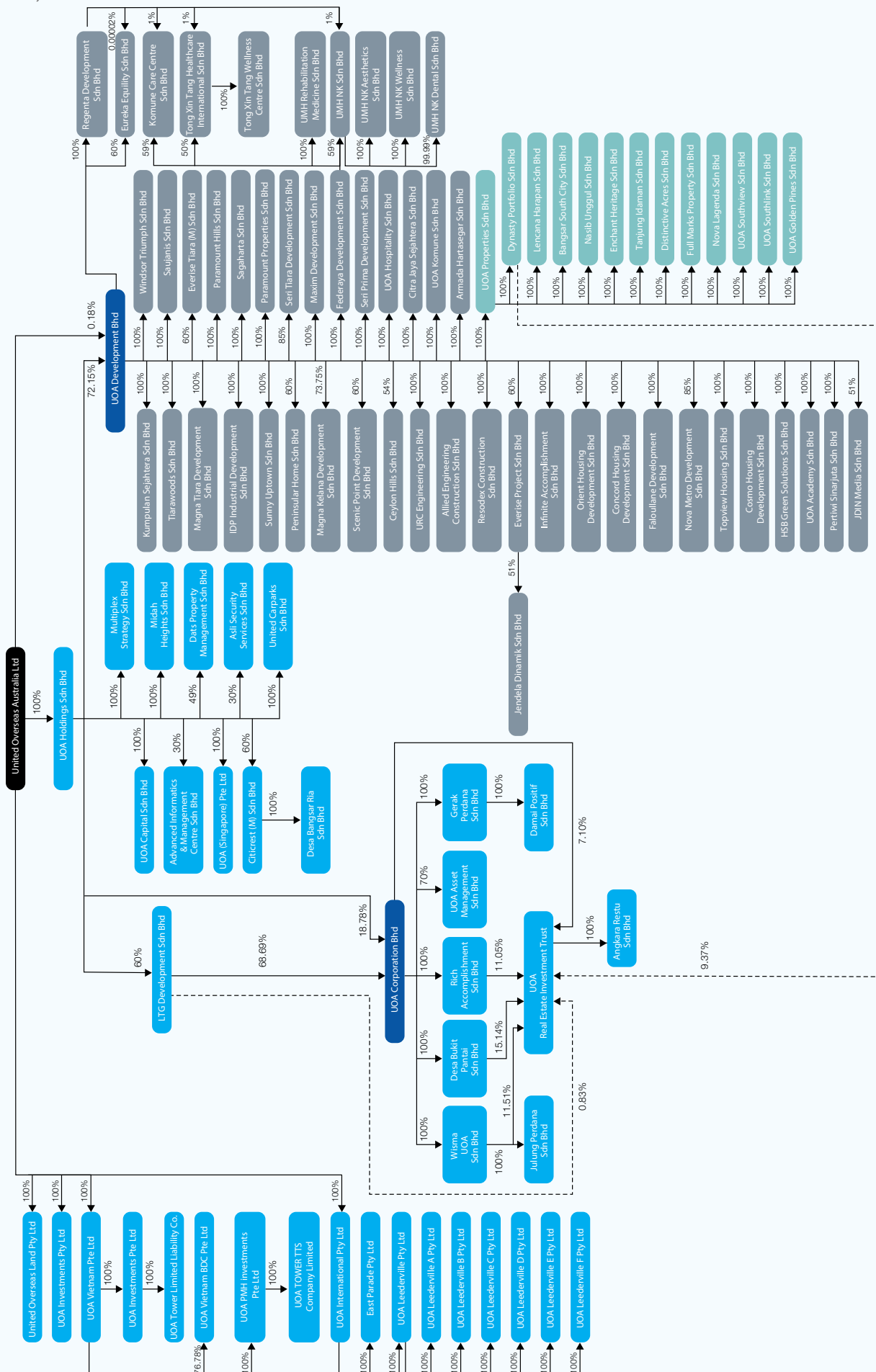
As at the date of this report, the interests of the directors in the ordinary shares of United Overseas Australia Ltd were:

	Number of ordinary shares
C S Kong	1,135,279,130
P L Kong	869,230,110
M C Kong	98,318,111
C S Teo	186,824

Directors' Report

(Continued)

UOA GROUP - Corporate Structure as at 31.12.2022



Directors' Report*(Continued)***Nature of Operations and Principal Activities of The Group**

The principal activities during the year of the members of the consolidated entities were:

- Development and resale of land and buildings
- Investment in the form of rental properties
- Investment in the UOA Real Estate Investment Trust
- Operation of hotels and food and beverages outlets
- Rental of co-sharing office facilities

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

Employees

The consolidated entity employed 1,164 employees as at 31 December 2022 (2021: 1,193).

Review and Results of Operations**Group Overview**

The Company was incorporated in Western Australia in 1987 as United Overseas Securities Limited and a prospectus issued to facilitate a listing on the 'Second Board' of the Australian Securities Exchange-Perth; the Company transferred to the Main Board of the Australian Securities Exchange on 1 January 1992.

UOA Development Bhd

On 8 June 2011, the Company's majority owned subsidiary UOA Development Bhd listed on the Malaysian Stock Exchange (Bursa Malaysia).

At the date of this report, United Overseas Australia Ltd has a direct equity interest of 0.18% and an indirect interest of 72.15% (via UOA Holdings Sdn Bhd) in UOA Development Bhd.

UOA Real Estate Investment Trust

As at 31 December 2022, the Group has an effective equity holding of 34.16% in the Trust.

Directors' Report*(Continued)*

	2022 Revenue (\$000)	2022 Results (\$000)	2021 Revenue (\$000)	2021 Results (\$000)
Summarised Operating Results are as follows:				
Operating Segments				
Land Development and Sale	263,553	65,974	334,626	67,052
Investment	246,675	25,820	374,630	36,293
Other	18,571	8,821	12,612	7,135
	528,799	100,615	721,868	110,480
Consolidated adjustments	(246,816)	-	(400,457)	-
Non-segment unallocated revenue	-	-	-	-
Total revenue	281,983	100,615	321,411	110,480

Shareholder Returns

After consideration of the final profit for the year ended 31 December 2022, the Board proposed the payment of the final dividend of 2.0 cents, making a total for the year of 2.0 cents. The final dividend will be eligible for participation in the Company's Dividend Reinvestment Plan.

	2022	2021	2020	2019
Basic earnings per share (cents)	4.34	5.33	6.56	6.32
Return on assets (%)	5.94	7.43	12.75	16.66
Return on equity (%)	7.71	9.01	11.87	12.72
Net debt/equity ratio (%)	14.37	15.32	16.49	8.33

Directors' Report*(Continued)***Cash Flows from Operations**

The cash flow from operations of the Group has increased over the prior year. It is expected that the Group's future cash flow from operations will be sufficient to meet its funding requirements. It is the Group's intention to repay debt with any cash surpluses that may be generated from operations. Cash surpluses will also be used to internally fund the construction of on-going development projects as the Group does not intend to increase its levels of gearing.

Liquidity and Funding

The Group relies in part on its bankers to support some acquisitions of property. There are adequate facilities and securities available to meet any unforeseen expenditure. However, it is the Group's policy to use internally generated funds wherever possible.

Risk Management

The Directors of the parent Company and members of the Board of Group Companies are actively committed to risk management criteria as outlined in the Company's Corporate Governance Statement.

Dividends

In respect of the current year, a final dividend for year ended 31 December 2021 of \$20,559,621 (1.35 cents per share) was paid on 3 June 2022.

After the reporting date, the Board has proposed the payment of a final dividend of \$31,083,807 (2.0 cents per share) to be paid on 6 June 2023 (2021: \$20,559,621).

Significant Events during the Financial Year and after the Reporting Date

Significant events during the financial year and after the reporting date are disclosed in Note 35 to the Financial Statements.

Likely Development and Results

The Directors believe that the likely developments in the operations of the consolidated entity and the expected results of these operations have been adequately disclosed in the review of the Group's activities.

Share Capital

During the year, 31,255,206 shares were issued under the Company's Dividend Re-investment Plan, refer Note 24.

Indemnification and insurance of officers and auditors**Indemnification**

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Group.

Insurance premium

Since the end of the previous financial year, insurance premiums of \$6,002 have been paid in respect of directors' and officers' liability and legal expenses' insurance contracts for current and former directors and officers, including senior executives, of UOA Development Bhd and its controlled entities.

The insurance premiums relate to costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal whatever their outcome, and other liabilities that may arise from their position, with the exception of actions consisting of a wilful breach of duty or improper use of information or position to gain a personal advantage.

Directors' Report

(Continued)

Indemnities given to, and Insurance Premiums paid for, Auditors and Officers

The Group has agreed to indemnify its auditors, Grant Thornton Audit Pty Ltd, to the extent permitted by law, against any claim by a third party arising from the Group's breach of its agreement. The indemnity requires the Group to meet the full amount of any such liabilities including a reasonable amount of legal costs.

Environmental Legislation

The Group is subject to environmental issues arising from Malaysian regulations and at all times the Companies and their Officers act in the best code of conduct in respect of environmental issues. The Group is not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

There has been no breach of regulations.

Remuneration Report (Audited)

The Remuneration Report outlines the Director and Executive Remuneration Agreements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 and Corporations Regulations 2001. For the purposes of this report, the Key Management Personnel (KMP) are those persons identified as having authority and responsibility for planning, directing and controlling the activities of the Company and the Group, directly or indirectly, including its Directors, whether executive or not.

The Remuneration Report is set out under the following main headings:

- a. Principles used to determine the nature and amount of remuneration
- b. Details of remuneration
- c. Service agreements
- d. Bonuses included in remuneration; and
- e. Other information

(a) Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- to align rewards to business outcomes that deliver value to shareholders;
- to drive a high-performance culture by setting challenging objectives and rewarding high performing individuals; and
- to ensure remuneration is competitive in the relevant employment marketplace to support the attraction, motivation and retention of executive talent.

The Company has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board has established a Nomination and Remuneration Committee which operates in accordance with its charter as approved by the Board and is responsible for determining and reviewing compensation arrangements for the Director and the Executive Team.

The remuneration structure that has been adopted by the Group consists of the following components.

- fixed remuneration being annual salary; and
- short term incentives, being employee share schemes and bonuses.

Directors' Report

(Continued)

The Nomination and Remuneration Committee assesses the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and Executive Team.

The payment of bonuses, share options and other incentive payments are reviewed by the Nomination and Remuneration Committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to pre-determined performance criteria.

Short Term Incentive (STI)

The Group performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Company values.

The performance measures are set annually after consultation with the Directors and Executives and are specifically tailored to the areas where each executive has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.

The Key Performance Indicators (KPI's) for the Executive Team are summarised as follows:

Performance areas

- financial – operating profit and earnings per share; and
- non-financial – strategic goals set by each individual business unit based on job descriptions.

The STI Program incorporates both cash and share-based components for the Executive Team and other employees.

The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed KPIs.

Voting and Comments made at the Company's Last Annual General Meeting

The Company received 93.98% of 'yes' votes on its Remuneration Report for the financial year ended 31 December 2021. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

Consequences of Performance on Shareholder Wealth

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current financial year and the previous four (4) financial years:

	2022	2021	2020	2019	2018
EPS (cents)	4.34	5.33	6.52	6.32	7.22
Dividends (cents per share)	2.0	1.35	2.0	2.5	2.5
Net profit (\$'000)	100,961	111,056	145,171	140,029	160,220
Share price (\$)	0.55	0.68	0.77	0.88	0.68

Directors' Report

(Continued)

(b) Details of remuneration

Details of the nature and amount of each element of the remuneration of each Key Management Personnel (KMP) of United Overseas Australia Ltd are shown in the table below:

Year Ended 31 December 2022	Date of Appointment	Base Fee	Bonus	Equivalent Superannuation Fund	Non- Monetary Benefits#	Other Allowance	Total	Performance Related (%)
		\$	\$	\$	\$	\$	\$	\$
S A Third Independent	29/07/2021	19,685	-	-	-	-	19,685	-
C S Teo Independent	11/06/2008	27,887	-	-	-	1,640	29,527	-
J J W K Leong Independent	14/04/2022	14,764	-	-	-	-	14,764	-
M C Kong Alternate/Non-Independent	01/08/2000	41,224	-	7,017	-	-	48,241	-
Sub Total Non-Executive Directors		103,560	-	7,017	-	1,640	112,217	
Executive Directors								
C S Kong Managing Director	01/07/1989	636,961	492,126	133,552	4,789	32,967	1,300,395	38
P L Kong Executive Director	17/06/1987	636,961	492,126	133,552	5,263	-	1,267,902	39
Other Key Management Personnel ("KMP")								
EP Tong COO* (Construction)	01/01/1988	153,136	24,252	39,409	16,183	15,363	248,343	10
C Chan Property Director	01/09/1992	165,878	41,469	211	7,436	984	215,978	19
K I Ang Chief Financial Officer	16/03/1994	318,898	124,672	53,557	5,137	66,343	568,607	22
S C Kong CEO (UOA REIT)	09/10/2006	257,458	49,511	39,007	6,734	4,655	357,365	14
S H Kong Head, Investment	01/01/2016	255,906	44,291	211	1,624	114	302,146	15
S P Z Kong General Manager, Project	01/01/2016	107,480	20,669	15,707	8,372	-	152,228	14
Sub Total Executive KMP		2,532,678	1,289,116	415,206	55,538	120,426	4,412,964	
TOTAL		2,636,238	1,289,116	422,223	55,538	122,066	4,525,181	

* Chief Operating Officer (COO)

Non-monetary benefits comprise motor vehicle petrol, car and driver

Directors' Report

(Continued)

(b) Details of remuneration (continued)

Year Ended 31 December 2021	Date of Appointment	Base Fee \$	Bonus \$	Equivalent Superannuation Fund \$	Non- Monetary Benefits# \$	Other Allowance \$	Total \$	Performance Related (%)
Non-Executive Directors								
A C Winduss <i>Independent</i>	05/12/1990	28,369	-	-	-	4,490	32,859	-
C S Teo <i>Independent</i>	11/06/2008	38,784	-	-	-	2,586	41,370	-
M C Kong <i>Alternate/Non-Independent</i>	01/08/2000	39,161	326	6,721	-	-	46,208	1
Sub Total Non-Executive Directors		106,314	326	6,721	-	7,076	120,437	
Executive Directors								
C S Kong <i>Managing Director</i>	01/07/1989	627,491	-	73,357	4,673	20,789	726,310	-
P L Kong <i>Executive Director</i>	17/06/1987	627,491	-	73,357	4,820	31,277	736,945	-
Other Key Management Personnel ("KMP")								
E P Tong <i>COO* (Construction)</i>	01/01/1988	135,385	-	5,974	16,524	32,631	190,514	-
C Chan <i>Property Director</i>	01/09/1992	163,412	40,853	192	1,618	6,593	212,668	19
K I Ang <i>Chief Financial Officer</i>	16/03/1994	314,156	122,818	52,735	4,929	579	495,217	25
S C Kong <i>CEO (UOA REIT)</i>	09/10/2006	194,227	16,186	26,768	6,634	2,686	246,501	7
S H Kong <i>Head, Investment</i>	01/01/2016	193,924	16,160	192	2,806	108	213,190	8
S P Z Kong <i>General Manager, Project</i>	01/01/2016	81,448	6,787	10,887	-	-	99,122	7
Sub Total Executive KMP		2,337,534	202,804	243,462	42,004	94,663	2,920,467	
TOTAL		2,443,848	203,130	250,183	42,004	101,739	3,040,904	

* Chief Operating Officer (COO)

Non-monetary benefits comprise motor vehicle petrol, car and driver

Directors' Report*(Continued)*

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed Remuneration \$	At Risk - STI \$	At Risk - Options \$
<i>Other Key Management Personnel</i>			
E P Tong	153,136	24,252	-
C Chan	165,878	41,469	-
K I Ang	318,898	124,672	-
S C Kong	257,458	49,511	-
S H Kong	255,906	44,291	-
S P Z Kong	107,480	20,669	-

(c) Service agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in a Service Agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary \$	Term of agreement	Notice period
<i>Executive Directors</i>			
C S Kong	636,961	Unspecified	Unspecified
P L Kong	636,961	Unspecified	Unspecified
<i>Other Key Management Personnel</i>			
E P Tong	153,136	Unspecified	6 months
C Chan	165,878	Unspecified	6 months
K I Ang	318,898	Unspecified	6 months
S C Kong	257,458	Unspecified	6 months
S H Kong	255,906	Unspecified	6 months
S P Z Kong	107,480	Unspecified	6 months

Directors' Report*(Continued)***(d) Bonuses included in remuneration**

Details of the short-term incentive cash bonuses awarded as remuneration to each Key Management Personnel, the percentage of the available bonus that was paid in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria are set out below. No part of the bonus is payable in future years.

Name	Included in Remuneration \$	Percentage Vested During the Year %	Percentage Forfeited During the Year %
<i>Other Key Management Personnel</i>			
E P Tong	24,252	100	-
C Chan	41,469	100	-
K I Ang	124,672	100	-
S C Kong	49,511	100	-
S H Kong	44,291	100	-
S P Z Kong	20,669	100	-

The bonuses received by Other Key Management Personnel are based on current market norms for personnel of a similar role as determined by the Group's Human Resource team to foster and retain talented and engaged people and achieve the overall strategic goals of the Group. Market norms are based on market surveys performed by the Group taking into account remuneration amounts and job roles and responsibilities.

The performance criteria for bonuses to Other Key Management Personnel is determined at each financial year and the performance of the Key Management Personnel is assessed on a quarterly basis with payment made in the following year in three tranches.

Directors' Report
(Continued)**(e) Other information****Shares held by Other Key Management Personnel**

The number of ordinary shares in the Company during the 2022 reporting period held by each of the Group's key management personnel, including their related parties, is set out below.

Parent Entity Directors	Balance at start of year	Granted as remuneration	Received on exercise	Acquisition/ (Disposal)	Held at the end of reporting period
Direct interest					
Mr. C S Kong	2,877,104	-	-	65,978	2,943,082
Ms. M C Kong	514,827	-	-	11,807	526,634
Mr. C S Teo	182,635	-	-	4,189	186,824
	3,574,566	-	-	81,974	3,656,540
Indirect interest					
Mr. C S Kong	1,106,951,557	-	-	25,384,491	1,132,336,048
Mr. P L Kong	850,944,407	-	-	18,285,703	869,230,110
Ms. M C Kong	95,599,207	-	-	2,192,270	97,791,477
	2,053,495,171	-	-	45,862,464	2,099,357,635
Other Key Management Personnel					
Direct interest					
Mr. E P Tong	15,154	-	-	348	15,502
Ms. K I Ang	471,686	-	-	-	471,686
Mr. S C Kong	664,938	-	-	15,249	680,187
	1,151,778	-	-	15,597	1,167,375
Indirect interest					
Mr. E P Tong	6,514,596	-	-	-	6,514,596
Ms. K I Ang	23,182	-	-	532	23,714
	6,537,778	-	-	532	6,538,310

Other Transactions with Key Management Personnel

The parent entity receives accounting and secretarial services from a company, Winduss & Associates. During the year, the fees paid to Winduss & Associates totalled \$92,976 (2021: \$233,234).

The parent entity receives registry services from Advanced Share Registry. During the year, the fees paid to Advanced Share Registry totalled \$31,849 (2021: \$34,911).

End of Remuneration Report

Directors' Report*(Continued)***Non-Audit Services**

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied with the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reason:

- All non-audit services are reviewed and approved by the Audit Committee prior to the commencement to ensure they do not adversely affect the integrity and objectivity of the auditors.
- The nature of the services provided does not compromise the general principles relating to the auditor independence as set out in the Institute of Chartered Accountants in Australia and CPA Australia Professional Statement APES 110: Professional and Independence.

Auditors Independence Declaration

The Lead Auditor's Independence Declaration for the year ended 31 December 2022 has been received and can be found on page 25 of the Directors' Report.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporation Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Rounding of Amounts

United Overseas Australia Ltd is a type of Company referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to nearest \$1,000, or in certain cases, to the nearest dollar.

Signed in accordance with a Resolution of the Directors



Kong Pak Lim
Director
Kuala Lumpur, 30 March 2023


Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

To the Directors of United Overseas Australia Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of United Overseas Australia Ltd for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

L A Stella

L A Stella
Partner – Audit & Assurance

Perth, 30 March 2023

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the Year Ended 31 December 2022

	Notes	CONSOLIDATED	
		2022 \$'000	2021 \$'000
Property and construction revenue	5	151,265	181,925
Cost of sales	6	(80,789)	(100,981)
Gross profit		70,476	80,944
Other revenues	6	125,310	90,918
Other income	6	74	445
Fair value adjustment on investment properties	6	5,334	48,123
Reversal of impairment loss/(impairment loss) on financial assets		778	(2,683)
Reversal of impairment loss/(impairment loss) on non-financial assets		37	(19,242)
General and administrative expenses	6	(79,992)	(62,125)
Foreign exchange gain		330	934
Share of profit of associate companies		272	479
Finance income		11,050	10,947
Finance costs	6	(8,056)	(7,342)
Profit before income tax		125,613	141,398
Income tax expense	7	(24,652)	(30,342)
Profit for the year		100,961	111,056
Other comprehensive income, net of tax			
<i>Items that may be subsequently reclassified to the profit or loss</i>			
Exchange differences on translating foreign operations		18,103	41,842
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income		(2,495)	1,540
Other comprehensive income for the year		15,608	43,382
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		116,569	154,438
Profit attributable to:			
Owners of the parent		66,845	80,289
Non-controlling interest		34,116	30,767
		100,961	111,056
Total comprehensive income attributable to:			
Owners of the parent		83,181	123,298
Non-controlling interest		33,388	31,140
		116,569	154,438
Earnings per share (cents per share)			
- basic for profit for the year	8	4.34	5.33
- diluted for profit for the year	8	4.34	5.33
Unfranked dividends per share (cents per share)	9	2.00	1.35

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

		CONSOLIDATED	
	Notes	2022 \$'000	2021 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	12	802,715	688,041
Trade and other receivables	13	147,424	158,928
Contract assets	14	8,151	40,975
Amount owing by associate companies		1,180	1,133
Inventories	15	478,817	443,098
Current tax assets		16,135	15,508
Total current assets		1,454,422	1,347,683
Non-current assets			
Investment in subsidiaries	16	-	-
Property, plant and equipment	17	126,221	122,452
Investment properties	18	1,265,477	1,241,183
Inventories	15	140,381	195,398
Investment in associates	19	1,392	1,108
Equity investments	20	9,204	10,359
Other receivables	13	344	1,804
Goodwill		133	133
Deferred tax assets	21	11,811	11,790
Total non-current assets		1,554,963	1,584,227
TOTAL ASSETS		3,009,385	2,931,910
LIABILITIES			
Current liabilities			
Trade and other payables	22	180,671	199,548
Amount owing to associate companies		280	236
Other financial liabilities	23	248,509	251,694
Current tax liabilities		3,506	3,402
Total current liabilities		432,966	454,880
Non-current liabilities			
Other payables	22	3,823	4,685
Other financial liabilities	23	214	221
Deferred tax liabilities	21	23,746	22,161
Total non-current liabilities		27,783	27,067
TOTAL LIABILITIES		460,749	481,947
NET ASSETS		2,548,636	2,449,963
EQUITY			
Parent entity interest			
Share capital	24	306,614	288,214
Reserves	25	24,550	8,214
Retained earnings		1,399,106	1,348,427
Total attributable to owners of parent		1,730,270	1,644,855
Total non-controlling interest	16	818,366	805,108
TOTAL EQUITY		2,548,636	2,449,963

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

for the Year Ended 31 December 2022

	Notes	CONSOLIDATED	
		2022 \$'000	2021 \$'000
Cash flows from operating activities			
Profit before income tax		125,613	141,398
Adjustments for :			
(Reversal of impairment loss)/impairment loss on financial assets		(701)	2,683
Depreciation of property, plant and equipment		5,795	6,259
Impairment loss on goodwill		-	334
Dividend income		(546)	(252)
Fair value adjustment on investment properties		(5,334)	(48,123)
Finance costs		8,056	7,342
Foreign currency gain		(330)	(936)
(Reversal of impairment loss)/impairment loss on property, plant and equipment		(1,317)	17,948
Inventories written down		1,280	1,294
Gain on disposal of property, plant and equipment		(74)	(97)
Interest income		(11,050)	(10,947)
Listing expenses		-	(62)
Gain on disposal of investment properties		-	(348)
Property, plant and equipment written off		436	9
Share of profit of associate companies		(272)	(479)
Operating profit before working capital changes		121,556	116,023
Decrease in inventories		21,506	13,517
Decrease/(Increase) in receivables		16,504	(24,693)
Decrease in contract assets		32,652	19,851
(Decrease)/Increase in payables		(21,271)	17,402
Cash from operations		170,947	142,100
Interest paid		(7,859)	(7,054)
Interest received		10,781	10,700
Income taxes paid		(23,614)	(31,065)
Net cash generated from operating activities		150,255	114,681

Statement of Cash Flows

for the Year Ended 31 December 2022

(Continued)

	Notes	CONSOLIDATED	
		2022 \$'000	2021 \$'000
Cash flows from investing activities			
Acquisition of shares in new subsidiary companies, net of cash	33	-	68
Dividend received		546	252
Payment for purchase of equity investments		(1,282)	(539)
Payment for purchase of investment properties		(7,004)	(54,196)
Payment for purchase of property, plant and equipment		(7,495)	(1,442)
Proceeds from sale of investment properties		-	7,101
Proceeds from sale of property, plant and equipment		85	128
Advances to an associate company		(39)	(26)
Net cash used in investing activities		(15,189)	(48,654)
Cash flows from financing activities			
Advances from/(repayments to) other entities		84	(39)
Advances from associate companies		152	193
Dividends paid to non-controlling shareholders of subsidiary companies		(34,808)	(40,839)
Dividends paid to owners of the Company		(2,160)	(2,138)
Issue of shares of a subsidiary to non-controlling shareholders		13,006	24,321
Payment of lease liabilities		(215)	(294)
Drawdown of borrowings		75,131	8,266
Repayment of borrowings		(80,777)	(14,126)
Net cash used in financing activities		(29,587)	(24,656)
Net increase in cash and cash equivalents		105,479	41,371
Cash and cash equivalents at beginning of year		688,041	629,848
Net foreign exchange differences		9,195	16,822
Cash and cash equivalents at end of year		802,715	688,041

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the Year Ended 31 December 2022

	Attributable to owners of parent					
	Share Capital \$'000	Retained earnings \$'000	Foreign exchange reserves \$'000	Other reserve \$'000	Total \$'000	Non-Controlling interests \$'000
Balance at 1 January 2021	260,651	1,294,914	(36,215)	1,420	1,520,770	773,754
Dividends paid	-	(29,701)	-	-	(29,701)	(40,839)
Shares issued during the year						
- dividend re-investment plan	27,563	-	-	-	27,563	-
Other changes in non-controlling interests	-	-	-	-	-	19,937
Change in stake	-	2,925	-	-	2,925	21,116
Transaction with owners	288,214	1,268,138	(36,215)	1,420	1,521,557	773,968
2,295,525						
Profit for the year	-	80,289	-	-	80,289	30,767
Other comprehensive income:						
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	1,167	1,167	373
Exchange differences on translation of foreign operations	-	-	41,842	-	41,842	-
Total comprehensive income for the year	-	80,289	41,842	1,167	123,298	31,140
Balance at 31 December 2021	288,214	1,348,427	5,627	2,587	1,644,855	805,108
2,449,963						

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
for the Year Ended 31 December 2022
(Continued)

	Attributable to owners of parent					
	Share Capital \$'000	Retained earnings \$'000	Foreign exchange reserves \$'000	Other reserve \$'000	Total \$'000	Non-Controlling interests \$'000
Balance at 1 January 2022	288,214	1,348,427	5,627	2,587	1,644,855	805,108
Dividends paid	-	(20,560)	-	-	(20,560)	(34,808)
Shares issued during the year						
- dividend re-investment plan	18,400	-	-	-	18,400	-
Other changes in non-controlling interests	-	-	-	-	-	6,066
Change in stake	-	4,394	-	-	4,394	8,612
Transaction with owners	306,614	1,332,261	5,627	2,587	1,647,089	784,978
2,432,067						
Profit for the year	-	66,845	-	-	66,845	34,116
Other comprehensive income:						
Changes in the fair value of equity investments at fair value through other comprehensive income	-	-	-	(1,767)	(1,767)	(728)
Exchange differences on translation of foreign operations	-	-	18,103	-	18,103	-
Total comprehensive income for the year	-	66,845	18,103	(1,767)	83,181	33,388
Balance at 31 December 2022	306,614	1,399,106	23,730	820	1,730,270	818,366
2,548,636						

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 December 2022

1. NATURE OF OPERATIONS

The principal activities of United Overseas Australia Ltd and subsidiaries (the Group) include land development and resale, holding of investment properties to generate rental income, operations of hotel and food and beverage outlets, provision of facilities support services and carpark operations, revenue from moneylending services and provision of management services.

2. GENERAL INFORMATION AND BASIS OF PREPARATION

The financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). United Overseas Australia Ltd is a for-profit entity for the purpose of preparing the financial statements.

United Overseas Australia Ltd is the Group's ultimate parent company. United Overseas Australia Ltd is a Public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business are disclosed on Page 4.

The consolidated financial statements for the year ended 31 December 2022 were approved and authorised for issue by the Board of Directors on 30 March 2023.

The accounting policies adopted are consistent with those of the previous financial year. The Group has adopted new accounting pronouncement which have become effective from 1 January 2022. The adoption of these pronouncements does not have a significant impact on the Group's financial results or position.

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS

3.1 New standard adopted as at 1 January 2022

At the beginning of current financial year, the Group adopted new standards, amendments and Interpretations which are mandatory for the financial periods beginning on or after 1 January 2022.

Initial application of the new standards, amendments and Interpretations did not have material impact on the financial statements.

Notes to the Financial Statements

for the Year Ended 31 December 2022

(Continued)

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS (CONTINUED)

3.2 Standards, Amendments and Interpretations to existing standards that are not yet effective and have not been adopted early by the Group

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address a current inconsistency between AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures*.

The amendments clarify that, on a sale or contribution of assets to a joint venture or associate or on a loss of control when joint control or significant influence is retained in a transaction involving an associate or a joint venture, any gain or loss recognised will depend on whether the assets or subsidiary constitute a business, as defined in AASB 3 *Business Combinations*. Full gain or loss is recognised when the assets or subsidiary constitute a business, whereas gain or loss attributable to other investors' interests is recognised when the assets or subsidiary do not constitute a business.

This amendment effectively introduces an exception to the general requirement in AASB 10 to recognise full gain or loss on the loss of control over a subsidiary. The exception only applies to the loss of control over a subsidiary that does not contain a business, if the loss of control is the result of a transaction involving an associate or a joint venture that is accounted for using the equity method. Corresponding amendments have also been made to AASB 128.

The mandatory effective date of AASB 2014-10 which was been deferred to 1 January 2022 by AASB 2017-5 has been now been deferred to 1 January 2025 by AASB 2021-7c.

Based on the Group's preliminary assessment, when these amendments are first adopted for the year ending 31 December 2025, there will be no material impact on the financial statements.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-1 makes amendments to AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

A liability is classified as current if the entity has no right at the end of the reporting period to defer settlement for the liability for at least 12 months after the reporting period. The AASB recently issued amendments to AASB 101 to clarify the requirements for classifying liabilities as current. Specifically:

- Clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period;
- Stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability;
- Adding guidance about lending conditions and how these can impact classification; and
- Including requirements for liabilities that can be settled using an entity's own instruments.

The mandatory effective date of AASB 2020-1 has been deferred to 1 January 2023 by AASB 2020-6.

When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

3. NEW OR REVISED STANDARDS OR INTERPRETATIONS (CONTINUED)

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-2 amends the following Australian Accounting Standards:

- AASB 7 *Financial Instruments: Disclosures* (August 2015);
- AASB 101 *Presentation of Financial Statements* (July 2015);
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* (August 2015); and
- AASB 134 *Interim Financial Reporting* (August 2015).

The Standard also makes amendments to AASB Practice Statement 2 *Making Materiality Judgements* (December 2017).

These amendments arise from the issuance by the International Accounting Standards Board (IASB) in February 2021 of the following International Financial Reporting Standards;

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2); and
- Definition of Accounting Estimates (Amendments to IAS 8).

Effective 1 January 2023.

When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction amends the initial recognition exemption in AASB 12: Income Taxes such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences.

Effective 1 January 2023.

When these amendments are first adopted for the year ending 31 December 2023, there will be no material impact on the financial statements.

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Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The Group's financial statements have been prepared on an accrual basis and under the historical cost convention except for certain land, buildings and investments that are measured at fair values at the reporting date. All amounts in the financial statements are rounded to the nearest thousand, unless otherwise indicated.

(b) Consolidation

Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries as of 31 December 2022. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 December.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of: (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Consolidation (continued)

Investment in associates

Associates are those entities over which the Group is able to exert significant influence and that is neither a subsidiary company nor an interest in a joint arrangement.

Investment in associates are accounted for using the equity method.

The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

(c) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Australian Dollars (A\$), which is also the functional currency of the parent company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year end and are measured at historical cost, except for non-monetary items measured at fair value which are translated using exchange rates at the date when fair value was determined.

Foreign operations

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the A\$ are translated into A\$ upon consolidation. The functional currencies of entities within the Group have remained unchanged during the reporting date. The functional currencies of the foreign subsidiaries are Ringgit Malaysia (RM), Singapore Dollar (SGD) and Vietnamese Dong (VND).

On consolidation, assets and liabilities have been translated into A\$ at the closing rate at the reporting date. Income and expenses have been translated into A\$ at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, plant and equipment

Property, plant and equipment are initially stated at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bring the assets to working condition for its intended use. All other repair and maintenance costs are recognised in profit or loss as incurred. All property, plant and equipment are subsequently stated at cost less accumulated depreciation and less any impairment losses.

Restoration costs relating to an item of property, plant and equipment are capitalised only if such expenditure is expected to increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amounts of the assets and are recognised in profit or loss in the financial year in which such assets are derecognised.

Depreciation is recognised on the straight-line basis to write down the cost of each asset over its estimated useful life. Freehold land with an infinite life is not depreciated.

The principal annual rates used are as follows:

Plant and equipment	5 – 10 years
Furniture, fittings and equipment	10 years
Motor vehicles	5 years
Leasehold land	Over the period of the lease
Leasehold buildings	50 years
Freehold buildings	50 years

The residual values, useful lives and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, or at least annually to ensure that the amount, method and rate of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowings costs are expensed in the period in which they are incurred and reported in finance costs (see Note 6).

(f) Investment properties

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes.

Investment properties are initially measured at cost including transaction costs. Cost includes expenditures that are directly attributable to the acquisition of the investment property.

Subsequent to initial recognition, investment properties are measured at fair value and are included in the statements of financial position at their open market values. Fair value is determined by independent valuation performed by an independent valuer at least once every three years. The directors assess the valuation of each investment property at each reporting date to ensure that the carrying amount reflects the market conditions at the reporting date. Gains or losses resulting from either a change in the fair values or the sale of an investment property is immediately recognised in profit or loss in the year in which they arise.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future benefit is expected from the disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the profit or loss in the financial year of retirement or disposal.

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

(g) Leases

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

The Group as a lessee

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

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leases (continued)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. Details of the estimated useful lives of right-of-use assets are set out in Note 4(d) to the Financial Statements.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment test as set out in Note 4(i) to the Financial Statements.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment.

Lease liabilities

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

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

On the statement of financial position, lease liabilities have been included in other financial liabilities.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leases (continued)

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(h) Inventories

Inventories comprise of land held for property for development, completed properties held for sale, properties held for development and resale, consumables and medicinal products.

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Cost of consumables and medicinal products are determined on first in first out method. The cost of inventories comprises the original cost of purchase plus the cost of bringing the inventories to their present location and condition.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Inventories (continued)

Land held for property development and properties held for development and resale

Land held for property development is defined as land on which development is not expected to be completed within the normal operating cycle. Usually, no significant development work would have been undertaken on these lands. Accordingly, land held for property development is classified as non-current assets on the statement of financial position and are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development.

Land on which development has commenced and is expected to be completed within the normal operating cycle is included in property held for development and resale. Properties held for development and resale comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

(i) Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the business combination.

An impairment loss is recognised when the carrying amount of the non-financial assets exceeds the recoverable amount, which is the higher of fair value less costs to sell and its value-in-use. In assessing the value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Impairment losses for cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro-rata to the other assets in the cash-generating unit.

With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

(j) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments (continued)

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss ("FVTPL")
- equity instruments at fair value through other comprehensive income ("Equity FVOCI")
- debt instruments at fair value through other comprehensive income ("Debt FVOCI")

The classification is determined by both:

- the Company's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

In the years presented, the Group does not have any financial assets categorised as FVTPL.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets – subsequent measurement

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's trade and other receivables, amount owing by associate companies and cash and cash equivalents fall into this category of financial instruments.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments (continued)

Financial assets at FVOCI (Equity instrument)

Upon initial recognition, the Group can elect to classify irrevocably their equity investments as equity instruments designated at fair value through OCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statements of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably their equity investments under this category.

Financial assets – impairment

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial instruments (continued)

Financial liabilities - classification and measurement

The Group's financial liabilities comprise trade and other payables and amount owing to subsidiary companies and associate companies, amount owing to non-controlling shareholders of subsidiary companies, borrowings and lease liabilities.

Financial liabilities are initially recognised at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

At the reporting date, the Group carries only financial liabilities measured at amortised cost on statements of financial position.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand together with other short term, highly liquid investments that are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

(l) Equity instruments

Ordinary shares are classified as equity instruments.

Gains and losses on certain financial instruments are included in fair value reserves.

Foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities in A\$ are included in translation reserve (see Note 4(c)).

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved prior to the reporting date.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue from contracts with customers

Revenue recognition

Revenue is recognised when or as a performance obligation in the contract with the customer is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group’s customary business practices.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes or goods and services taxes.

If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The Group recognises revenue from property development over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group’s efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development or contract costs incurred to date as a percentage of the estimated total development or contract costs of the contract, i.e. the stage of completion).

Revenue from sales of completed properties is recognised upon delivery of properties where the control of the properties has been passed to the buyers.

Other revenue earned by the Group are recognised on the following bases:

- Distribution from short term investments is recognised when the right to receive payment is established.
- Dividend income is recognised when the right to receive payment is established.
- Interest income is recognised on a time proportion basis.
- Rental income is recognised as described in Note 4(g).
- Hotel room income is recognised when services are rendered.
- Food and beverage and other related income are recognised when services are rendered.
- Sale of medicinal, pharmaceuticals, healthcare and beauty care products income are recognised when the goods are delivered.
- Healthcare, medicinal, physiotherapy and acupuncture, dental consultancy and treatment and other healthcare related services income are recognised when services are rendered.
- Course fees from provision of education, training services and consultancy services income is recognised when services are rendered.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue from contracts with customers (continued)

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Contract costs

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (for example, a sales commission). These costs are amortised to cost of sales when related revenues are recognised.

(n) Income taxes

Tax expenses comprise current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and measured using tax rates that have been enacted by the end of the reporting year and any adjustment to tax payable in respect of previous years.

Current tax is recognised in the statement of financial position as a liability (or an asset) to the extent that it is unpaid (or refundable).

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Income taxes (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting year and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Employee benefits

Short-term employee benefits

Wages, salaries, paid annual leave, paid sick leave and bonuses are recognised as expenses in the year in which the associated services are rendered by employees other than those that are attributable to property development activities or construction contracts in which case such expenses are recognised in property development costs.

Post-employment benefits

The Group pays monthly contributions into an independent entity which is a defined contribution plan. The Group has no legal or constructive obligation to pay contributions in addition to its fixed contributions, which are recognised as an expense in the year to which they relate.

(p) Significant accounting judgements, estimates and assumptions

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual result may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Estimation uncertainty

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

Useful lives of depreciable assets

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis to write off their costs to their residual values over their estimated useful lives. Management estimates the useful lives of property, plant and equipment to be between 5 and 50 years.

At the reporting date, management assesses that the useful lives represent the expected utility of the assets to the Group. However, changes in the expected level of usage, physical wear and tear and technological development could impact the economic useful lives and residual values of these assets, and therefore future depreciation charges could be revised.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Significant accounting judgements, estimates and assumptions (continued)

Deferred tax assets

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

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The Group's core business is subject to economical changes which may cause selling prices to change rapidly and the Company's net profit to change.

Fair value of investment properties

The Group measures its investment properties at fair value with any change in fair value recognised in the profit or loss. Significant judgement is required in the determination of fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and reliance on the work of specialists. The Group engages an independent professional valuer to determine fair value.

Information regarding the valuation techniques and inputs used in determining the fair value is disclosed in Note 18 to the Financial Statements.

Property development activities and construction contracts

As revenue from ongoing property development activities and construction contracts are recognised over time, the amount of revenue recognised at the reporting date depends on the extent to which the performance obligation has been satisfied. This is done by determining the stage of completion. The stage of completion is determined by the proportion that property development or contract costs incurred for work performed to date bear to the estimated total property development or contract costs.

Significant judgement is required in determining the percentage of completion, the extent of the development and contract costs incurred, the estimated total revenue and total costs and the recoverability of the development project and contract cost. In making these judgements, management relies on past experience and, if necessary, the work of specialists.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Significant accounting judgements, estimates and assumptions (continued)

Provision for expected credit losses ("ECLs") of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the real estate sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and to forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustments to market risk and the appropriate adjustment to asset-specific risk factors.

Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of expenses during the estimation of the provision for income tax. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Significant accounting judgements, estimates and assumptions (continued)

Significant management judgements

The following are significant judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the financial statements.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property and has developed the criteria in making that judgement. Investment property is a property held to earn rentals or capital appreciation or both.

Certain properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. The Group accounts for the portions separately if the portions could be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Deferred tax on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the management of the Group reviews the investment properties and concluded that the Group's investment properties are held under a business model whose objective is to recover the carrying amount of the investment properties through sale.

Accordingly, the Group recognises deferred taxes in respect of the changes in fair value of investment properties based on Real Property Gains Tax ("RPGT"). The final tax outcome could be different from the deferred tax liabilities recognised in the financial statements should the economic benefits embodied in the investment properties be subsequently substantially consumed over time rather than through sale.

(q) Operating Segments

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the financial report have been included.

(r) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

5. REVENUE

(i) Disaggregated revenue information

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Types of revenue		
Property and construction revenue		
Sales of inventories	33,929	31,714
Sales of development properties	117,336	150,211
	151,265	181,925
Timing of recognition		
Performance obligation satisfied at a point in time	33,929	31,714
Performance obligation satisfied over time	117,336	150,211
	151,265	181,925

(ii) Contract balances

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Trade receivables	69,623	81,603
Contract assets	8,151	40,975

The significant decrease of trade receivables was due to receipts collected.

Contract assets decreased as billings had been issued to customers in respect of work already performed.

There were no contract liabilities at the reporting date.

(iii) Performance obligations

Sale of properties

For sale of development properties under construction, the performance obligation is satisfied over time as the Group's performance does not create an asset with an alternative use to the entity and the Group has an enforceable right to payment for performance completed to date.

For the sale of completed properties, the performance obligation is satisfied upon delivery of the properties.

The payment terms for progress billings made to purchasers are disclosed in Note 13 to the Financial Statements.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

5. REVENUE (CONTINUED)

(iii) Performance obligations (continued)

Sale of properties (continued)

The nature of the properties that the Group has promised to transfer to purchasers are residential houses and commercial units/buildings.

The Group's properties are subject to a Defects Liability Period of generally twenty-four (24) months from delivery of a vacant possession. This requires the Group to rectify any defects which may appear and which are due to design, materials, goods, workmanship or equipment that are not in accordance with the sale and purchase agreements.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the reporting date are as follows:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Sale of development properties under construction	64,934	28,732

The remaining performance obligations are expected to be recognised within 1-5 years which are in accordance with the agreed time frames stated in the sale and purchase agreements signed with purchasers.

6. PROFIT FROM ORDINARY ACTIVITIES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
(i) Other revenues		
Rental revenue	77,737	68,849
Parking fee revenue	12,782	9,929
Management fee received	30	-
Hotel operations revenue	23,452	7,205
Dividends received from investments – other corporations	546	252
Other services	10,763	4,683
	125,310	90,918
(ii) Other income		
Gain on disposal of property, plant and equipment	74	97
Gain on disposal of investment properties	-	348
	74	445

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

6. PROFIT FROM ORDINARY ACTIVITIES (CONTINUED)

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
(iii) Fair value adjustment on investment properties		
Fair value gain on investment properties	5,334	48,123
	130,718	139,486
(iv) Cost of sales		
Development expenses	80,789	100,981
(v) Expenses		
Depreciation		
Leasehold stratified properties	2,388	2,748
Plant and equipment	3,374	3,391
Lease equipment	33	120
	5,795	6,259
Employee benefit expenses	22,291	16,292
Property, plant and equipment written off	436	9
Property maintenance expenses	27,949	23,786
Marketing expenses	2,356	1,300
Professional fees	3,082	3,284
Other expenses	18,083	11,195
	74,197	55,866
Total general and administrative expenses	79,992	62,125
(vi) Finance costs		
Interest expense	8,056	7,343
Finance costs capitalised	-	(1)
	8,056	7,342
(vii) Significant revenue and expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
- (Reversal of impairment loss)/Impairment loss on property, plant and equipment	(1,317)	17,948
- Fair value gain on investment properties	(5,334)	(48,123)

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

7. INCOME TAX EXPENSE

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
(i) The components of tax expense comprise:		
- Current tax	25,548	23,148
- Current RPGT	-	178
- Deferred tax	1,182	9,010
	26,730	32,336
Over provision in prior years		
- Current tax	(2,366)	(978)
- Deferred tax	288	(1,016)
	(2,078)	(1,994)
	24,652	30,342
(ii) The numerical reconciliation of tax expense on profit before tax with the statutory tax rate is as follows:		
Tax at statutory rate	30,147	33,936
Effect of difference in tax rate	(734)	(1,980)
Tax effect of		
Income not subject to tax	(10,352)	(11,731)
Non-deductible expenses	9,356	11,927
Utilisation of capital allowances	(904)	(365)
Utilisation of deferred tax assets previously not recognised	(1,424)	(1,443)
Deferred tax assets not recognised	1,410	2,557
Effect of share of results of associates	(65)	(115)
Effect of change in RPGT tax rate	17	284
Difference between income tax and RPGT rate applicable on fair value adjustments on investment properties	(721)	(912)
RPGT on disposal of investment properties	-	178
Over provision in prior years	(2,078)	(1,994)
Income tax expense attributable to ordinary activities	24,652	30,342
The effective tax rate	21%	23%

Real Property Gains Tax ("RPGT") is a tax levied by the Inland Revenue Board on chargeable gains derived from the disposal of real property.

The decrease in the effective tax rate from 23% in 2021 to 21% in 2022 is mainly due to certain income not subjected to tax.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

8. EARNING PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the Group's profit attributable to owners of the parent company by the weighted average number of ordinary shares outstanding during the financial year held by the parent.

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Profit attributable to owners of the parent company (\$'000)	66,845	80,289
Weighted average number of ordinary shares ('000)	1,541,089	1,506,950
Net earnings per ordinary share (cents)	4.34	5.33

(b) Diluted

Diluted earnings per share equals basic earnings per share because there are no potential dilutive instruments in existence at the reporting date.

9. DIVIDENDS PAID AND PROPOSED

	COMPANY	
	2022 \$'000	2021 \$'000
(a) Dividends paid during the year		
Dividends paid or satisfied by the issue of shares under the dividend re-investment plan during the year ended 31 December 2022 and 2021 were as follows:		
(i) Paid in cash		
Final 2021 (2021 – Final 2020)	2,160	2,138
(ii) Satisfied by issue of shares		
Final 2021 (2021 – Final 2020)	18,400	27,563
	20,560	29,701
(b) Dividends proposed and not recognised as a liability		
- unfranked dividends (2.0 cents per share) (2021: 1.35 cents per share)	31,084	20,560

After the reporting date, the directors proposed a dividend of 2.0 cents per ordinary share. No liability in this respect has been recognised in the 2022 consolidated financial statements.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

9. DIVIDENDS PAID AND PROPOSED (CONTINUED)

(c) Franking credit balance

There is no franking credit balance for United Overseas Australia Ltd during the year ended 31 December 2022.

10. PARENT COMPANY INFORMATION

	2022 \$'000	2021 \$'000
Statement of financial position		
Current assets	43,672	49,088
Total assets	359,569	331,851
Current liabilities	2,959	2,811
Total liabilities	2,959	2,811
Equity		
Issued capital	306,614	288,214
Fair value reserve	634	653
Retained earnings	49,362	40,173
	356,610	329,040
Financial performance		
Profit for the year	29,749	39,956
Total comprehensive income	29,730	40,192

11. AUDITOR'S REMUNERATION

	CONSOLIDATED	
	2022 \$	2021 \$
Audit and review of financial statements		
- Grant Thornton Australia	217,979	173,323
- overseas Grant Thornton network firms	244,754	235,230
- other auditors	20,509	17,123
	483,242	425,676

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

12. CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Cash at bank and in hand	219,778	205,519
Short term funds	451,761	322,560
Short term bank deposits	131,176	159,962
	802,715	688,041

The effective interest rate on short-term bank deposits was 3.17% (2021: 1.26%) per annum. All funds are readily available and refundable to the Group at the discretion of the Group.

Included in the cash at banks of the Group is \$138,999,486 (2021: \$165,143,055) maintained in the Housing Development Accounts ("HDA"). Withdrawals from the Housing Development Accounts are restricted in accordance with the Housing Development (Housing Development Account) Regulations 1991. The HDA safeguards the interests of buyers of primary market residential properties against developers for a specific period of time. These balances can still be used to pay for expenses related to the projects and usage is confined to the development projects they are linked to.

The short-term funds are managed and invested into fixed income securities and money market instruments by fund management companies. The short-term funds are readily convertible to cash.

Included in cash and cash equivalents of the Group are amounts denominated in foreign currencies (currencies other than the respective functional currencies of the Group entities) as follows:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Singapore Dollar ("SGD")	82	71
US Dollar ("USD")	51,372	3,378
Ringgit Malaysia ("RM")	345	24,229
	51,799	27,678

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

13. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
Trade receivables	76,666	89,284
Less: Allowance for credit losses	(7,043)	(7,681)
	69,623	81,603
Loan receivables	1,176	1,067
Sundry receivables	72,422	69,252
Deposits	7,304	10,182
	80,902	80,501
Less: Allowance for credit losses	(3,101)	(3,176)
	77,801	77,325
	147,424	158,928
NON-CURRENT		
Loan receivables	344	1,804

Terms and conditions relating to the above financial instruments:

- (i) Trade receivables are interest bearing and generally on 14 - 30 days term.
- (ii) Sundry receivables are non-interest bearing.
- (iii) Debts that are known to be not collectible are written off.

Movements in the credit losses were as follows:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
At 1 January	10,857	7,917
Charge for the year	743	2,696
Foreign exchange translation	65	261
Reversal as no longer required	(1,521)	(13)
Reversal due to bad debts written off	-	(4)
At 31 December	10,144	10,857

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

14. CONTRACT ASSETS

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Contract assets		
Revenue recognised to date	254,071	1,129,648
Progress billings issued to date	(247,089)	(1,089,773)
	6,982	39,875
Contract costs		
Costs to obtain contracts	1,169	1,100
	8,151	40,975

Costs to obtain contracts comprise the following costs which resulted from obtaining contracts:

- sales commission paid to intermediaries; and
- expenses borne on behalf of customers (i.e. legal fees and other expenses).

Sales commission paid to intermediaries are amortised to cost of sales when the related revenues are recognised.

Expenses borne on behalf of customers are considered as consideration payable to customers and are amortised against revenue when the related revenues are recognised.

During the financial year, \$3,178,000 was amortised to cost of sales and \$2,209,000 was amortised against revenue.

15. INVENTORIES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
<i>At cost</i>		
Stock of properties	365,347	357,771
Property held for development and resale	113,166	85,198
Consumables	304	129
	478,817	443,098
NON-CURRENT		
<i>At cost</i>		
Land held for property development	140,381	195,398

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

16. INVESTMENT IN SUBSIDIARY COMPANIES

(a) Details of subsidiary companies are as follows:

Name of the subsidiary companies	Country of incorporation and principal place of business	Notes	Ownership interest held by Group	
			2022 %	2021 %
United Overseas Land Pty Ltd	Australia		100	100
UOA Investments Pty Ltd	Australia		100	100
UOA International Pty Ltd	Australia		100	100
- East Parade Pty Ltd	Australia		100	100
- UOA Leederville Pty Ltd	Australia		100	100
- UOA Leederville A Pty Ltd	Australia		100	100
- UOA Leederville B Pty Ltd	Australia		100	100
- UOA Leederville C Pty Ltd	Australia		100	100
- UOA Leederville D Pty Ltd	Australia		100	100
- UOA Leederville E Pty Ltd	Australia		100	100
- UOA Leederville F Pty Ltd	Australia		100	100
UOA Vietnam Pte Ltd ^	Singapore		100	100
- UOA PMH Investments Pte Ltd ^	Singapore		100	100
- UOA Tower TTS Limited Liability Company ^	Vietnam		100	100
- UOA Investments Pte Ltd ^	Singapore		100	100
- UOA Tower Limited Liability Company ^	Vietnam		100	100
- UOA Vietnam BDC Pte Ltd ^	Singapore		76.77	-
UOA Holdings Sdn Bhd*	Malaysia		100	100
UOA Capital Sdn Bhd*	Malaysia		100	100
Midah Heights Sdn Bhd*	Malaysia		100	100
Multiplex Strategy Sdn Bhd*	Malaysia		100	100
UOA (Singapore) Pte Ltd ^	Singapore		100	100
United Carports Sdn Bhd*	Malaysia		100	100
Citicrest (M) Sdn Bhd*	Malaysia		60	60
Desa Bangsar Ria Sdn Bhd*	Malaysia		60	60
LTG Development Sdn Bhd*	Malaysia		60	60
UOA Corporation Bhd*	Malaysia		60	60
Rich Accomplishment Sdn Bhd*	Malaysia		60	60
Desa Bukit Pantai Sdn Bhd*	Malaysia		60	60
Wisma UOA Sdn Bhd*	Malaysia		60	60
Julung Perdana Sdn Bhd*	Malaysia		60	60
UOA Asset Management Sdn Bhd*	Malaysia	16(c)	42	42
UOA Real Estate Investment Trust (UOA REIT)*	Malaysia	16(c)	34.16	34.08
- Angkara Restu Sdn Bhd*	Malaysia	16(c)	34.16	34.08
Gerak Perdana Sdn Bhd*	Malaysia		60	60
Damai Positif Sdn Bhd*	Malaysia		60	60
UOA Development Bhd*	Malaysia		72.33	71.53
- Allied Engineering Construction Sdn Bhd*	Malaysia		72.33	71.53
- URC Engineering Sdn Bhd*	Malaysia		72.33	71.53
- Federaya Development Sdn Bhd*	Malaysia		72.33	71.53

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(a) Details of subsidiary companies are as follows: (continued)

Name of the subsidiary companies	Country of incorporation and principal place of business	Notes	Ownership interest held by Group	
			2022 %	2021 %
- Resodex Construction Sdn Bhd*	Malaysia		72.33	71.53
- Tiarawoods Sdn Bhd*	Malaysia		72.33	71.53
- Kumpulan Sejahtera Sdn Bhd*	Malaysia		72.33	71.53
- Windsor Triumph Sdn Bhd*	Malaysia		72.33	71.53
- Saujanis Sdn Bhd*	Malaysia		72.33	71.53
- Magna Tiara Development Sdn Bhd*	Malaysia		72.33	71.53
- Paramount Properties Sdn Bhd*	Malaysia		72.33	71.53
- Paramount Hills Sdn Bhd*	Malaysia		72.33	71.53
- Sagaharta Sdn Bhd*	Malaysia		72.33	71.53
- Sunny Uptown Sdn Bhd*	Malaysia		72.33	71.53
- IDP Industrial Development Sdn Bhd*	Malaysia		72.33	71.53
- UOA Properties Sdn Bhd*	Malaysia		72.33	71.53
- Lencana Harapan Sdn Bhd*	Malaysia		72.33	71.53
- Dynasty Portfolio Sdn Bhd*	Malaysia		72.33	71.53
- Bangsar South City Sdn Bhd*	Malaysia		72.33	71.53
- Nasib Unggul Sdn Bhd*	Malaysia		72.33	71.53
- Tunjang Idaman Sdn Bhd*	Malaysia		72.33	71.53
- UOA Hospitality Sdn Bhd*	Malaysia		72.33	71.53
- Peninsular Home Sdn Bhd*	Malaysia	16(c)	43.40	42.92
- Everise Tiara (M) Sdn Bhd*	Malaysia	16(c)	43.40	42.92
- Seri Tiara Development Sdn Bhd*	Malaysia		61.48	60.80
- Enchant Heritage Sdn Bhd*	Malaysia		72.33	71.53
- Magna Kelana Development Sdn Bhd*	Malaysia		53.34	52.75
- Scenic Point Development Sdn Bhd*	Malaysia	16(c)	43.40	42.92
- Ceylon Hills Sdn Bhd*	Malaysia	16(c)	39.06	38.63
- Maxim Development Sdn Bhd*	Malaysia		72.33	71.53
- Infinite Accomplishment Sdn Bhd*	Malaysia		72.33	71.53
- Regenta Development Sdn Bhd*	Malaysia		72.33	71.53
- Seri Prima Development Sdn Bhd*	Malaysia		72.33	71.53
- Orient Housing Development Sdn Bhd*	Malaysia		72.33	71.53
- Eureka Equity Sdn Bhd*	Malaysia	16(c)	43.40	42.92
- Distinctive Acres Sdn Bhd*	Malaysia		72.33	71.53
- Full Marks Property Sdn Bhd*	Malaysia		72.33	71.53
- Concord Housing Development Sdn Bhd*	Malaysia		72.33	71.53
- Fabullane Development Sdn Bhd*	Malaysia		72.33	71.53
- Nova Metro Development Sdn Bhd*	Malaysia		61.48	60.80
- Topview Housing Sdn Bhd *	Malaysia		72.33	71.53
- Nova Lagenda Sdn Bhd *	Malaysia		72.33	71.53
- UOA Komune Sdn Bhd*	Malaysia		72.33	71.53

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(a) Details of subsidiary companies are as follows: (continued)

Name of the subsidiary companies	Country of incorporation and principal place of business	Notes	Ownership interest held by Group	
			2022 %	2021 %
- Citra Jaya Sejahtera Sdn Bhd*	Malaysia		72.33	71.53
- Everise Project Sdn Bhd*	Malaysia	16(c)	43.40	42.92
- Jendela Dinamik Sdn Bhd*	Malaysia	16(c)	22.13	21.88
- Cosmo Housing Development Sdn Bhd*	Malaysia		72.33	71.53
- HSB Green Solutions Sdn Bhd*	Malaysia		72.33	71.53
- UOA Academy Sdn Bhd*	Malaysia		72.33	71.53
- UOA Southlink Sdn Bhd *	Malaysia		72.33	71.53
- UOA Southview Sdn Bhd *	Malaysia		72.33	71.53
- UOA Golden Pines Sdn Bhd *	Malaysia		72.33	71.53
- Pertiwi Sinarjuta Sdn Bhd*	Malaysia		72.33	71.53
- UOA Vietnam BDC Pte Ltd ^	Singapore		-	71.53
- Tong Xin Tang Healthcare International Sdn Bhd *	Malaysia	16(c)	36.89	36.48
- Tong Xin Tang Wellness Centre Sdn Bhd #	Malaysia	16(b)		
		16(c)	36.89	-
- Komune Care Centre Sdn Bhd *	Malaysia	16(c)	43.40	42.92
- UMH NK Sdn Bhd *	Malaysia	16(c)	43.40	71.53
- UMH NK Wellness Sdn Bhd *	Malaysia	16(c)	43.40	71.53
- UMH NK Aesthetics Sdn Bhd *	Malaysia	16(c)	43.40	71.53
- UMH NK Dental Sdn Bhd *	Malaysia	16(c)	43.40	71.53
- UMH Rehabilitation Medicine Sdn Bhd *	Malaysia	16(b)	72.33	-
- Armada Hartasegar Sdn Bhd *	Malaysia	16(b)	72.33	-
- JDIN Media Sdn Bhd *	Malaysia	16(c)	36.89	-

* Audited by a member firm of Grant Thornton.

^ Audited by firms other than Grant Thornton.

There is no statutory requirement for this financial statement in respect of financial period ended 31 December 2022 to be audited.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(b) Incorporation of subsidiary companies during the financial year

Name of the subsidiary companies	Paid up capital \$	Group's effective interest %	Date of incorporation
UMH Rehabilitation Medicine Sdn Bhd	1	100	28 June 2022
JDIN Media Sdn Bhd	33	51	28 September 2022
Tong Xin Tang Wellness Centre Sdn Bhd	1	100	10 November 2022

(c) Controlled entities with less than 50% ownership

The financial statements of UOA Asset Management Sdn Bhd, UOA REIT and Ankara Restu Sdn Bhd were consolidated because the parent entity can exercise control and influence over the Board of Directors of UOA Asset Management Sdn Bhd, which in turn is the asset manager of UOA REIT.

Under the Trust Deed signed between UOA Asset Management Sdn Bhd and RHB Trustees Berhad (the trustee), UOA Asset Management Sdn Bhd is responsible for the 'day to day' management of the assets held by UOA REIT, investment strategies, policy setting and compliance with all relevant Acts, Legislation, Regulations and Guidelines.

The financial statements of Peninsular Home Sdn Bhd, Everise Tiara (M) Sdn Bhd, Scenic Point Development Sdn Bhd, Ceylon Hills Sdn Bhd, Eureka Equity Sdn Bhd, Everise Project Sdn Bhd, Jendela Dinamik Sdn Bhd, Tong Xin Tang Healthcare International Sdn Bhd, Tong Xin Tang Wellness Centre Sdn Bhd, Komune Care Centre Sdn Bhd, UMH NK Sdn Bhd, UMH NK Wellness Sdn Bhd, UMH NK Aesthetics Sdn Bhd, UMH NK Dental Sdn Bhd and JDIN Media Sdn Bhd were consolidated because the parent entity can exercise control and influence over the Board of Directors of the subsidiary companies.

(d) Subsidiaries with material non-controlling interests

Details of the Group's subsidiaries that have material non-controlling interests at the end of the reporting year are as follows:

Name of the subsidiary companies	Proportion of ownership interests held by non-controlling interests		Profit allocated to non-controlling interests		Carrying amount of non-controlling interests	
	2022 %	2021 %	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
LTG Development Sdn Bhd	40%	40%	3,192	1,401	49,070	48,079
UOA Development Bhd	28%	28%	20,154	20,573	528,407	529,364

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(d) Subsidiaries with material non-controlling interests (continued)

The summary of financial information before intra-group elimination for the Group's subsidiaries that have material non-controlling interests is as below:

2022	LTG Development Sdn Bhd Group \$'000	UOA Development Bhd Group \$'000
Financial position at reporting date		
Non-current assets	592,080	840,524
Current assets	11,152	1,306,578
Non-current liabilities	(245,869)	(74,564)
Current liabilities	(234,693)	(162,372)
Net assets	122,670	1,910,166
Summary of financial performance for the financial year		
Profit for the year	22,370	73,084
Other comprehensive loss	(136)	(2,330)
Total comprehensive income	22,234	70,754
Included in the total comprehensive income is:		
Revenue	37,971	148,180
Summary of cash flows for the financial year		
Net cash inflows/(outflows) from operating activities	26,078	160,496
Net cash inflows/(outflows) from investing activities	256	(5,296)
Net cash inflows/(outflows) from financing activities	(28,180)	(34,114)
Net cash inflows/(outflows)	(1,846)	121,086
Other information		
Dividends paid to non-controlling interests	12,881	983

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(d) Subsidiaries with material non-controlling interests (continued)

2021	LTG Development Sdn Bhd Group \$'000	UOA Development Bhd Group \$'000
Financial position at reporting date		
Non-current assets	584,043	886,486
Current assets	13,267	1,231,063
Non-current liabilities	(243,697)	(72,533)
Current liabilities	(233,419)	(185,306)
Net assets	120,194	1,859,710
Summary of financial performance for the financial year		
Profit for the year	12,565	73,802
Other comprehensive income	196	1,472
Total comprehensive income	12,761	75,274
Included in the total comprehensive income is:		
Revenue	38,112	176,950
Summary of cash flows for the financial year		
Net cash inflows/(outflows) from operating activities	23,216	63,565
Net cash inflows/(outflows) from investing activities	6,156	(41,210)
Net cash inflows/(outflows) from financing activities	(28,387)	(11,351)
Net cash inflows/(outflows)	985	11,004
Other information		
Dividends paid to non-controlling interests	9,417	1,983

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

17. PROPERTY, PLANT AND EQUIPMENT

	Notes	CONSOLIDATED	
		2022 \$'000	2021 \$'000
<i>Freehold and leasehold stratified properties</i>			
At cost		144,107	143,243
Accumulated depreciation		(18,475)	(15,815)
Accumulated impairment loss		(17,140)	(18,346)
	17(a)	108,492	109,082
<i>Plant and equipment</i>			
At cost		62,526	55,057
Accumulated depreciation		(44,855)	(41,932)
	17(a)	17,671	13,125
<i>Leased plant and equipment</i>			
At cost		165	611
Accumulated depreciation		(107)	(366)
	17(a)	58	245
<i>Total property, plant and equipment</i>			
At cost		206,798	198,911
Accumulated depreciation		(63,437)	(58,113)
Accumulated impairment loss		(17,140)	(18,346)
Total written down amount		126,221	122,452

(a) Movements in carrying amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

2022 Consolidated	Freehold and leasehold stratified properties \$'000	Plant and equipment \$'000	Leased plant and equipment \$'000	Total \$'000
Balance at the beginning of the year	109,082	13,125	245	122,452
Additions	154	8,215	-	8,369
Reversals	(717)	(41)	-	(758)
Disposals	-	(11)	-	(11)
Depreciation	(2,388)	(3,374)	(33)	(5,795)
Written off	-	(436)	-	(436)
Impairment loss no longer required	1,317	-	-	1,317
Reclassification	-	155	(155)	-
Net foreign currency movements	1,044	38	1	1,083
Carrying amount at the end of the year	108,492	17,671	58	126,221

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Movements in carrying amounts (continued)

2021 Consolidated	Freehold and leasehold stratified properties \$'000	Plant and equipment \$'000	Leased plant and equipment \$'000	Total \$'000
Balance at the beginning of the year	126,907	14,567	426	141,900
Additions	39	1,403	-	1,442
Disposals	-	(31)	-	(31)
Depreciation	(2,748)	(3,391)	(120)	(6,259)
Written off	-	(9)	-	(9)
Impairment loss	(17,948)	-	-	(17,948)
Acquisition of a subsidiary	-	234	-	234
Reclassification	-	68	(68)	-
Net foreign currency movements	2,832	284	7	3,123
Carrying amount at the end of the year	109,082	13,125	245	122,452

(b) Additional information on the right-of-use assets by classes of assets is as follows:

2022	Carrying amount \$'000	Depreciation \$'000	Additions \$'000
Leasehold land	640	7	-
Leasehold buildings	72,032	1,774	-
Motor vehicles	182	86	116
Plant and machineries	58	33	-
Total right-of-use assets	72,912	1,900	116

2021	Carrying amount \$'000	Depreciation \$'000	Additions \$'000
Leasehold land	643	7	-
Leasehold buildings	73,023	1,741	133
Motor vehicles	151	97	-
Plant and machineries	245	120	-
Total right-of-use assets	74,062	1,965	133

The right-of-use assets are included in the same items as where the corresponding underlying assets would be presented if they were owned.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

18. INVESTMENT PROPERTIES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Balance at beginning of the year	1,241,183	1,104,608
Transferred from inventories - land held for property development	-	7,558
Transferred from inventories - property held for development and resale	680	-
Net foreign currency movements	11,276	33,450
Additions	7,004	54,197
Disposals	-	(6,753)
Fair value adjustments	5,334	48,123
Balance at end of the year	1,265,477	1,241,183

The fair value model is applied to all investment properties. Investment properties are independently revalued, which represent the amounts at which the properties could be exchanged on an open market basis between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the reporting date. The fair value should also reflect market conditions at the reporting date.

The fair values of the investment properties held by the UOA Real Estate Investment Trust ("UOA REIT") were assessed by the Board of Directors of UOA Asset Management Sdn Bhd, the Manager of UOA REIT based on update valuations conducted by an independent firm of professional valuers registered with Board of Valuers, Appraisers & Estate Agents Malaysia using comparison and income method of valuation.

The directors have reviewed the valuations of sixteen commercial properties which were done on 31 December 2022 by PA International Property Consultants (KL) Sdn Bhd based on the comparison and cost methods and are of the opinion that the carrying values reflect the fair value of the investment properties.

The directors have reviewed the update valuations of all other commercial properties which were done on 31 December 2022 by PA International Property Consultants (KL) Sdn Bhd based on the comparison method, investment method and cost method, and opined that the carrying values reflect the fair value of the investment properties.

The directors have reviewed the valuations of all residential properties which were done on 31 December 2022 by PA International Property Consultants (KL) Sdn Bhd based on the comparison method, and opined that the carrying values reflect the fair value of the investment properties.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

18. INVESTMENT PROPERTIES (CONTINUED)

A loan of \$172,804,000 (2021: \$174,177,000) was secured by legal charges over UOA II Parcels, Wisma UOA Damansara II and UOA Corporate Tower. The fair value of assets pledged, as security was \$407,009,000 (2021: \$404,155,000).

A loan of \$51,901,000 (2021: \$51,539,000) was secured by Loan Agreements cum Assignment, Deeds of Extension of Deed of Assignment, Deeds of Assignment of Rental Proceeds ("DARP"), Deeds of Extension of DARP and four (4) Powers of Attorney, and legal charges over UOA Damansara Parcels and Parcel B - Menara UOA Bangsar (excluding Petak 9 and 14). The fair value of assets pledged, as security was \$135,708,000 (2021: \$134,762,000).

A loan of \$23,695,000 (2021: \$24,030,000) was secured by Moveable Asset and Contractual Mortgage Agreement, Building and Fixtures Mortgage Agreement, and legal charge over UOA Tower. The fair value of assets pledged, as security was \$85,551,000 (2021: \$80,107,000).

The management has applied the following assumptions in the valuation:

- (i) The comparison method entails comparing the property with comparable properties which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, size, building construction and finishes, building services, management and maintenance, age and state of repair, market conditions and other relevant characteristics.
- (ii) Under the cost method, the value of the land is added to the replacement cost of the buildings and other site improvements. The replacement cost of the buildings is derived from estimation of reproduction cost of similar new buildings based on current market prices for materials, labour and present construction techniques and deducting therefrom the accrued depreciation due to use and disrepair, age and obsolescence through technology and market changes.
- (iii) The investment method entails the determination of the probable gross annual rental the property is capable of producing and deducting therefrom the outgoings to arrive at the annual net income.

The fair value hierarchy of the Group's investment properties as at the reporting date is as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Freehold condominium	-	1,093	-
Freehold bungalows	-	18,382	-
Freehold commercial properties	-	166,306	332,993
Leasehold commercial properties	-	107,375	583,901

The fair values of the investment properties included in Level 2 were determined using the comparison method and Level 3 was determined using the cost and investment methods. The most significant input into this valuation approach is price per square metre.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

18. INVESTMENT PROPERTIES (CONTINUED)

There has been no change in valuation methods used during the year.

There is no transfer between the fair value hierarchy during the year.

Reconciliation of Level 3

	\$'000
At 1 January 2022	909,264
Reversal	(804)
Fair value adjustments	92
Net foreign currency movements	8,342
At 31 December 2022	916,894

Details of Level 3 fair value measurements are as follows:

Valuation method and key inputs	Significant unobservable inputs	Relationship of unobservable inputs and fair value
Cost method which estimates the amount of reconstruction cost of the building based on current market prices	Estimated replacement costs	The higher the estimated replacement costs, the higher the fair value
Investment method which capitalises the actual or estimated rental income stream, net of projected operating costs, using a discount rate derived from market yields	Discount rate of 5.50% to 12.50%	The higher the discount rate, the lower the fair value
	Estimated market yield of 5.50% to 8.00%	The higher the estimated market yield, the lower the fair value
	Occupancy rates of 53.49% to 94.83%	The higher the occupancy rate, the higher the fair value

The commercial buildings currently under construction are measured at cost because the fair value is not yet determinable as of 31 December 2022. The fair value of the property is expected to be reliably determinable when construction is complete. This judgment is revisited at each reporting period until completion of the investment property. The value of investment properties under construction at 31 December 2022 is \$55,427,000.

Interest capitalised during the financial year amounted to Nil (2021: \$1,000).

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

19. INVESTMENT IN ASSOCIATES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Unquoted shares, at cost	275	273
Share of post-acquisition reserves	1,155	844
	1,430	1,117
Exchange differences	(38)	(9)
	1,392	1,108
Less: Accumulated impairment losses	-	-
Aggregate carrying amount of the Group's interest in associates	1,392	1,108

Name of entities	Country of incorporation	Principal activities	Ownership interest	
			2022 %	2021 %
Advanced Informatics & Management Centre Sdn Bhd (AIMAC)^	Malaysia	Providing telehealth or e-health facilities	30	30
Asli Security Services Sdn Bhd *	Malaysia	Provision of security services	30	30
Dats Property Management Sdn Bhd *	Malaysia	Provision of facilities support services	49	49

^ Audited by firms of auditors other than Grant Thornton.

* Audited by a member firm of Grant Thornton.

The reporting date of AIMAC is 30 September 2022. For the purposes of applying the equity method of accounting, the financial statements of AIMAC for period ended 31 December 2022 have been used.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

19. INVESTMENT IN ASSOCIATES (CONTINUED)

Summarised financial information in respect of the Group's associates is set out below:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Financial position:		
Total assets	10,249	9,618
Total liabilities	(3,280)	(3,263)
Net assets	6,969	6,355
Financial performance:		
Profit from continuing operations	561	980
Other comprehensive income	-	-
Total comprehensive income	561	980

20. EQUITY INVESTMENTS

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
At fair value		
- shares in listed corporations	7,317	9,775
- shares in unlisted corporation	1,887	584
	9,204	10,359

The fair value hierarchies of the Group's investments in listed corporations and unlisted corporation are at Level 1 and Level 3 respectively.

There is no transfer between the fair value hierarchy during the financial year.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

21. DEFERRED TAX LIABILITIES/(ASSETS)

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Deferred tax liabilities		
- tax allowance relating to property, plant and equipment	464	54
- real property gains tax	22,602	21,643
- other deductible temporary differences	680	464
	23,746	22,161
Deferred tax assets		
- property development and construction profits	(11,807)	(11,776)
- tax allowance relating to property, plant and equipment	(4)	(14)
- other deductible temporary differences	-	-
	(11,811)	(11,790)
	11,935	10,371

	Notes	CONSOLIDATED	
		2022 \$'000	2021 \$'000
(a) Reconciliation			
The overall movement in the deferred tax account is as follows:			
Opening balance		10,371	2,143
Charge to profit or loss	7	1,470	7,994
Charge to equity		94	232
Acquisition of a subsidiary company		-	2
Closing balance		11,935	10,371
(b) Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 4(n) occur			
- Unabsorbed tax losses		16,560	17,765
- Unutilised capital allowances		21,143	28,757
- Unutilised investment tax allowances		46,067	46,277
- Inventories written down		3,989	2,606

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

22. TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
CURRENT		
Trade payables	72,721	87,863
Sundry payables	24,497	20,440
Deposits	24,924	18,591
Accruals	43,391	57,044
Amount payable to non-controlling shareholders of subsidiary companies	15,138	15,610
	180,671	199,548
NON-CURRENT		
Deposits	3,175	4,600
Amount payable to non-controlling shareholders of subsidiary companies	648	85
	3,823	4,685

Terms and conditions relating to the above financial instruments:

- (i) Trade payables are non-interest bearing and are normally on a 30 – 40 days term.
- (ii) Other payables are non-interest bearing.
- (iii) The amount payable to non-controlling shareholders of subsidiary companies represents non-trade interest free advances which is payable on demand.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

23. OTHER FINANCIAL LIABILITIES

	Notes	CONSOLIDATED	
		2022 \$'000	2021 \$'000
CURRENT			
<i>Secured liabilities</i>			
Lease liabilities	23(a)	95	200
Term loans		248,414	251,494
		248,509	251,694
NON-CURRENT			
<i>Secured liabilities</i>			
Lease liabilities	23(a)	143	137
Long term loans		71	84
		214	221
(a) Lease liabilities			
Payable – minimum lease payments			
- not later than one year		103	212
- later than one year but not later than five years		154	148
Minimum lease payments		257	360
Less: future finance charges		(19)	(23)
Present value of minimum lease payments		238	337
Current liabilities		95	200
Non-current liabilities		143	137
		238	337

Some of the Group's loan agreements (classified as non-current during the year) are subject to covenant clauses where the Group is, or particular entities within the Group are, required to meet certain key financial ratios. One of these ratios which was set to be measured on the results of one of the Group's subsidiaries was not met. Due to the impact of Covid-19 on the subsidiary, the subsidiary did not fulfil the ratio of EBITDA to Interest Expenses as required in the contract for a credit line of which the subsidiary has currently drawn an amount of \$23,695,000. Due to this breach of the covenant clause, the bank is contractually entitled to request for immediate repayment of the outstanding loan amount of \$23,695,000. The outstanding balance is presented as a current liability as at 31 December 2022. A proposed solution to remedy the breach has been presented to the bank which has been tentatively accepted by the bank and is pending formal approval as at the date of this report. Upon formal acceptance of the proposal and waiver of the covenant, the outstanding balance will be presented as a non-current liability in future reporting periods.

Included in term loan is an amount denominated in USD amounting to \$7,247,000 (2021: \$6,808,000).

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

23. OTHER FINANCIAL LIABILITIES (CONTINUED)

Terms and conditions relating to the above financial instruments:

- (i) The revolving credit facility is secured by legal charges over the Group's strata-titled properties, a floating charge over leasehold strata properties and corporate guarantees by certain controlled entities. The interest rates range from 1.07% to 3.76% (2021: 0.90% to 2.67%).
- (ii) The term loan is secured by a legal charge over a leasehold commercial property and corporate guarantees by the Company. The interest rates range from 1.50% to 9.71% (2021: 1.50% to 5.00%).

Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current interest-bearing liabilities are:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Non-current		
<i>Fixed charge</i>		
Investment properties	628,268	619,025
Property, plant and equipment	4,840	4,683
<i>Finance leases</i>		
Leased plant and equipment	58	245
Total assets pledged as security	633,166	623,953

The terms and conditions relating to the financial assets are as follows:

Investment properties and property, plant and equipment are pledged against secured bank loans on a fixed charge for the terms of the various secured loans.

24. SHARE CAPITAL

	COMPANY			
	2022		2021	
	Number of shares	\$'000	Number of shares	\$'000
Shares issued and fully paid				
Balance at beginning of the year	1,522,935,135	288,214	1,485,047,796	260,651
Issued during the year				
- dividend re-investment plan	31,255,206	18,400	37,887,339	27,563
Balance at end of the year	1,554,190,341	306,614	1,522,935,135	288,214

Notes to the Financial Statements
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(Continued)

24. SHARE CAPITAL (CONTINUED)

The ordinary shares of the Company are shares with no par value.

The final dividend for year ended 31 December 2021 was paid on 3 June 2022. Some shareholders elected to take ordinary shares in lieu of cash, totaling 31,255,206 shares.

Terms and conditions of issued capital:

- Ordinary shareholders have the right to receive dividends as declared and in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.
- Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

25. RESERVES

The details of reserves are as follows:

2022	CONSOLIDATED		
	Translation reserve \$'000	Fair value reserves \$'000	Total \$'000
Balance at beginning of the year	5,627	2,587	8,214
Exchange differences on translating foreign operations	18,103	-	18,103
Changes in fair value of equity investments at fair value through other comprehensive income	-	(1,767)	(1,767)
Balance at end of the year	23,730	820	24,550

2021	CONSOLIDATED		
	Translation reserve \$'000	Fair value reserves \$'000	Total \$'000
Balance at beginning of the year	(36,215)	1,420	(34,795)
Exchange differences on translating foreign operations	41,842	-	41,842
Changes in fair value of equity investments at fair value through other comprehensive income	-	1,167	1,167
Balance at end of the year	5,627	2,587	8,214

26. CAPITAL COMMITMENT

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
The Group has the following capital commitments:		
Property, plant and equipment	888	2,438
Construction of investment properties	78,920	78,143

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

27. EMPLOYEE BENEFITS EXPENSE

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Employee benefits expense	22,291	16,292

Included in the employee benefits expense are contributions to superannuation funds on behalf of employees amounting \$1,914,063 (2021: \$1,528,482).

28. OPERATING SEGMENTS

The Group has three (3) operating segments: Investment, Land development and resale and Others.

The activities undertaken by the investment segment includes the holding of investment properties to generate rental income, capital appreciation or both.

The activities undertaken by the land development and resale segment includes development, construction and sale of residential and commercial properties.

The activities undertaken under the Others segment includes Operations of hotel and food and beverage outlets, provision of facilities support services and carpark operations, revenue from money lending services and provision of management services.

Each of these operating segments is managed separately as each segment requires different technologies and other resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

The measurement policies the Group uses for segment reporting under AASB 8 are the same as those used in its financial statements, except that:

- Gain or loss on disposal of property, plant and equipment,
 - Gain or loss on disposal of interests in subsidiaries, and
 - Share of results of equity accounted investments.
- are not included in arriving at the operating profit of the operating segments.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

The consolidated entity operates predominantly in two business; investment and land development and resale, and within four geographical segments; Australia, Malaysian, Singapore and Vietnam. The Australian, Singapore and Vietnam operations predominantly relate to the investment segment, with the remainder of the segments being related to the Malaysian operations.

The land development and resale business is predominantly focused on residential and commercial developments in Malaysia, whilst the investment business is made up of both property and share portfolios in Malaysian assets.

Inter-segment pricing is based on normal terms and conditions.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

28. OPERATING SEGMENTS (CONTINUED)

	Investment			Land development and resale			Others		Elimination		Consolidated	
	2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Segment revenue												
Sales to customers outside the group	-	-		151,265	181,925		-	-	-	-	151,265	181,925
Other revenues from customers outside the group	78,540	101,806		35,080	25,508		17,098	12,172	-	-	130,718	139,486
Inter segment revenue	168,135	272,824		77,208	127,193		1,473	440	(246,816)	(400,457)	-	-
Total revenue	246,675	374,630		263,553	334,626		18,571	12,612	(246,816)	(400,457)	281,983	321,411
Finance income	3,871	4,610		6,947	6,456		232	(119)	-	-	11,050	10,947
Finance costs	(8,014)	(7,292)		(32)	(42)		(10)	(8)	-	-	(8,056)	(7,342)
Depreciation and amortisation	(3,867)	(4,074)		(1,101)	(1,442)		(827)	(743)	-	-	(5,795)	(6,259)
Write off of assets	(353)	(5)		(18)	(4)		(65)	-	-	-	(436)	(9)
Increase/(Decrease) in fair value of investment properties	9,042	36,212		(3,708)	11,911		-	-	-	-	5,334	48,123
Other non-cash income/(expenses)	910	(17,872)		(76)	(3,119)		(222)	-	-	-	612	(20,991)
Income tax expense	(2,719)	(5,956)		(21,672)	(24,464)		(261)	78	-	-	(24,652)	(30,342)
Segment net operating profit after tax	25,820	36,293		65,974	67,052		8,821	7,135	-	-	100,615	110,480
Segment assets	1,518,230	1,473,933		1,435,457	1,393,411		18,415	26,776	-	-	2,972,102	2,894,120
Segment liabilities	294,068	305,360		132,528	145,724		6,901	5,300	-	-	433,497	456,384
Investment in associates	1,392	1,108		-	-		-	-	-	-	1,392	1,108
Capital expenditure	5,452	51,999		2,764	17,396		153	67	-	-	8,369	69,462

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(Continued)

28. OPERATING SEGMENTS (CONTINUED)

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Reconciliation of segment net operating profit after tax to net profit before tax		
Segment net operating profit after tax	100,615	110,480
Gain or loss on disposal of property, plant and equipment	74	97
Result from equity accounted investments	272	479
Total net profit before tax per profit or loss	100,961	111,056
Reconciliation of segment operating assets to total assets		
Segment operating assets	2,972,102	2,894,120
Goodwill	133	133
Equity investments	9,204	10,359
Deferred tax assets	11,811	11,790
Current tax assets	16,135	15,508
Total assets as per the statement of financial position	3,009,385	2,931,910
Reconciliation of segment operating liabilities to total liabilities		
Segment operating liabilities	433,497	456,384
Deferred tax liabilities	23,746	22,161
Current tax liabilities	3,506	3,402
Total liabilities per the statement of financial position	460,749	481,947
Geographic information		
Revenue from external customers		
Malaysia	270,303	289,630
Singapore	666	25,848
Vietnam	6,839	23
Australia	4,175	5,910
Total	281,983	321,411

The revenue information above is based on the locations of the customers.

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29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Long-term borrowings \$'000	Short-term borrowings \$'000	Lease liabilities \$'000	Total \$'000
1 January 2022	84	251,494	337	251,915
Cash flows:				
- Proceeds	-	75,131	-	75,131
- Repayment	(14)	(80,763)	(215)	(80,992)
Non-cash:				
- Foreign exchange	1	2,552	-	2,553
- New leases	-	-	116	116
31 December 2022	71	248,414	238	248,723

	Long-term borrowings \$'000	Short-term borrowings \$'000	Lease liabilities \$'000	Total \$'000
1 January 2021	21,552	228,679	562	250,793
Cash flows:				
- Proceeds	1,045	7,221	-	8,266
- Repayment	-	(14,126)	(294)	(14,420)
Non-cash:				
- Foreign exchange	1,517	5,690	9	7,216
- Acquisition of a subsidiary	-	-	60	60
- Reclassification	(24,030)	24,030	-	-
31 December 2021	84	251,494	337	251,915

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

30. RELATED PARTY TRANSACTIONS

The Group's related parties include its associates, key management, post-employment benefit plans for the Group's employees and others as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually in cash.

Transactions with associated companies

	Transaction value		Balance outstanding	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Security services payable	911	1,084	96	75
Rental receivable	91	102	-	-
Administrative fee payable	179	175	25	4
Management fee payable	1,120	1,477	102	116
Landscaping fee payable	144	150	26	27

Transactions with key management personnel

Key management of the Group are the executive members of United Overseas Australia Ltd's Board of Directors and members of the executive council. Key management personnel remuneration includes the following expenses:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Short-term employee benefits		
• salaries including bonuses	3,920,433	2,646,978
• non-monetary benefits	55,538	42,004
• others	122,066	101,739
Post-employment benefits:		
• defined benefit pension plans	422,223	250,183
Total remuneration	4,520,260	3,040,904

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

30. RELATED PARTY TRANSACTIONS (CONTINUED)

Entity with significant influence over the Group – Griyajaya Sdn Bhd

Griyajaya Sdn Bhd owns 31.31% (2021: 31.23%) of the ordinary shares in United Overseas Australia Ltd. There was no related party transaction with Griyajaya Sdn Bhd during the financial year.

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and normal commercial terms. There were no related party transactions during the financial year.

Allowance for credit loss on trade receivables

For the year ended 31 December 2022, the Group has not made any allowance for credit loss relating to amounts owed by related parties as the payment history has been excellent (2021: Nil). The Group makes use of a simplified approach in accounting for trade receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policies are established to ensure that adequate resources are available for the development of the Group's businesses whilst managing its credit risk, liquidity risk, interest rate risk and market risk. The Group operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the policies in respect of the major areas of treasury activity are set out as follows:

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's investments in fixed rate debt securities and fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group targets a mix of fixed and floating debt based on assessment of its existing exposure and desired interest rate profile.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Interest rate risk (continued)

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting year is as follows:

	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Fixed rate instruments:		
Financial assets	131,176	159,962
Financial liabilities	140,637	139,758
Floating rate instruments:		
Financial liabilities	108,086	112,157

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting year would not affect the profit or loss.

A sensitivity analysis has been performed based on the outstanding floating rate borrowings of the Group as at the reporting date. If interest rates increase or decrease by 50 basis points, with all other variables held constant, the Group's post-tax profit or loss would decrease or increase by approximately \$540,000 (2021: \$561,000), as a result of higher or lower interest expense on these borrowings.

Foreign currency risk

The Group is exposed to currency risk as a result of the foreign currency transactions entered into by subsidiaries in currencies other than their functional currencies. The Group is also exposed to currency risk in respect of its foreign investments in subsidiaries and associates. The Group ensures that the net exposure to currency fluctuation is kept to an acceptable level.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below.

	SGD	CONSOLIDATED	
	\$'000	USD \$'000	RM \$'000
2022			
Net exposure	82	44,126	345
2021			
Net exposure	71	(2,848)	24,229

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign currency risk (continued)

The following sensitivity is based on the foreign currency risk exposures in existence at the end of reporting period.

A 10% strengthening of the foreign currencies below against the functional currencies of the Group at the end of reporting period would increase or decrease post-tax profit or loss as shown in the table below, this analysis assumes that all other variables held constant:

	Post-tax profit or loss		
	SGD \$'000	USD \$'000	RM \$'000
2022	8	4,413	35
2021	7	(285)	2,423

A 10% weakening of the foreign currencies above against the functional currencies of the Group at the end of reporting period would have an equal but opposite effect to the amounts shown above, on the basis that all other variables held constant.

Market risk

The Group's principal exposure to market risk arises from changes in value caused by movements in market prices of its quoted investments. The risk of loss is minimised via thorough analysis before investing and continuous monitoring of the performance of the investments. The Group optimises returns by disposing of investments after thorough analysis.

Common to all businesses, the overall performance of the Group's investments is also driven externally by global and domestic economies that are largely unpredictable and uncontrollable.

Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's policy to enter into financial instruments with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses on its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse creditworthy counterparties, thereby mitigating any significant concentration of credit risk.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group extends credit only to recognised and creditworthy third parties. It is the Group's policy that all customers are subject to credit verification procedures. In addition, receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

i. Trade receivables and contract assets

In respect of the Group's development properties, most of the end-buyers obtain end-financing to fund their purchases of the Group's properties. In such cases, the Group mitigates any credit risk it may have by maintaining its name as the registered owner of the development until full settlement by the purchasers of the self-financed portion of the purchase consideration and upon undertaking of end-financing by the purchaser's end-financier.

In respect of the Group's investment properties, the Group customarily obtains three months' rental deposit from tenants as security for the performance of their obligations under the tenancy agreements to mitigate the risk of non-collectability of monthly rentals.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. customer type and rating, and coverage by collateral). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if the Directors deem them uncollectable. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Collateral is considered an integral part of trade receivables and considered in the calculation of impairment. At the reporting date, all of the Group's trade receivables are covered by collateral. These collaterals resulted in a decrease in the expected credit losses/impairment losses as at the reporting date.

The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as trade receivables consist of a large number of customers from various backgrounds.

Consolidated 2022	Expected credit loss rate %	Total gross carrying amount \$'000	Expected credit loss \$'000
Not past due	-	56,098	-
Between 31 and 60 days past due	-	1,030	-
Between 61 and 90 days past due	-	1,108	-
More than 90 days past due	-	11,387	-
More than 91 days after set off with deposits paid	100.00	7,043	7,043
		76,666	7,043
Contract assets	-	8,151	-

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

i. Trade receivables and contract assets (continued)

Consolidated 2021	Expected credit loss rate %	Total gross carrying amount \$'000	Expected credit loss \$'000
Not past due	-	65,475	-
Between 31 and 60 days past due	-	1,239	-
Between 61 and 90 days past due	-	3,960	-
More than 90 days past due	-	10,929	-
More than 91 days after set off with deposits paid	100.00	7,681	7,681
		89,284	7,681
Contract assets	-	40,975	-

ii. Financial institutions and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties.

iii. Financial guarantees

The maximum exposure to credit risk amounted to \$23,695,000 (2021: \$24,030,000), represented by the outstanding banking facilities of a subsidiary company at the end of the reporting year.

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors these subsidiaries. As at the end of the reporting year, there was no indication that any subsidiary would default on repayment.

Financial guarantees have not been recognised since the fair value on initial recognition was not material.

iv. Investments and other financial assets

At the end of the reporting year, the Group has investments in foreign and domestic securities. The maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

The Group's maximum exposure to credit risk for the components of the statements of financial position at the reporting date are their carrying amounts.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity and cash flow risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due, due to shortage of funds.

The Group seeks to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, the policy seeks to ensure that each business unit, through efficient working capital management (i.e. inventory, accounts receivable and accounts payable management), must be able to convert its current assets into cash to meet all demands for payment as and when they fall due.

Owing to the nature of the businesses, the Group seeks to maintain sufficient credit lines available to meet the liquidity requirements while ensuring an effective working capital management within the Group.

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

Consolidated	< 1 year \$'000	1 - 5 years \$'000	> 5 years \$'000	Total \$'000
Trade and other payables	180,671	710	-	181,381
Amount owing to associate companies	280	-	-	280
Lease liabilities	103	154	-	257
Borrowings	257,692	76	-	257,768
	438,746	940	-	439,686

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

32. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and determine an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. As the market is constantly changing, management may adjust the amount of dividends paid to shareholders, return of capital to shareholders, issue new shares or sell assets to reduce debt.

During 2022, management paid dividends of \$20,560,000 (2021: \$29,701,000). Management's objective for dividend payments for 2023 to 2026 is to maintain the current level of dividends, assuming business and economic conditions allow.

Management monitors capital through the gearing ratio (net debt/total capital). The target for the Group's gearing ratio (excluding UOA REIT) is between 10% to 25%. The gearing ratio at the reporting date is as follows:

As lessor	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Total borrowings*	433,217	456,148
Less: Cash and cash equivalents	(802,715)	(688,041)
Net cash	(369,498)	(231,893)
Total equity	1,730,270	1,644,855
Total capital	1,360,772	1,412,962
Gearing ratio (%)	25.04	27.73

* Includes interest bearing loans and borrowings and trade and other payables.

The Group is not subject to any externally imposed capital requirements.

33. ACQUISITION OF SHARES IN NEW SUBSIDIARIES COMPANIES

The Group acquired a wholly-owned subsidiary company namely Armada Hartasegar Sdn Bhd for cash consideration of \$33.

The purchase considerations, net liabilities assumed and effects of acquisitions are immaterial to the financial statements of the Group.

The revenue and net profit for the financial year in which the acquisitions took place and their post-acquisition contributions included in the consolidated profit or loss are immaterial to the financial statements of the Group.

Notes to the Financial Statements
for the Year Ended 31 December 2022
(Continued)

34. MATURITY ANALYSIS OF LEASE PAYMENTS

The Group as lessor

The Group leases out its investment properties and temporarily leases out its inventories under non-cancellable operating leases arrangement. These leases typically run for a period ranging from 1 to 5 years, with the option to renew. Subsequent renewals are negotiated with the lease on average rental period of 1 to 5 years. None of the leases include contingent rentals.

The future undiscounted lease payments receivable after the reporting date but not recognised as receivables are as follows:

As lessor	CONSOLIDATED	
	2022 \$'000	2021 \$'000
Within 1 year	63,016	61,849
In the second year	30,019	36,219
In the third year	10,197	17,461
In the fourth year	694	922
	103,926	116,451

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND AFTER THE REPORTING DATE

On 27 February 2023, the directors of United Overseas Australia Ltd proposed a final dividend of 2.0 cents per ordinary shares (totalling \$31,083,807) in respect of the financial year ended 31 December 2022. This dividend has not been provided for in the 31 December 2022 financial statements.

DIRECTOR'S DECLARATION

- (1) In the opinion of the Directors of United Overseas Australia Ltd:
- (a) The consolidated financial statements and notes of United Overseas Australia Ltd are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of its financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting interpretations) and the *Corporations Regulations 2001*; and
 - (b) There are reasonable grounds to believe that United Overseas Australia Ltd will be able to pay its debts as and when they become due and payable.
- (2) The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 31 December 2022.
- (3) Note 2 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors.

On behalf of the Board



Director
Kong Pak Lim

Kuala Lumpur, Malaysia
30 March 2023



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Independent Auditor's Report

To the Members of United Overseas Australia Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of United Overseas Australia Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independent Auditor's Report

(Continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties (Refer to Note 4 (f) and Note 18) The Group holds investment properties in Australia, Malaysia and Vietnam that comprise completed investments and properties under construction amounting to \$1.3 billion. The Group recognises investment properties initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Management engages an independent expert to undertake a valuation to estimate the fair value of these properties every three years. In addition, the Directors utilise an independent expert to undertake valuations utilising comparable market data for the intervening periods rather than a review of the asset itself. The valuation relies on the accuracy of the underlying lease and financial information provided to the valuers. This is a key audit matter as the valuation of the Group's property portfolio includes significant judgement areas that include several assumptions and estimates, including estimated replacement costs, rental yields, occupancy rates, future net operating income and discount rates.	Our procedures included, amongst others: - Assessing the Group's policy for the valuation of investment properties against the accounting standard AASB 140 <i>Investment Properties</i> and our understanding of the business; - Obtaining an understanding of the Group's processes regarding valuations of investment properties; - Evaluating the scope, competence, capability and objectivity of the Group's independent external valuer; - Engaging an independent auditor's expert to assist us in understanding the work of the Group's expert, including evaluating the appropriateness of their work as audit evidence in accordance with ASA 620 <i>Using the work of an Auditors Expert</i>; - Comparing the Group's external valuations using the capitalisation income technique to alternative discounted cashflow method of valuation that was prepared by the Group's external valuer; - Comparing external valuations using a market based approach to market evidence of recent sales and published industry reports; - Testing on a sample basis the following key inputs to valuations prepared by the Group's external valuer to existing leases entered into: - Gross rent - Occupancy rate - Lease term and - CPI; and - Reviewing the appropriateness of the related disclosures within the financial statements.

Independent Auditor's Report

(Continued)

Revenue recognition

(Refer to Note 4(m) and Note 5)

The Group recorded sales of inventories and property developments of \$34 million and \$117 million, respectively.

The Group recognises revenue from contracts with customers as or when a performance obligation is satisfied. The Group recognises revenue from the sale of completed properties, held as inventories, at a point in time, upon delivery of the property. The Group recognises revenue from property development over time and is measured based on the Group's efforts towards complete satisfaction of the performance obligation.

Significant judgement and estimation are required to measure the progress towards complete satisfaction of the performance obligation concerning property development revenue which makes it a key audit matter.

Our procedures included, amongst others:

- Evaluating the design of internal controls and testing key controls identified for each material revenue stream over revenue recognition;
- Reviewing the Group's assessment and application of the requirements of AASB 15 *Revenue from Contracts with Customers* and conclusions reached;
- Testing a sample of sale transactions before and after the balance sheet date to determine whether those transactions were recognised in the correct period;
- Evaluating the appropriateness of revenue recognised for a sample of development contracts by assessing management's estimated costs to complete the contract, including assessing the relevancy and reliability of key inputs and assumptions and the source data upon which they are based;
- Testing a sample for each material revenue stream to supporting evidence to evaluate the appropriateness of revenue recognised;
- Assessing transition adjustments recorded and evaluating whether these comply with the requirements of AASB 15 and conclusions reached; and
- Reviewing the appropriateness of the related disclosures within the financial statements

Valuation of inventory

(Refer to Note 4(h) and Note 15)

The Group recorded inventories comprising land held for development purposes and completed properties held for sale or held for redevelopment and resale. The total value of inventory recorded amounted to \$618 million.

Work in progress comprises developments under construction that are based on estimated cost forecasts that could be impacted by current and future events.

In accordance with AASB 102 *Inventories*, the Group is required to value inventories at the lower of cost or net realisable value (NRV). Accordingly, adverse economic conditions can affect future selling prices, including the impacts of COVID-19.

This is a key audit matter due to the significant management estimates and judgements determining inventories' net realisable value and the balance's significance to the financial statements.

Our procedures included, amongst others:

- Assessing the relevance and reliability of the source data driving management's estimate of the indicative market value of inventories and evaluating its appropriateness by comparing it against comparable property sales data;
- Challenging the Group's assumptions of forecasted costs to completion and selling expenses by selecting a sample of developments under construction by enquiring with management of actual results to budget and other internal reports;
- Challenging the selling prices of inventory in the current year to budgeted forecasts in the previous year and current market comparable sales
- Performing sample sales testing of sales of inventory recorded during the year to executed settlement agreements and assessed gross margins to management's budgets ensuring inventory was recorded at the lower of cost and its realisable value;

Independent Auditor's Report

(Continued)

- Agreeing the rights to properties by inspecting the supporting title deeds;
- Assessing the appropriateness of the Group's classification between land held for development and property development costs; and
- Reviewing the appropriateness of the related disclosures within the financial statements

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 15 to 21 of the Directors' report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of United Overseas Australia Ltd, for the year ended 31 December 2022 complies with section 300A of the *Corporations Act 2001*.

Independent Auditor's Report

(Continued)

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



L A Stella
Partner – Audit & Assurance

Perth, 30 March 2023

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 21 March 2023.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

	Ordinary shares	
	Number of holders	Number of units
1 – 1,000	174	38,349
1,001 – 5,000	200	568,742
5,001 – 10,000	147	1,153,920
10,001 – 100,000	357	12,021,578
100,001 – and over*	122	1,540,407,752
	1,000	1,554,190,341

The number of shareholders holding less than a marketable parcel of shares are:

	Ordinary shares	
	Number of holders	Number of units
1 – 769	155	19,933
770 and over*	845	1,554,170,408
	1,000	1,554,190,341

* Included in this figure is 1,048,728,342 shares in respect of the Company's secondary listing in Singapore

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

	Listed ordinary shares	
	Number of shares	Percentage of ordinary shares
1 The Central Depository (Pte) Limited	1,048,728,342	67.48%
2 Mahareno Sdn Bhd	97,791,500	6.29%
3 Transmetro Corporation Sdn Bhd	97,791,477	6.29%
4 Macrolantic Technology Sdn Bhd	97,791,477	6.29%
5 Wismara Sdn Bhd	65,239,433	4.20%
6 Amerena Sdn Bhd	40,596,673	2.61%
7 JP Morgan Nominees Australia Pty Limited	11,516,192	0.74%
8 National Nominees Limited	10,324,196	0.67%
9 Tan Sri Dato' Seri Alwi Jantan	8,508,693	0.55%
10 Lay Hoon Koh	6,514,596	0.42%

ASX Additional Information*(Continued)***(b) Twenty largest shareholders** (continued)

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
11	Chow Fong Wong	4,647,029	0.30%
12	Colin Robert Macewan & Bronwyn Beder	2,950,000	0.19%
13	Chong Soon Kong	2,943,082	0.19%
14	Transmetro Sdn Bhd	2,850,409	0.18%
15	Hegford Pty Ltd	2,805,425	0.18%
16	Citicorp Nominees Pty Limited	2,245,496	0.14%
17	Chartreuse Nominees Pty Ltd	2,056,056	0.13%
18	Reviresco Nominees Pty Ltd	1,576,582	0.10%
19	Ju Lip Chew	1,559,010	0.10%
20	Mimi Miu-Kuen Ferguson	1,210,937	0.08%
		1,509,646,605	97.13%

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of shares held	% of issued shares
Chong Song Kong	1,135,279,130	73.05%
Pak Lim Kong	869,230,110	55.93%

In calculating the number of shares, entities holding 679,617,549 shares as declared in the substantial shareholders are considered to be associates of both the substantial shareholders and have been included in the total for each shareholder above.

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

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