BERJAYA

BERJAYA LAND BERHAD

[Registration No. 199001010193 (201765-A)]

برجاي لاند برحد

成功置地有限公司

20 ANNUAL REPORT

The corporate logo comprises the word BERJAYA in blue and a symbol made up of four outward-facing Bs in green with blue lining around the circumference and a blue dot in the centre.

BERJAYA means “success” in Bahasa Malaysia and reflects the success and Malaysian character of Berjaya Corporation’s core businesses. The four Bs of the symbol represent the strong foundations and constant synergy taking place within the Berjaya Corporation group of companies. Each B faces a different direction, depicting the varied strengths of the companies that make up the Berjaya Corporation group of companies.

VISION

- To be an organisation which nurtures and carries on profitable and sustainable businesses in line with the Group’s diverse business development and value creation aspirations and interests of all its stakeholders.
- To also be an organisation which maximises the value of human capital through empowerment, growth and a commitment to excellence.

MISSION

We strive to generate profitable returns for our shareholders from investments in core business activities:

- By providing direction, financial resources and management support for each operating unit;
- Through dynamic and innovative management, teamwork and a commitment to excellence; and
- By providing a cross-functional environment and development and upskilling opportunities for our employees to develop their full potential for both personal and professional advancements.

CONTENTS

CORPORATE PROFILE

The Infinity Pool at The Taaras Beach & Spa Resort, Redang.

Berjaya Land Berhad ("B-Land") was incorporated in 1990 to implement the Restructuring Scheme undertaken by Sports Toto Malaysia Bhd ("Sports Toto") whereby the entire paid-up capital of Sports Toto was acquired by B-Land. Simultaneously, B-Land made major acquisitions of various property and leisure activities which were funded via a Rights and Special Issue.

Sports Toto was incorporated in 1969 by the Malaysian Government for the purpose of running Toto betting under Section 5 of the Pool Betting Act, 1967. It was privatised in 1985 when its Chief Executive Officer, Tan Sri Dato' Seri Vincent Tan Chee Yioun, through his private company acquired 70% of the paid-up capital. Sports Toto was listed on Bursa Malaysia Securities Berhad in July 1987.

Subsequently, in November 1987, RekaPacific Berhad (formerly known as Berjaya Industrial Berhad) ("RekaPacific") completed a general offer to Sports Toto which resulted in Sports Toto becoming a subsidiary of RekaPacific.

On 11 October 1996, Berjaya Group Berhad ("BGroup") completed the purchase of Teras Mewah Sdn Bhd ("TMSB"), a wholly-owned subsidiary company of RekaPacific.

On 28 August 1996, TMSB completed the purchase of the entire shareholding in B-Land from RekaPacific comprising approximately 247.5 million ordinary shares, 49.8 million warrants and RM82.8 million Irredeemable Convertible Unsecured Loan Stocks for a total consideration of approximately RM931.1 million. As a result, B-Land became a direct subsidiary of BGroup, which in turn is a wholly-owned subsidiary of Berjaya Corporation Berhad ("BCorp").

Today, the Group's core activities are as follows:-

- Gaming and Lottery Management;
- Hotels, Resorts, Recreation Development and Vacation Timeshare;
- Property Investment and Development; and
- Motor Retailing.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman
Tan Sri Datuk Seri Panglima Richard Malanjum

Chief Executive Officer
Syed Ali Shahul Hameed

Executive Directors
Nerine Tan Sheik Ping
Chryseis Tan Sheik Ling

Non-Independent Non-Executive Director
Dato' Ng Sooi Lin

Independent Non-Executive Directors
Datuk Robert Yong Kuen Loke
Kee Mustafa
John V Pridjian

AUDIT COMMITTEE

Chairman/Independent Non-Executive Director
Datuk Robert Yong Kuen Loke

Independent Non-Executive Directors
Tan Sri Datuk Seri Panglima Richard Malanjum
Kee Mustafa
John V Pridjian

SECRETARIES

Tham Lai Heng Michelle (MAICSA No. 7013702)
(SSM PC No. 202008001622)

Wong Siew Guek (MAICSA No. 7042922)
(SSM PC No. 202008001490)

Teo Soh Fung (MAICSA No. 7046614)
(SSM PC No. 202008001818)

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd
Lot 10-04A & 10-04B, Level 10, West
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2145 0533
Fax : 03-2145 9702

AUDITORS

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

REGISTERED OFFICE

Lot 13-01A, Level 13 (East Wing)
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2149 1999
Fax : 03-2143 1685

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
CIMB Bank Berhad
Affin Bank Berhad
AmBank (M) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK SHORT NAME

BJLAND (4219)

PLACE OF INCORPORATION AND DOMICILE

Malaysia

TAN SRI DATUK SERI PANGLIMA RICHARD MALANJUM

CHAIRMAN (INDEPENDENT/NON-EXECUTIVE)

AGE	NATIONALITY	GENDER
68	**MALAYSIAN**	**MALE**

Tan Sri Datuk Seri Panglima Richard Malanjum was appointed as Director and Chairman to the Board on 9 December 2019. He graduated with (LLB) (Hons) from University of London, London in 1975 and was subsequently admitted to the English Bar, Barrister-At-Law of the Honourable Society of Gray's Inn in London.

In 1977, he was admitted to the High Court of Sabah and Sarawak, Malaysia as an Advocate and Solicitor and was also admitted to the Australian Capital Territory Bar in 1991. Recently, he was also admitted to the Sarawak Bar.

Upon his return to Malaysia, he served as Deputy Public Prosecutor and State legal counsel at the Sabah State Attorney-General's Chambers before venturing into private legal practice from 1981 to 1992 and became the President of the Sabah Law Association, the bar association for the State of Sabah.

In 1992, he joined the judicial service as a Judicial Commissioner and rose through the ranks to become High Court Judge and was later appointed as Court of Appeal Judge and subsequently, Federal Court Judge in 2005. In July 2006, he became the Chief Judge of the High Court of Sabah and Sarawak cum Justice of the Federal Court, the fourth highest judicial officer in Malaysia. In July 2018, he was sworn-in as the ninth Chief Justice of Malaysia, the highest judicial officer in Malaysia until his retirement on 13 April 2019 and currently, he is practising as a Legal Consultant in a legal firm in Kota Kinabalu, Sabah.

He also holds directorship in several other private limited companies. He is also an Independent Non-Executive Director of Kim Teck Cheong Consolidated Berhad.

Tan Sri Datuk Seri Panglima Richard Malanjum is the Chairman of the Nomination Committee and Remuneration Committee. He is also a member of the Audit Committee, Risk Management Committee and Sustainability Committee of the Company.

SYED ALI SHAHUL HAMEED

CHIEF EXECUTIVE OFFICER (NON-INDEPENDENT)

AGE	NATIONALITY	GENDER
49	**INDIAN**	**MALE**

He was appointed to the Board on 20 March 2019 as an Executive Director and subsequently appointed as the Chief Executive Officer of the Company on 8 August 2019. He holds a Bachelor of Engineering degree from Institute of Road & Transport Technology, Bharathiar University at Coimbatore.

He began his career as a lecturer in a Technical Institution for a short stint of 2 years before embarking his journey in the Hospitality Industry. He joined Berjaya Land Berhad's Group ("BLand Group") on 4 September 1997 as an Assistant Engineer at Berjaya Tioman Resort and rose to the position of Chief Engineer on 4 September 2003. He held the position of Director of Engineering & Technical Services since 20 January 2009 before his appointment as Corporate Director, Engineering & Technical Services of Berjaya Hotels & Resorts Division on 1 April 2009. He was subsequently appointed as Director, Property Development and Complexes, Property Division on 11 March 2019.

During his over 23 years stint in BLand Group, he has a myriad exposure in the area of due diligence and technical involvement with Inter-Continental and Sheraton Hotels in Hanoi as well as Four Seasons and Ritz Carlton projects.

He was also actively involved in the Four Seasons project at Kyoto, and Ritz Carlton Residences in Kuala Lumpur.

On the engineering field, he oversees the maintenance aspects of the properties and was entrusted to spearhead various in-house renovation projects in BLand Group's properties.

On the hospitality business, he has acquired experience in managing interior design projects as well as corporate purchasing ranging from designer's products, construction items and food & beverages goods.

Currently, he is responsible for overseeing all the engineering aspects of all the BLand Group's properties in Malaysia and overseas; leading the operations in Okinawa Four Seasons Resort and Four Seasons Yokohama. He is also managing all the local and overseas property development projects as well as managing the complexes.

Currently, he is also a Director of Berjaya Vacation Club Berhad, Berjaya Hills Resort Berhad, Bukit Kiara Resort Berhad, Indah Corporation Berhad, KDE Recreation Berhad, Staffield Country Resort Berhad and Tioman Island Resort Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

NERINE TAN SHEIK PING

NON-INDEPENDENT/EXECUTIVE DIRECTOR

AGE	NATIONALITY	GENDER
44	**MALAYSIAN**	**FEMALE**

She was appointed to the Board on 11 January 2016 as an Executive Director. She graduated with a Bachelor of Science degree in Management (Second Class Honour) from the London School of Economics in 1998.

She has more than 20 years of experience in sales, marketing and business development in several operations. She started work as a Business Development Manager at Cosway (M) Sdn Bhd from January 1999 to September 2002, and was mainly responsible for overseeing the sales and marketing of Cosway products. From September 2000 to March 2003, she was appointed as an Executive Director of eCosway Sdn Bhd to oversee the development of eCosway website with a software developer.

In addition, she was also appointed as Vice President in the Marketing division of Berjaya Hotels & Resorts (M) Sdn Bhd ("BHRM) in January 1999 and was appointed as an Executive Director of Berjaya Hotels & Resorts (Singapore) Pte Ltd from January 2005 until her resignation in April 2009. During her tenure at BHRM, she was overseeing the sales and marketing functions and development of spa management for different resorts.

In February 2007, she was appointed as the General Manager (Sales & Marketing) of Sports Toto Malaysia Sdn Bhd ("Sports Toto") and was subsequently promoted as an Executive Director of Sports Toto in April 2010. Currently, she is overseeing the sales and marketing activities of Sports Toto including dealings with Government authorities.

Currently, she is the Chief Executive Officer of Berjaya Sports Toto Berhad and also an Executive Director of Berjaya Corporation Berhad and Berjaya Group Berhad. She also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Her sister, Chryseis Tan Sheik Ling is also a member of the Board while her father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.

CHRYSEIS TAN SHEIK LING

NON-INDEPENDENT/EXECUTIVE DIRECTOR

AGE	NATIONALITY	GENDER
31	**MALAYSIAN**	**FEMALE**

She was appointed to the Board on 1 April 2016 as an Executive Director. She graduated with a Bachelor of Arts in Liberal International Studies from Waseda University, Tokyo in 2012. She also did an exchange program in Accounting and Finance in London School of Economics, United Kingdom for a year in 2010.

Currently, she is the Chief Executive Officer of Berjaya Times Square Sdn Bhd, a wholly-owned principal subsidiary of Berjaya Assets Berhad ("BAssets"), mainly involved in the marketing and overall management of Berjaya Times Square mall.

She is also a Director and Chairman of Natural Avenue Sdn Bhd ("NASB"), a subsidiary of BAssets since 1 August 2014. NASB is the exclusive agent for Sarawak Turf Club's Special Cash Sweep Number Forecast Lotteries in Sarawak.

Presently, she is an Executive Director of BAssets and a Non-Executive Director of Berjaya Food Berhad. She is also the Head of Marketing for Four Seasons Hotel and Hotel Residences Kyoto, Japan, a hotel and residences development project undertaken by the Company's associated company namely, Berjaya Kyoto Development (S) Pte Ltd. She also holds directorships in several other private limited companies.

Her sister, Nerine Tan Sheik Ping is also a member of the Board while her father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company.

PROFILE OF DIRECTORS

DATO' NG SOOI LIN

NON-INDEPENDENT/NON-EXECUTIVE DIRECTOR

AGE	NATIONALITY	GENDER
64	**MALAYSIAN**	**MALE**

He was appointed to the Board on 28 March 2003. He holds a Bachelor in Engineering from the University of Liverpool and a Full Technology Certificate from the City & Guild's of London. He is also a member of the Institute of Electrical Engineers, U.K. (M.I.E.E.) Chartered Engineers.

He is an engineer by profession with extensive working experience in the field of property development and management. He started his career in the property consultancy in Kuala Lumpur before moving on to play key roles in various development companies in Malaysia, Singapore and Brunei.

He joined Berjaya Land Berhad in November 1994 as a Senior General Manager (Group Properties & Development) prior to his appointment as Executive Director and subsequently in 21 December 2006, he was appointed as the Chief Executive Officer of the Company until his retirement in December 2016. He is currently a Non-Independent Non-Executive Director of the Company.

He is also an Independent Non-Executive Director of WCT Holdings Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Dato' Ng Sooi Lin is a member of the Remuneration Committee, Risk Management Committee and Sustainability Committee of the Company.

DATUK ROBERT YONG KUEN LOKE

INDEPENDENT/NON-EXECUTIVE DIRECTOR

AGE	NATIONALITY	GENDER
68	**MALAYSIAN**	**MALE**

He was appointed to the Board on 24 January 1995. He appointed as the Senior Independent Director on 9 December 2019 to whom concerns relating to the Company and the Group can be conveyed.

He is a Fellow member of The Institute of Chartered Accountants in England and Wales, and a member of The Institute of Singapore Chartered Accountants and the Malaysian Institute of Accountants. He is also a Council Member of the Malaysian Institute of Certified Public Accountants and presently serves as a member of its Executive Committee. He has many years of working experience in the fields of accounting, audit, treasury and financial management. He started his career in London in 1973 and worked there for more than five years with chartered accounting firms. Subsequently, he was with Price Waterhouse, Singapore from 1979 to 1982. From 1983 to 1986, he served as the Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of companies in 1987 until his retirement as an Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

He is also a Director of Berjaya Corporation Berhad, Berjaya Sports Toto Berhad, Berjaya Assets Berhad and Berjaya Media Berhad.

Datuk Robert Yong Kuen Loke is the Chairman of Audit Committee, Risk Management Committee and Sustainability Committee of the Company and a member of the Nomination Committee of the Company.

KEE MUSTAFA

INDEPENDENT/NON-EXECUTIVE DIRECTOR

AGE	NATIONALITY	GENDER
70	**MALAYSIAN**	**MALE**

He was appointed to the Board on 11 January 2016 as an Independent Non-Executive Director. He holds a Bachelor of Arts Degree in Anthropology and Sociology from University of Malaya.

Mr Kee Mustafa was a Career Civil Service Officer, having served the State Government of Sabah for a period of 33 years from 1974 to 2007. During his tenure with the State Government of Sabah, he had served in various positions and Government Departments including holding several senior positions, namely, Permanent Secretary to the Ministry of Infrastructure (1996) and Director of Public Services Department, Sabah (2000). He was subsequently appointed as the State Secretary to the State Government of Sabah in April 2000 and had held the position until his retirement in 2007. While being the State Secretary, he was the Head of the State Public Service and Secretary to the State Cabinet. He was also appointed as a member of the Royal Commission of Inquiry on Immigrants in Sabah from 2012 to May 2014.

Currently, he is an Independent Non-Executive Director of Suria Capital Holdings Berhad and he also holds directorships in several other private limited companies.

Mr Kee Mustafa is a member of the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Sustainability Committee of the Company.

JOHN V PRIDJIAN

INDEPENDENT/NON-EXECUTIVE DIRECTOR

AGE	NATIONALITY	GENDER
56	**AMERICAN**	**MALE**

He was appointed to the Board on 1 November 2017 as an Independent Non-Executive Director. He holds a Bachelor of Science degree in Accounting from University of Illinois in 1986 and holds a Master of Business Administration in Finance from University of Chicago in 1988. He is also a Certified Public Accountant in the State of Illinois and is a member of the State Bar of California.

He started his career as an Associate in O'Melveny & Myers L.L.P in Los Angeles, California, United States from 1991 to 1993. Subsequently, he served as a Partner and practiced law at Sidley Austin L.L.P in Los Angeles, California, United States from 1993 to 2001 and thereafter he joined Deloitte and Touche L.L.P in Los Angeles, California, United States as a Tax Partner for 3 years.

He has more than 25 years of experience in strategic decision-making, financial reporting and operations in the fields of asset and investment management, Securities and Exchange Commission regulatory reporting and compliance, financial reporting and cost analysis, vendor negotiation and management, project management, strategic business planning and cost cutting discipline.

Currently, he is the Chief Financial Officer of Old Peak Group Limited, an independent investment firm focused on the Asia Pacific region for global institutional investors.

Mr John V Pridjian is a member of the Audit Committee, Risk Management Committee and Sustainability Committee of the Company.

Save as disclosed, none of the Directors have:-
1. any family relationship with any directors and/or major shareholders of the Company;
2. any conflict of interest with the Company;
3. any conviction for offences within the past 5 years other than traffic offences; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT

HEW CHIT KONG

AGE	NATIONALITY	GENDER
55	MALAYSIAN	MALE

Corporate Director, Finance
Berjaya Hotels & Resorts Division

Date of appointment : 1 April 2009

He is a member of The Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He has over 28 years of working experience in the fields of accounting, audit and financial management. He started his career as an Audit Assistant in Messrs Anuarul, Azizan, Chew & Co, a public accounting firm in Kuala Lumpur from 1991 to 1995 where he last held the position of an Audit Manager. Between 1996 and 2001, he held senior management positions in several private limited companies.

He joined Berjaya Golf Resort Berhad in 2002 as a Finance Manager and was promoted to Senior Finance Manager and transferred to the Head Office to oversee the group accounting function of Berjaya Clubs Division in 2005. Subsequently, he was appointed as an Assistant General Manager (Finance) of the Berjaya Hotels & Resorts, a division of Berjaya Land Berhad in June 2007.

He was appointed as Corporate Director, Finance on 1 April 2009.

He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

KHOR POH WAA

AGE	NATIONALITY	GENDER
64	MALAYSIAN	MALE

President
Berjaya Vacation Club Berhad

Date of appointment : 1 April 1997

He holds an Accounting Degree from the University of Malaya and served in the Accountant General's Office before joining the private sector in 1985.

He joined Berjaya Vacation Club Berhad ("BVC") in 1993 and has been the President of BVC since 1997 and the Director of Berjaya Clubs since 2012. He manages the Company's timeshare, golf and recreation club division and has vast experience in the hotel, golf and club industry.

He was the Chairman of the Malaysian Holiday Timeshare Developer's Federation from 1995 to 2015 and is the Chairman of the Malaysian Golf & Recreational Owners Association for the term from 2015 to 2021.

Currently, he is also a Director of Berjaya Golf Resort Berhad, Bukit Kiara Resort Berhad, KDE Recreation Berhad and Staffield Country Resort Berhad.

SEOW SWEE PIN

AGE	NATIONALITY	GENDER
63	MALAYSIAN	MALE

Non-Independent
Executive Director
Berjaya Sports Toto Berhad

Date of appointment : 17 December 2007

He was appointed to the Board of Berjaya Sports Toto Berhad on 17 December 2007 as an Executive Director. He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He worked with Ernst & Young from 1976 to 1984 where he last held the position as an Audit Manager. Between 1984 and 1990, he held senior management positions in several major public listed groups.

He joined Berjaya Group in 1991 and was subsequently appointed as General Manager (Finance) of Sports Toto Malaysia Sdn Bhd in 1993. He was promoted to Senior General Manager in 1996 and Executive Director in 2008.

Currently, he is also Chairman of Berjaya Philippines Inc. and Philippine Gaming Management Corporation and a Director of several other private limited companies.

He is a member of the Risk Management Committee and the Sustainability Committee of Berjaya Sports Toto Berhad.

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

AGE	NATIONALITY	GENDER
68	MALAYSIAN	MALE

Managing Director /
Chief Executive Officer
Sports Toto Malaysia Sdn Bhd

Date of appointment : 5 December 1988

He is a businessman and entrepreneur with more than four decades of entrepreneurial experience and has diverse interests in property development and investment, gaming, lottery management, stockbroking, motor distribution, retailing, trading, hospitality, internet related businesses, environmental and utilities, media, food and beverage, telecommunications, insurance and education through various public and private companies namely, Berjaya Corporation group of companies, Berjaya Assets Berhad, 7-Eleven Malaysia Holdings Berhad, Berjaya Media Berhad, Berjaya Retail Sdn Bhd, Intan Utilities Sdn Bhd, U Mobile Sdn Bhd and MOL Ventures Pte Ltd.

Currently, Tan Sri Dato' Seri Vincent Tan Chee Yioun is the Executive Chairman of Berjaya Corporation Berhad and Berjaya Times Square Sdn Bhd and the Chairman of Berjaya Capital Berhad, U Mobile Sdn Bhd, and Cosway (M) Sdn Bhd. He is also the Managing Director/CEO of Sport Toto Malaysia Sdn. Bhd. He also holds directorships in several other private limited companies and also in Berjaya Corporation group of companies.

His children, Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling are also members of the Board.

TAN TEE MING

AGE	NATIONALITY	GENDER
44	**MALAYSIAN**	**MALE**

Senior General Manager
Property Sales &
Marketing Division
Berjaya Land Berhad

Date of appointment : 18 March 2017

He was appointed Senior General Manager of Property Sales & Marketing Division on 18 March 2017. Currently he oversees the sales and marketing for all Malaysian properties including the flagship development, The Ritz-Carlton Residences, Kuala Lumpur.

He graduated with a Bachelor of Science Degree in Business Management from King's College London, United Kingdom in 1998. Since 2001, he has held various positions in several major Private Banks in Malaysia and Singapore including Citi Private Bank and CIMB. He has 16 years of experience managing the wealth of High Net Worth Individuals. In 2012, he was awarded The Young Outstanding Private Banker Award by Private Banker International, the leading journal for the global wealth management industry.

His father in-law, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company. His wife, Nerine Tan Sheik Ping, and sister-in-law Chryseis Tan Sheik Ling are members of Board of the Company.

Save as disclosed, none of the Key Senior Management has :-
1. any directorship in public companies and listed issuers;
2. any family relationship with any Directors and/or major shareholders of the Company;
3. any conflict of interest with the Company;
4. any conviction for offences within the past 5 years other than traffic offences; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

On behalf of the Board of Directors of Berjaya Land Berhad ("B-Land"), I am pleased to present the Annual Report and Financial Statements for the financial year ended 30 June 2020.

FINANCIAL RESULTS

For the financial year ended 30 June 2020, the Group reported a revenue of RM5.16 billion and profit before tax of RM185.4 million. The gaming, motor retailing and property development business segments were the main contributors to the Group's revenue. The comparative financial results of the previous financial period was prepared for a 14-month period ended 30 June 2019 due to the change in financial year end, and is not comparable to the results of the current financial year under review.

Following the global outbreak of the COVID-19 pandemic, many governments around the world, including Malaysia, had imposed various phases of lockdown as a preventive measure to curb the outbreak. The Group's profit from operations were impacted by the implementation of the lockdown measures in various countries, which resulted in the temporary closure of the Group's business operations for varying periods of time during the third and fourth quarters of the financial year under review.

Sports Toto Malaysia Sdn Bhd ("Sports Toto"), the principal subsidiary of the Group which operates the gaming business was allowed to resume business on 17 June 2020 after being closed since the imposition of the Movement Control Order ("MCO") on 18 March 2020, which resulted in the cancellation of 40 draws. The hotel, resort and recreation business segment reported significantly lower overall average occupancy and room rates arising from the lower tourist arrivals recorded mainly due to the restricted access and closure of international borders from as early as January 2020. The property development business segment had completed 2 residential projects, Residensi Lanai, an affordable housing at Bukit Jalil, Kuala Lumpur and Kensington Gardens, Penang.

The profit before tax of the financial year under review was mainly contributed by the substantial share of profit from its associated company, namely Berjaya Kyoto Development (S) Pte Ltd Group, ("BKyoto") amounting to approximately RM172 million. BKyoto had reported a substantial gain arising from the disposal of the trust beneficial interest on the hotel component of the Four Seasons Hotel & Hotel Residences Kyoto, Japan. This had offset the total impairment of certain of the Group's assets amounting to RM23.3 million.

Residensi Lanai at Bukit Jalil, Kuala Lumpur.

DIVIDEND

The Board did not recommend any dividend for the financial year ended 30 June 2020.

SIGNIFICANT CORPORATE DEVELOPMENTS

1. As announced on 18 December 2012 and pursuant to the Supplement Agreement dated 13 August 2012 entered into between Selangor Turf Club ("STC") and Berjaya Tagar Sdn Bhd ("BTSB"), STC granted extension of time to 18 January 2021 to fulfil the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi land by BTSB.

2. On 6 November 2015, B-Land announced that its subsidiary, Berjaya Jeju Resort Limited ("BJeju") had instituted legal proceedings in the Republic of Korea against Jeju Free International City Development Center ("JDC") for the breach by JDC of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 in relation to the proposed mixed development of an international themed village known as the "Jeju Airest City" in Jeju Island, Republic of Korea and to claim for losses and damaged incurred as a result thereof ("JDC Lawsuit").

   On 30 June 2020, B-Land announced that the Seoul Central District Court has rendered a mediation decision at the request of the parties to the JDC Lawsuit based upon the principal terms of their settlement negotiations and a Settlement Agreement was entered into with JDC ("Settlement").

   On 28 August 2020, the Board announced that the Settlement was completed and that BJeju ceased as a subsidiary of the Group. The Settlement sum after taxes and expenses received by the Group was about KRW102.1 billion (equivalent to about RM361.0 million).

3. On 13 July 2019, Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of B-Land, has entered into a Share Purchase Agreement ("SPA") with Icelandair Group hf. ("Seller") for the proposed acquisition of 75% stake in Icelandair Hotels ehf, which will acquire 100% of Hljomalindarreitur ehf and certain hotels and real estate assets in Iceland for a total cash consideration of approximately USD53.63 million (or about RM222.03 million) ("Acquisition").

   On 24 December 2019, the Group announced that a total of USD15.0 million has been paid towards the purchase consideration. The final balance payment is to be determined and accordingly, on 28 February 2020, the Board announced that the balance of the final payment has been determined at USD40.31 million.

   As announced on 3 April 2020, a total of USD35 million has already been paid to the Seller, leaving a balance of USD20.31 million which a discount of USD10 million has been granted. The final net balance due of USD10.31 million was paid on 3 April 2020 and the Acquisition was completed on even date.

4. On 7 February 2020, the Board announced that its 80%-owned subsidiary namely BDS Smart City Co., Ltd ("BDS") has entered into a concession agreement ("CA") with the Government of Yangon Region ("YRG"), the Republic of Union of Myanmar to formalise a collaboration in undertaking a housing and mixed development project on 12 parcels of land ("Land") in Dagon Seikkan Township, Yangon Region, Myanmar.

The Link 2 at Bukit Jalil, Kuala Lumpur.

Icelandair Hotel Akureyri.

Pursuant to the CA, BDS will own the exclusive rights over the Land for a period of 50 years from the date on which the conditions precedent of the CA are fulfilled (or waived) and further extendable for 2 consecutive terms of 10 years each. In consideration of the rights granted by YRG to BDS under the CA, BDS shall pay in the following manner:

(i) cash of USD3.00 million (or about RM12.27 million); and
(ii) the affordable housing with an estimated net floor area of about 242,800 square meters (or an equivalent number of units worth) valued at USD182.76 million (or about RM747.49 million).

5. On 28 February 2020, the Group informed that Berjaya Corporation Berhad ("BCorp") had announced that its subsidiary, Kyoto Higashiyama Hospitality Assets Tokutei Mokuteki Kaisha ("KHHA") entered into a Real Property Trust Beneficial Interest Purchase and Sale Agreement with Godo Kaisha Tigre ("Tigre") for the disposal by KHHA of the trust beneficial interest in the hotel component of Four Seasons Hotel & Hotel Residences Kyoto in Japan ("Hotel") to Tigre for a cash consideration of JPY49.00 billion (about RM1.87 billion) ("Disposal"). KHHA is an associated company of the Group. The Disposal was completed on 10 March 2020 and Berjaya Kyoto Development Kabushiki Kaisha, another indirect subsidiary of BCorp, had on even date entered into an Amended and Restated Fixed Term Building Lease Agreement with Mitsubishi UFJ Trust and Banking Corporation and Tigre for the leaseback of the Hotel for a period of about 17 years.

FUTURE OUTLOOK

The COVID-19 pandemic which resulted in unprecedented preventive measures of varying degrees of global population lockdown had adversely impacted the global economy. With the gradual easing of the global population lockdown, economic activities have progressively resumed.

The Group's Number Forecast Operator ("NFO") business has been fairly resilient in the past economic crises and turbulent periods. As such, the Board is optimistically confident that the Group will continue to maintain its market share in the NFO business for the financial year ending 30 June 2021.

The property development business segment is expected to be impacted by slower property sales mainly due to the expected liquidity squeeze arising from the contraction of the economy in the short term.

The tourism industry bears the brunt of the COVID-19 pandemic with the continued closure of international borders. Domestic tourism, albeit gradually increasing, is insufficient to kick start the currently sluggish tourism

Reception area of the Claim Centre located at Sports Toto headquarters, Berjaya Times Square, Kuala Lumpur.

industry. As such, the Board expects the occupancy rates and the revenue from events at the hotels, resorts, clubs and recreation business segment to remain low if the international borders remain closed. The incentives announced under the Short-Term Economic Recovery Plan in Malaysia, particularly for the hotels and resorts and property development business segments, are expected to stimulate local economic activities.

Taking into account all of the aforesaid and given the uncertainties and challenges, the Group will continue to exercise a prudent approach and remain agile across its business operations.

APPRECIATION

On behalf of the Board, I would like to convey our sincere thanks to Tan Sri Datuk Seri Razman Md Hashim bin Che Din Md Hashim who has retired from his role as Chairman effective 9 December 2019 and Mr Tan Thiam Chai who has stepped down from his role as Executive Director effective 8 May 2020 for their contributions throughout their tenure on the Board.

To all our valued customers, business associates, financiers and shareholders as well as the relevant government and regulatory bodies, I thank you for your continued support towards the Group. To the management team and employees of the operating companies within the Group, thank you for your dedication and commitment throughout this challenging period.

Last but not least, I would like to record my appreciation to my fellow members of the Board for their contributions towards the Group, and I look forward to working with all of you to ride out the current economic turbulence.

Tan Sri Datuk Seri Panglima Richard Malanjum
Chairman
20 October 2020

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Berjaya Land Berhad and its subsidiaries ("B-Land" or "the Group") is one of Malaysia's leading companies with interests in gaming and lottery management, motor retailing, hotels & resorts, recreation development, vacation timeshare and property development and investment.

Given the change of financial year end to June last year, the Group's financial performance for the current financial year ended 30 June 2020 is not comparable with the previous 14-month financial period from 1 May 2018 to 30 June 2019.

PERFORMANCE REVIEW BY BUSINESS SEGMENTS

GAMING

The toto betting and related activities business segment of B-Land is operated via Berjaya Sports Toto Berhad ("BToto"). BToto is predominantly engaged in the operations of Toto betting, luxury motor retailing in the United Kingdom as well as manufacturing and distribution of computerised wagering and voting systems and provision of software licences and support.

BToto has three main operating subsidiary companies namely Sports Toto Malaysia Sdn Bhd ("Sports Toto"), H.R. Owen Plc, United Kingdom ("H.R. Owen") and International Lottery & Totalizator Systems, Inc., United States of America ("ILTS").

For the financial year under review, the group registered a revenue of RM4.6 billion and a profit before tax of RM226.8 million. The revenue registered was mainly attributed to revenue from Sports Toto and H.R. Owen. The group's results were negatively impacted by the COVID-19 pandemic leading to the implementation of lockdown measures by various countries which affected the operations of its main subsidiaries. Sports Toto cancelled 40 draws from 18 March 2020 to 16 June 2020 upon the imposition of the Movement Control Order ("MCO") by the Malaysian Government, and only resumed operations on 17 June 2020. H.R. Owen shut down its operations for more than 2 months in compliance with the United Kingdom ("UK") government's lockdown order from 23 March 2020 to 31 May 2020.

A Sports Toto draw in progress.

MALAYSIA

Sports Toto, the principal operating subsidiary of BToto, has approximately 680 outlets operating throughout the country, offering 8 games namely Toto 4D, Toto 4D Jackpot, Toto 4D Zodiac, Toto 5D, Toto 6D, Star Toto 6/50, Power Toto 6/55 and Supreme Toto 6/58 which are drawn three days a week.

For the financial year ended 30 June 2020, Sports Toto recorded revenue of RM2.47 billion. The previous 14-month financial period revenue was RM3.64 billion. The lower revenue in this financial year under review was due to the COVID-19 pandemic which resulted in a cancellation of 40 draws during MCO which commenced from 18 March 2020 to 16 June 2020. Prior to the MCO period, Sports Toto registered a robust growth of 8.5% in average sales per draw compared to the previous financial period. Upon recommencement of operation on 17 June 2020, Sports Toto only conducted six draws in June 2020.

Sports Toto continued to remain as the market leader among all the Number Forecast Operators ("NFO") in the country in terms of total revenue for the financial year under review.

Profit before tax for the financial year under review was RM258.2 million while it reported profit before tax of RM453.3 million in the previous 14-month financial period. This was mainly due to the lower revenue generated from a reduction of draws coupled with unavoidable fixed operating costs incurred during the MCO period in the financial year under review.

Sports Toto anticipates a slower pace to recovery as the business environment was significantly impacted by economic closures and new social practices during the COVID-19 pandemic. The company is cautiously optimistic that its business will remain resilient as it had during past economic crises and turbulent periods. Sports Toto is optimistically confident that it will continue to maintain its market share in the NFO business for the upcoming financial year 2021.

Sports Toto attained the World Lottery Association Security Control Standard:2016 (WLA-SCS:2016) certification and the Information Security Management System standard ISO/IEC 27001:2013 in December 2019. Both certifications are leading internationally recognised security standards for information security management system (ISMS) incorporating lottery specific security and integrity control.

Bentley Continental GTC distributed by H.R. Owen.

In line with this certification, Sports Toto had also been accorded the Certificate of Accreditation in Level 2 of the WLA Responsible Gaming Framework in June 2020. The group is committed in its efforts to educate the public on the negative social impact of illegal gaming and to engage the authorities in combating illegal gaming.

UNITED KINGDOM

In the United Kingdom ("UK"), H.R. Owen, a subsidiary of Berjaya Philippines Inc., is a luxury motor retailer which operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in London.

For the financial year ended 30 June 2020, H.R. Owen recorded revenue of £388.7 million. A total of 1,058 new prestige cars and 1,472 pre-owned cars were sold in the financial year under review. H.R. Owen posted revenue of £532.0 million with 1,646 new prestige cars and 1,435 pre-owned cars sold in the 14-month period ended 30 June 2019.

H.R. Owen registered a profit before tax of £1.9 million for the financial year ended 30 June 2020. H.R Owen's performance was negatively impacted as its operation was shut down for more than 2 months in compliance with UK Government's lockdown order to contain the COVID-19 pandemic during the period from 23 March 2020 to 31 May 2020. The company recorded profit before tax of £8.3 million in the previous financial period ended 30 June 2019.

H.R. Owen remains cautiously optimistic about the future prospects of the company. The uncertainty over Brexit may threaten consumer spending, and will no doubt be on the minds of car buyers in the UK. The company continues to be dependent on high volumes of new car sales to allow its business model to make a healthy return, as the cost of operating in one of the most expensive cities in the world remains very high. However, H.R. Owen is particularly sensitive to any deterioration in trading conditions, especially when this is combined with a lack of new model introductions. Nevertheless, H.R. Owen's main franchises performed robustly and the Bentley, Bugatti, Ferrari, Lamborghini and Rolls-Royce London operations retained their position as the UK's largest dealer outlets for the supply of new cars.

THE UNITED STATES OF AMERICA

In the United States of America ("USA"), ILTS provides computerised wagering equipment and systems to the online lottery and pari-mutuel racing industries worldwide. ILTS also has a voting business segment operated through Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the OpenElect® digital optical scan election system to election jurisdictions. The OpenElect® election system is the only digital optical scan voting system built with Java on a streamlined and hardened Linux platform.

ILTS's revenue and profit before tax for the financial year ended 30 June 2020 were higher compared to the annualised 14-month cumulative period ended 30 June 2019.

During the financial year, ILTS delivered additional lottery terminals to Berjaya Gia Thinh Investment Technology Joint Stock Company ("BGT") in Vietnam. In addition, ILTS provided BGT with new games and technical support. BGT has an exclusive contract to invest in and operate a nationwide computerised lottery in Vietnam under a business cooperation contract with Vietnam Computerised Lottery One Member Company Limited, a Vietnamese Ministry of Finance company. ILTS also provided associated services and technical support to Sports Toto, Philippine Gaming Management Corporation, Ab Trav Och Galopp and Natural Avenue Sdn. Bhd.

For its voting business segment, Unisyn reported additional sales of its OpenElect® digital optical scan voting system and products through its authorised sales representatives and its own direct sales efforts to counties in various states in the USA. Unisyn currently has more than 15,000 OpenElect® voting systems and products installed and used in the elections in more than 250 counties throughout the states of Arizona, Illinois, Indiana, Iowa, Kansas, Missouri, Ohio, Pennsylvania, Tennessee, Utah and Virginia. Counties in these states will use the OpenElect® voting systems and machines in the November 2020 Presidential election.

Over the years, ILTS has provided lottery systems, quality support, and more than 65,000 terminals to organisations in more than 20 countries. ILTS offers a full spectrum of lottery products and services, including gaming system software, instant ticket management, agent terminals, data communications, consulting, training, facilities management and maintenance support.

ILTS will continue to explore new and emerging technologies with the intention to increase its market share and maintain its competitiveness in the computerised wagering and voting sectors. One of the corporate strategies of ILTS is to pursue growth through strategic alliances to gain access to new and tactically important geographical and business opportunities and to capitalise on its existing business relationships.

HOTELS & RESORTS

The hotels and resorts business segment of B-Land is operated via the Berjaya Hotels and Resorts Division ("BHR"). During the financial year under review, B-Land completed the acquisition of the Icelandair Hotels Group in Iceland, and therefore, the Group currently owns and operates 26 hotels and resorts locally and internationally. Given the backdrop of the COVID-19 pandemic, the revenue and results for the current financial year under review were adversely affected, largely attributed to sluggish demand and temporary closure of most of its hotels and resorts business operations during the various phases of lockdown measures imposed by governments around the world.

During the financial year under review, BHR registered a significantly lower gross revenue of RM231.3 million mainly due to the reduction in room revenue and food and beverage sales across its hotels and resorts resulting from the widespread restrictions placed on domestic and international travels arising from the COVID-19 pandemic. As a result, BHR incurred a loss before tax of RM68.5 million during the financial year under review. The room night bookings were mainly driven by the leisure individual and group segments. The Average Room Rate ("ARR") improved marginally with the occupancy rate of 42.8% but was not enough to mitigate the reduction in occupancy, which resulted in a lower Revenue per Available Room ("RevPAR") of RM154.

MALAYSIA HOTELS & RESORTS

The major Malaysian-based hotels and resorts are Berjaya Langkawi Resort, Berjaya Times Square Hotel, Kuala Lumpur, Berjaya Tioman Resort and The Taaras Beach & Spa Resort, Redang. These strategically located hotels and resorts have attracted tourist arrivals from various countries such as Singapore, Indonesia, Middle East, China, India, Europe and Australia.

Revenue and Loss Before Tax

In Malaysia, the period of MCO, which came into effect on 18 March 2020, followed by the Conditional Movement Control Order ("CMCO") from 12 May 2020 to 9 June 2020 covered substantially the second half of the financial year 2020.

The significant drop in international visitor arrivals since January 2020 amid the COVID-19 pandemic, as well as the temporary closure of most business operations of its Malaysian-based properties during the enforcement of MCO and CMCO, resulted in a significant reduction in revenue across all departments. BHR registered a total gross revenue of RM166.6 million for the financial year ended 30 June 2020. The declining top-line performance was further worsened by fixed expenditure which created an adverse impact on the bottom-line. Consequently, the Malaysian-based properties incurred a loss before tax of RM16.0 million.

A substantial decline in demand from the leisure individual and corporate group markets in most of the Malaysian-based properties led to a lower occupancy at 42.6% and RevPAR of RM153.

Berjaya Langkawi Resort, Langkawi

During the financial year under review, the resort experienced a significant reduction in room night bookings from the leisure individual segment in its key markets of India, China, Europe and Malaysia, with an overall occupancy level of 48.9%. The resort recorded a total gross revenue of RM58.05 million and profit before tax of RM6.41 million.

Berjaya Times Square Hotel, Kuala Lumpur

The cancellation and postponement of seminars, meetings and social events due to social distancing measures and adherence to the Standard Operating Procedures ("SOPs") issued by the Malaysian Government had significantly impacted the hotel business levels in both rooms and food and beverage operations. Consequently, the hotel registered a lower total gross revenue of RM42.41 million. The declining revenue levels were further worsened by fixed expenditures such as depreciation charges and staff payroll, resulting in a loss before tax of RM27.7 million.

Berjaya Tioman Resort, Tioman

During the first quarter of the financial year under review, a fire incident at the resort had severely damaged certain sections of the resort and adversely impacted the overall business operations of the resort. As a result, the resort registered a much lower total gross revenue of RM10.41 million with an occupancy rate of 24.9%. The resort had ceased operations effective 15 June 2020 to undergo a major redevelopment exercise to revitalise the property.

Berjaya Cafe at Berjaya Times Square Hotel, Kuala Lumpur.

The Taaras Beach & Spa Resort, Redang

During the first half of the financial year under review, the resort recorded healthy number of room night bookings from its key leisure markets of Europe, China, Japan and Malaysia. However, such positive growth was significantly disrupted by the outbreak of the COVID-19 pandemic. Consequently, the resort posted a lower overall occupancy rate of 29.0% but with better ARR. For the financial year under review, the resort registered a total gross revenue of RM28.51 million and a loss before tax of RM1.15 million.

ANSA Hotel Kuala Lumpur

The hotel registered a decrease in total gross revenue of RM16.42 million in line with a reduction in occupancy rate of 50.7%. The business demand was mainly driven by room night bookings from the leisure individual market segment of Indonesia. Nevertheless, the hotel recorded a profit before tax of RM3.37 million for the financial year ended 30 June 2020.

Berjaya Penang Hotel

For the financial year under review, the hotel recorded a lower occupancy rate of 42.1% due to the significant reduction in demand from the leisure individual and group markets of Indonesia and Malaysia. In line with the decline in occupancy, the hotel recorded a total gross revenue of RM9.08 million and a loss before tax of RM2.41 million.

OVERSEAS HOTELS & RESORTS

The major overseas hotels and resorts of B-Land are the newly acquired Icelandair Hotels Group in Iceland, Berjaya Beau Vallon Bay Resort & Casino and Berjaya Praslin Resort in Seychelles, Berjaya Hotel Colombo in Sri Lanka, ANSA Okinawa Resort in Japan, Berjaya Eden Park London Hotel and The Castleton Hotel in London, United Kingdom.

The overseas properties' room night bookings were largely generated from the leisure travel market. However, country borders in most jurisdictions in which the Group's hospitality business operates were closed to foreign travellers since March 2020. For the financial year under review, the overseas properties registered a reduction in a combined occupancy rate of 43.5% and combined RevPAR of RM156.

For the financial year under review, BHR's overseas properties posted a lower total gross revenue of RM64.65 million. The significant drop in total revenue coupled with the higher depreciation charges and staff payroll resulted in the BHR overseas properties reporting a loss before tax of RM52.5 million.

Berjaya Beau Vallon Bay Resort & Casino, Seychelles

The resort's room night bookings were mainly supported by the leisure individual market from Europe. During the financial year under review, the resort registered a lower occupancy rate of 56.7% as a result of slower visitor arrivals from its leisure individual segment of the India and China markets, and the travel restrictions imposed on European travellers from the middle of March 2020. The resort recorded a lower total gross revenue of RM29.4 million and profit before tax of RM0.62 million during the financial year under review.

Berjaya Praslin Resort, Seychelles

During the financial year under review, the occupancy at the resort weakened to 56.4% as the Seychelles government extended travel restrictions on European travellers from the middle of March 2020 to combat the COVID-19 pandemic. The resort registered a total gross revenue of RM8.6 million and a loss before tax of RM120,000 during the financial year under review.

Berjaya Penang Hotel.

Berjaya Hotel Colombo, Sri Lanka

The increased competition from new and existing hotels resulted in lower room night bookings from the commercial and leisure markets of India, China and Europe. In addition, the COVID-19 pandemic resulted in many cancellations and the significant reduction in room night bookings from the leisure group market of India led to the decline in the hotel's occupancy level to 33.8%. Owing to reduced business levels, the hotel reported a lower total gross revenue of RM3.19 million and a loss before tax of RM269,000.

Berjaya Eden Park London Hotel, United Kingdom

The COVID-19 outbreak dampened the leisure and business travel to London since January 2020 resulting in the hotel experiencing a significant reduction in its business performance for the financial year 2020. Consequently, the hotel reported a lower occupancy rate of 51.2%, with a total gross revenue of RM8.1 million and loss before tax of RM2.48 million.

The Castleton Hotel, London, United Kingdom

This hotel located in Sussex Gardens, London with a total of 46 guestrooms does not have a food and beverage outlet except for a small breakfast area. During the financial year under review, occupancy at the hotel declined significantly to 45.5% with a total gross revenue of RM2.83 million. The room night bookings were mainly contributed by the Transient FIT market segment.

ANSA Okinawa Resort, Japan

The resort is located on the high ground of Uruma, the 3rd largest city in the main island of Okinawa known for its subtropical climate, beautiful beaches and coral reefs. The resort commenced its business operations on 14 November 2019 with 123 guestrooms, 2 restaurants and bars. As a newly opened resort coupled with the negative impact of the COVID-19 pandemic, the resort recorded an occupancy rate of 7.6% for the financial year under review. The resort registered a marginal gross revenue of RM1.05 million and a loss before tax of RM6.62 million.

Icelandair Hotels Group ("Icelandair Hotels")

B-Land completed the acquisition of the Icelandair Hotels in the fourth quarter of the financial year 2020. Currently, the Icelandair Hotels operates 12 hotels located all around Iceland. In addition, a new 5-star hotel with 145-room in Reykjavik's Parliament district developed in collaboration with the Hilton Hotels is scheduled to open in 2021. With the Government of Iceland implementing border closures and travel restrictions due to the COVID-19 pandemic, almost all of the properties under the Icelandair Hotels had to be temporarily closed. As a result, the Icelandair Hotels recorded a combined gross revenue of RM9.97 million and an occupancy rate of 24.9%. The Icelandair Hotels also recorded a combined loss before tax of RM41.74 million due to the fixed costs for staff payroll and depreciation charges.

INTERESTS IN OTHER HOTELS

B-Land has interests in other hotels via its interest in an associated company which operates the Four Seasons Hotel and Hotel Residences in Kyoto, Japan and a joint venture in Vietnam which operates the Sheraton Hanoi Hotel.

Four Seasons Hotel and Hotel Residences, Kyoto, Japan

During the financial year under review, the occupancy rate at the hotel fell to 38.0% with ARR of RM4,260. In line with the reduction in occupancy, the hotel reported a lower total gross revenue of RM138.6 million and profit before tax of RM59.4 million.

Sheraton Hanoi Hotel, Vietnam

For the financial year under review, Sheraton Hanoi Hotel generated a total gross revenue of RM57.09 million and occupancy level of 63.1%.

Future Prospects

Going forward, the hospitality industry in the next financial year will be in a highly uncertain operating environment. Globally, businesses are facing unprecedented social and economic challenges with the ongoing COVID-19 pandemic. As BHR's properties operate on a global platform, any changes in global, regional and national economies and governmental policies will materially impact BHR's business performance if these conditions are extended longer than anticipated, or in other circumstances that is unable to be predicted or mitigated. Given that corporate travel has been limited by many companies, and Meetings, Incentives, Conventions and Exhibitions ("MICE") activities are anticipated to remain subdued until the containment of the COVID-19 pandemic, BHR's main focus will be on the domestic leisure market over the coming months. In addition, BHR will continue to implement stringent cost control measures and increase efficiency to maximise profitability in all areas.

CLUBS & RECREATION

The Clubs and Recreation Division ("The Clubs") operates four golf clubs and one equestrian club located in Klang Valley, Mantin (Negeri Sembilan) and Batu Pahat (Johor). Golf and equestrian are the core activities provided by The Clubs, supported by other services such as sports facilities, dining outlets as well as banqueting facilities and event venue.

Bukit Jalil Golf and Country Resort is home to a number of bird species.

The Clubs have a total membership of 13,891 as at 30 June 2020 of which 7,168 are golf membership and 6,723 are non-golf membership.

During the financial year, Bukit Jalil Golf and Country Resort embarked on upgrading the buggy track and other facilities to improve its services to the members while Kelab Darul Ehsan replaced its fleets of buggies for its members' use. With the upgrading of its facilities, The Clubs expects its revenue to improve in the near future.

Revenue & Loss Before Tax

The Clubs reported a revenue of RM50.59 million for the financial year ended 30 June 2020. The implementation of the MCO by the Government effective 18 March 2020, had caused the revenue of The Clubs' food & beverage division, golf and recreation division and other non-golf businesses to decrease as members/visitors were restricted from patronising The Clubs. However, the club members' subscription fees income had increased by 5% year-on-year basis.

For the financial year ended 30 June 2020, The Clubs reported a loss before tax of RM0.41 million mainly due to the decrease in banqueting and event functions, lower revenue from golf rounds and other non-golf businesses resulted from the MCO.

Future Prospects

The financial year ending 2021 will remain competitive and challenging for the golf and recreation club industry due to the softened economic conditions as a result of the operating environment being severely restricted by the standard operating procedures under the Restricted Movement Control Order. Nonetheless, The Clubs will continue to upgrade its facilities including the golf courses as part of its strategies to enhance the quality of its services and to be prepared for the post COVID-19 pandemic.

VACATION TIMESHARE

Berjaya Vacation Club Berhad ("BVC") operates and manages a vacation membership scheme which provides and coordinates holiday accommodation packages at holiday resorts in Malaysia.

Through the affiliation with Resort Condominiums International, BVC also offers accommodation packages at more than 4,000 resorts in over 100 countries spanning across Asia, Europe, Middle East and Africa, among others.

Revenue & Operating Profit

BVC recorded a revenue of RM15.3 million for the financial year ended 30 June 2020 and operating profit of RM7.98 million attributed to the lower termination of delinquent members.

Future Prospects

The timeshare industry in Malaysia has generally reached its maturity stage with no new players coming into the industry. Most of the competitors in the industry are merely servicing their members with no aggressive resulting plan to aggressively recruit more members.

PROPERTY DEVELOPMENT

B-Land's property development business segment ("PD Division") mainly focuses on the development of the Group's landbank locally and abroad.

The financial year under review was extremely tough as the country underwent a series of social and economic challenges brought about by the unprecedented outbreak of the COVID-19 pandemic in the first quarter of 2020. The MCO enforced to control the pandemic have undoubtedly caused a downward impact on buying sentiment, affected processes of sale completion and payment as well as caused delay in the completion of projects.

During the first half of the financial year under review, the PD Division was focussing on its effort to drive sales to reduce its inventories of completed as well as under-construction properties at The Link 2, Residensi Lanai as well as The Tropika at Bukit Jalil; riding on the various incentives like Home Ownership Campaign and National Housing Policy 2.0 implemented by the Government to boost home ownership especially among the middle-income population. Total sales generated from these projects amount to RM111.05 million during the financial year under review.

Key handover ceremony for Residensi Lanai at Bukit Jalil, Kuala Lumpur.

The Tropika at Bukit Jalil comprises of four towers of 868 units of apartments together with 9 units of shop offices, 1 grocer space and 11 retail outlets built over 2.6 hectares of freehold land. During the financial year under review, PD Division has been actively promoting The Tropika at Bukit Jalil through their participation in various home ownership campaigns, property fairs and also on digital platforms. Tower A and Tower B comprising of 229 units and 236 units respectively with sizes ranging from 732 square feet (two bedrooms) to 1,318 square feet (three bedrooms) recorded a total number of 121 units sold as at 30 June 2020 with a total sales value of RM95 million. The PD Division has also successfully secured Jaya Grocer as its anchor tenant for the commercial component with a total area of 23,695 square feet. As for the shop offices and retail spaces, PD Division identifies and approaches businesses that complements Jaya Grocer to provide the lifestyle and services to the occupants of the residential units.

The MCO enforced as a containment measure to stop the spread of COVID-19 has brought the construction works at The Tropika, Bukit Jalil to a temporary halt. Works resumed at the site after the safety measures imposed by the Government were implemented. As at 30 June 2020, the progress of works at The Tropika, Bukit Jalil has reached 15% on schedule.

The PD Division successfully completed its first affordable home project, Residensi Lanai at Bukit Jalil and handed over to the 632 purchasers progressively from the middle of February 2020. The 648 units of 800 square feet three bedrooms unit priced at RM300,000 were sold to qualified purchasers based on the guidelines set by Residensi Wilayah (Federal Territories Affordable Housing Project). The PD Division held a key handover ceremony at the Residensi Lanai's site for a group of purchasers on 25 February 2020.

Over at The Peak, a high-end low-density bungalow lots set amidst lush greenery at Taman TAR, efforts to market the remaining 16 unsold bungalow lots was carried out through networking with property agents as well as direct marketing to selected potential high net worth individuals. Design for a 4-storey bungalow measuring approximately 6,200 square feet on a 15,000 square feet lot is being finalised and will be made available to potential prospects soon. The bungalow lots at The Peak with sizes ranging from 8,831 to 27,037 square feet are priced averagely at RM317 per square feet.

Up north in Penang, Kensington Gardens, Phase 1 of Jesselton Villas comprising of 68 units of bungalow lots with sizes ranging from 5,995 to 9,634 square feet with an average price of RM665 per square feet has been completed and being handed over to the purchasers progressively from March 2020. The remaining 20 units of unsold bungalow lots are continuously being marketed through various marketing events and activities.

In Ho Chi Minh City, Vietnam, the Topaz Twins featuring 2 towers of 668 units of residential apartments and 15 units of shop lots located at the administration hub of Bien Hoa City. The total estimated gross development value is VND1,371 billion (approximately RM248 million). As at 30 June 2020, 661 apartment units and all 15 units of shop lots were sold with the value of VND1,255 billion (approximately RM227.0 million). Construction works have been completed and handing over of units to purchaser is currently in progress.

Over in Hanoi, Vietnam, the PD Division is involved in the development of Hanoi Garden City, a joint venture mixed development on 78 acres of land located at Thach Ban Ward in Long Bien district. As at 30 June 2020, 99 units of the total 103 units of Arden Park Garden Villas have been sold with a total sales value of VND785.6 billion (approximately RM141.9 million). For Canal Park Apartments, all 148 units of residential apartments have been fully sold with a total sales value of VND388.1

billion (approximately RM69.9 million). As for Phase 3 Eastern Park, all 72 units of shophouses with a gross development value of VND631.5 billion (approximately RM114.1 million) have also been fully sold and handed over to the purchasers in January 2020. Echoing the success of Eastern Park, Hanoi Garden City has launched another new phase of shophouses, 88 Central which consists of 86 units of trendy style shophouses with an estimated gross development value of VND850.0 billion (approximately RM153.5 million) in January 2020. As at 30 June 2020, PD Division managed to lock in 40 units of sales booking for 88 Central with a total sales value of VND345.5 billion (approximately RM62.4 million). The piling work for 88 Central has been completed.

Financials

For the financial year under review, the PD Division recorded a revenue of RM204.13 million and a pre-tax loss of RM41.5 million.

Future Projects

The PD Division is taking a cautious approach to launching new projects in the forthcoming financial year.

At Berjaya Park, Shah Alam, the PD Division is planning to launch another high-rise stratified residential development named Bayu Timur. Scheduled to be launched within the 2nd quarter of 2021, the estimated gross development value of this project amount to RM260 million. The development planning is currently pending authorities approval.

Another PD Division project in the pipeline is The Courtyard Villas, Phase 2 of Jesselton Villas in Penang. The Courtyard Villas comprising of 239 units of bungalows and link-villas with a total gross development value of RM680 million has been submitted and pending authorities approval. The kick-off for Phase 2 is slated for 3rd quarter of 2021.

Over at Bukit Jalil, the PD Division is currently busy planning the final phase of a development project on 12.25 acres of elevated land fronting the golf course. The concept, design and layout are currently on the drawing board and the PD Division anticipates that it will be ready for launch in early 2022.

Future Prospects

The forthcoming year is expected to remain extremely challenging as the country remains gripped in the turmoil resulting from the COVID-19 pandemic which has threatened to not only cripple the local economy but the global economy as a whole. The property market is not spared as well as the fear of unemployment, reduction of personal disposable income coupled with a lot of uncertainties arising from the COVID-19 pandemic has resulted in a decrease in the number of home seekers.

To stimulate the property market, the Government has reintroduced the Home Ownership Campaign 2020 (“HOC 2020”) and introduced several new incentives under the Penjana Economic Recovery Plan such as stamp duty exemption for transfer and loan agreements signed between 1 June 2020 to 31 May 2021 for properties priced up to RM1 million, uplifting of 70% margin of financing for third residential property and exemption of Real Property Gains Tax (“RPGT”) for gains arising from the disposal of residential property from 1 June 2020 to 31 December 2021 for all Malaysians.

To remain competitive in the property market post MCO, the PD Division will have to make adjustments in its business strategies to adapt to the new normal. Leveraging on the Government’s stimulus packages, the PD Division will work on moving its stocks through innovative and aggressive sales promotions. As social distancing becomes a new normal, more consumers are moving towards smart devices for e-commerce activities on the procurement of services and goods. With this in mind, the PD Division will embrace the digital platform for better reach of potential clients. This seamless marketing will also enable the PD Division to tap on the growing buying interest from foreign buyers especially in Hong Kong.

The COVID-19 global pandemic has brought on interruptions to progress of work at site as well as impacted the global supply chain as manufacturers and suppliers of building materials had to temporarily shut down operations and manufacturing activities. The PD Division will be taking stringent measures to mitigate the delay in the progress of construction works which could lead to potential claims for late delivery and also the rising cost of materials which could lead to project cost overrun.

PROPERTY INVESTMENT

The Property Investment Division (“PI Division”) owns 3 commercial properties comprising Plaza Berjaya, Kuala Lumpur; Kota Raya Complex, Kuala Lumpur and Berjaya Megamall, Kuantan, Pahang. Collectively, these properties achieved an average occupancy rate of 53% during the financial year under review.

For the financial year ended 30 June 2020, the PI Division registered a revenue of RM16.15 million and loss before tax of RM12.89 million. The financial performance of the PI Division was affected by the pandemic which has resulted in a downward adjustment to the fair value of its investment properties.

Future Prospects

The Group’s complexes in Kuala Lumpur are expected to remain resilient despite stiff competition from the growing number of complexes in the Klang Valley. With its strategic locations within the city centre of Kuala Lumpur and easy accessibility, the Group’s complexes will continue to perform well. Efforts to entice anchor tenants will be intensified to improve the overall occupancy rate.

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 1 October 2020

BERJAYA LAND BERHAD

HOTELS, RESORTS, RECREATION DEVELOPMENT, VACATION TIMESHARE AND OTHERS

100% Berjaya Vacation Club Berhad
- Berjaya Penang Hotel – Malaysia

100% Berjaya Vacation Club (Cayman) Limited
- Berjaya Eden Park London Hotel – United Kingdom

100% BHR (Cayman) Limited
- The Castleton Hotel, London – United Kingdom

100% ANSA Hotel KL Sdn Bhd
- ANSA Kuala Lumpur – Malaysia

100% Berjaya Langkawi Beach Resort Sdn Bhd
- Berjaya Langkawi Resort, Kedah – Malaysia

99.8% The Taaras Beach & Spa Resort (Redang) Sdn Bhd
- The Taaras Beach & Spa Resort, Redang Island, Terengganu – Malaysia
- Redang Island Resort, Terengganu – Malaysia

86.25% Tioman Island Resort Berhad
- Berjaya Tioman Resort, Pahang – Malaysia *(Temporary closure for redevelopment programme)*

100% BTS Hotel Sdn Bhd
- Berjaya Times Square Hotel, Kuala Lumpur – Malaysia

100% Berjaya Beau Vallon Bay Beach Resort Limited
- Berjaya Beau Vallon Bay Resort & Casino – Seychelles

100% Berjaya Praslin Limited
- Berjaya Praslin Resort – Seychelles

100% Perdana Hotel Philippines Inc.#
- Berjaya Makati Hotel, Makati – Philippines#

92.6% Berjaya Mount Royal Beach Hotel Limited
- Berjaya Hotel Colombo – Sri Lanka

50% Berjaya Hotay Joint Venture Company Limited
- Sheraton Hanoi Hotel, Hanoi – Vietnam

50% Kyoto Higashiyama Hospitality Assets TMK*
- Four Seasons Hotel and Hotel Residences, Kyoto – Japan

100% Berjaya Property Ireland Limited
- Canopy by Hilton Reykjavik City Centre
- Icelandair Hotel Herad
- Icelandair Hotel Akureyri
- Icelandair Hotel Myvatn
- Hilton Reykjavik Nordica
- Icelandair Hotel Reykjavik Natura
- Icelandair Hotel Rejkjavik Marina
- Reykjavik Konsulat CURIO
- Alda Hotel Reykjavik
- Development of Iceland Parliament Hotel CURIO

100% Bukit Kiara Resort Berhad
- Bukit Kiara Equestrian & Country Resort, Kuala Lumpur

100% KDE Recreation Berhad
- Kelab Darul Ehsan, Selangor

100% Berjaya Golf Resort Berhad
- Bukit Jalil Golf & Country Resort, Kuala Lumpur
- Arena Green Apartments, Kuala Lumpur
- Greenfields Apartments, Kuala Lumpur
- Green Avenue Condominiums, Kuala Lumpur
- Savanna Condominiums, Kuala Lumpur
- Savanna 2, Kuala Lumpur
- Covillea, Kuala Lumpur
- Jalil Link @ Bukit Jalil, Kuala Lumpur
- KM1 West Condominiums, Kuala Lumpur
- KM1 East Condominiums, Kuala Lumpur
- The Link 2 @ Bukit Jalil, Kuala Lumpur
- Residensi Lanai @ Bukit Jalil, Kuala Lumpur
- The Tropika, Bukit Jalil, Kuala Lumpur

80% Staffield Country Resort Berhad
- Staffield Country Resort, Negeri Sembilan

100% Indah Corporation Berhad
- Bukit Banang Golf & Country Club, Johor

100% Berjaya Air Sdn Bhd

51% Asia Jet Partners Malaysia Sdn Bhd

100% H.R. Owen Plc, United Kingdom#

67.42% Informatics Education Ltd, Singapore

Listed Company

+ Combined Interest

subsidiary companies of Berjaya Philippines Inc.
* subsidiary company of Berjaya Corporation Berhad

BERJAYA LAND BERHAD

PROPERTY INVESTMENT & DEVELOPMENT

100% Taman TAR Development Sdn Bhd
- The Peak @ Taman TAR, Ampang, Selangor

100% Berjaya Tagar Sdn Bhd
- Seputeh Heights, Kuala Lumpur
- Vasana 25, Kuala Lumpur
- Subang Heights, Shah Alam, Selangor

80% Pakar Angsana Sdn Bhd
- Berjaya Park, Shah Alam, Selangor

100% Sri Panglima Sdn Bhd
- Taman Kinrara IV, Puchong, Kuala Lumpur

100% Berjaya Land Development Sdn Bhd
- Kelang Lama New Business Center, Kuala Lumpur
- Gemilang Indah Apartments, Kuala Lumpur
- Medan Indah, Kota Tinggi, Johor
- Taman UPC, Ayer Hitam, Johor
- Bandar Banang Jaya, Batu Pahat, Johor
- Robson Condominiums, Kuala Lumpur
- Jesselton Villas, Penang

100% Berjaya Engineering Construction Sdn Bhd

100% Securiservices Sdn Bhd
- 1 Petaling Residences & Commerz @ Sg. Besi, Kuala Lumpur
- Petaling Indah Condominiums, Kuala Lumpur
- 3-Storey Shop Office @ Sg. Besi, Kuala Lumpur

80% Berjaya-Handico 12 Co. Ltd
- Ha Noi Garden City, Hanoi – Vietnam

100% Berjaya-D2D Company Limited
- Bien Hoa City Square, Dong Nai Province – Vietnam

100% Berjaya Okinawa Development Co. Ltd
- ANSA Okinawa Resort
- Development of Four Seasons Resort and Private Residences Okinawa

100% Nural Enterprise Sdn Bhd
- Plaza Berjaya, Kuala Lumpur

100% Kota Raya Development Sdn Bhd
- Kota Raya Complex, Kuala Lumpur

100% Cempaka Properties Sdn Bhd
- Berjaya Megamall, Kuantan, Pahang
- Kuantan Perdana, Kuantan, Pahang

\+
9.48% Berjaya Assets Berhad
- Berjaya Times Square, Kuala Lumpur
- Natural Avenue Sdn Bhd
- Berjaya Waterfront Hotel, Johor Bahru, Johor
- Berjaya Waterfront Complex, Johor Bahru, Johor
- Menara MSC Cyberport, Johor Bahru, Johor
- Islington on the Green, London, United Kingdom
- Berjaya Assembly Sdn Bhd

GAMING & LOTTERY MANAGEMENT

\+
100% Berjaya International Casino Management (Seychelles) Limited

\+
40.41% Berjaya Sports Toto Berhad

100% Sports Toto Malaysia Sdn Bhd

\+
88.26% Berjaya Philippines Inc

39.99% Philippine Gaming Management Corporation

100% International Lottery & Totalizator Systems, Inc. USA

100% Unisyn Voting Solutions, Inc., USA

GROUP FINANCIAL SUMMARY

Description	2020 US$'000	2020 RM'000	2019 RM'000	2018 RM'000	2017 RM'000	2016 RM'000
Revenue	1,204,695	5,160,309	7,307,221	6,390,405	6,371,366	6,283,997
Profit Before Tax	43,278	185,382	546,397	99,981	576,321	8,961
Profit/(Loss) for the Financial Year/Period	10,163	43,535	352,472	(93,230)	411,221	(165,024)
(Loss)/Profit Attributable To Owners of the Parent	(15,191)	(65,072)	154,083	(167,466)	294,738	(270,637)
Share Capital	583,674	2,500,168	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	376,429	1,612,434	1,697,945	1,660,858	2,042,717	1,852,320
Equity Funds	960,103	4,112,602	4,198,113	4,161,026	4,542,885	4,352,488
Treasury Shares	(7,854)	(33,643)	(20,699)	(20,699)	(20,699)	(20,699)
Net Equity Funds	952,249	4,078,959	4,177,414	4,140,327	4,522,186	4,331,789
Non-controlling Interests	498,221	2,134,130	2,080,907	2,279,015	2,338,819	2,630,205
Total Equity	1,450,470	6,213,089	6,258,321	6,419,342	6,861,005	6,961,994
Long Term Loans	545,888	2,338,311	1,742,770	1,888,367	1,782,336	2,859,025
Deferred Tax Liabilities	234,864	1,006,042	959,611	1,069,925	1,061,021	1,218,603
Lease Liabilities	221,099	947,078	-	-	-	-
Other Non-Current Liabilities	66,036	282,865	274,818	317,120	121,316	138,775
Current Liabilities	683,571	2,928,075	2,817,539	3,227,762	3,290,047	3,252,369
Liabilities Directly Associated To Disposal Group Classified As Held For Sale	24,170	103,533	12,093	2,959	2,775	-
Total Equity and Liabilities	3,226,098	13,818,993	12,065,152	12,925,475	13,118,500	14,430,766
Property, Plant And Equipment	399,027	1,709,233	1,571,650	1,584,508	1,709,547	1,732,398
Right-Of-Use Assets	305,361	1,308,012	-	-	-	-
Intangible Assets	843,438	3,612,867	3,592,282	4,071,572	4,020,046	4,712,683
Other Non-Current Assets	655,586	2,808,204	3,771,918	3,860,033	3,805,340	3,402,592
Current Assets	841,046	3,602,621	2,899,218	3,186,482	3,540,651	3,603,311
Assets of Disposal Group/ Non-Current Assets Classified As Held for Sale	181,640	778,056	230,084	222,880	42,916	979,782
Total Assets	3,226,098	13,818,993	12,065,152	12,925,475	13,118,500	14,430,766
Net Assets Per Share (US$/RM)*	0.19	0.83	0.84	0.83	0.91	0.87
Net (Loss)/Earnings Per Share (US$/RM)*	(0.00)	(0.01)	0.03	(0.03)	0.06	(0.05)
Dividend (cents/sen)*	-	-	-	-	-	-
Dividend Amount (US$'000/RM'000)	-	-	-	-	-	-

Notes:

Following the change of financial year end in 2019, the group financial summary of 2019 was for a 14-month financial period ended 30 June 2019.

For 2015 to 2018, the group financial summary was for a 12-month financial period ended 30 April of each respective year.

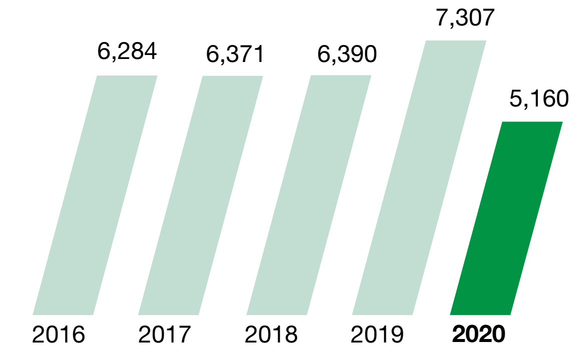
Net assets per share represents the net equity funds divided by the number of outstanding shares with voting rights in issue.

Where additional shares are issued, the earnings/(loss) per share are calculated based on a weighted average number of shares with voting rights in issue.

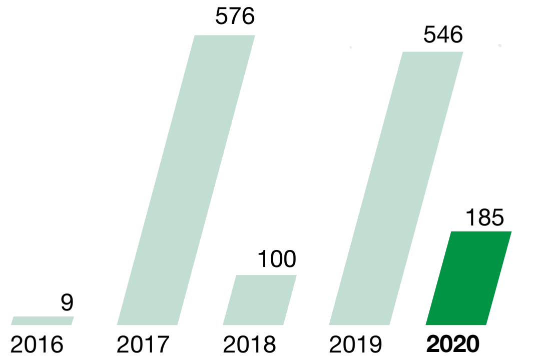
Exchange rate as at 30-6-2020: US$1.00=RM4.2835

GROUP FINANCIAL HIGHLIGHTS

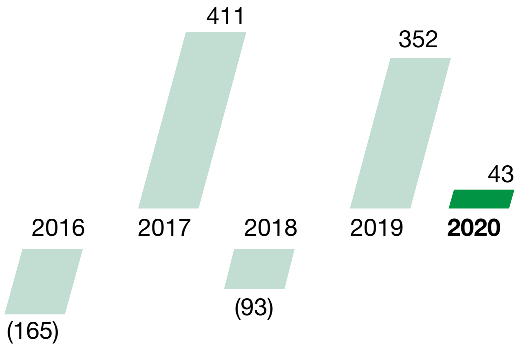
REVENUE
(RM' Million)



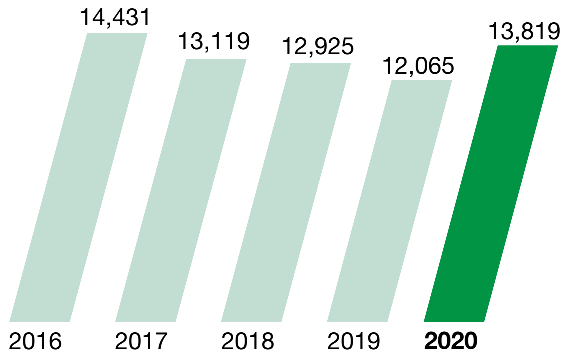
PROFIT BEFORE TAX
(RM' Million)



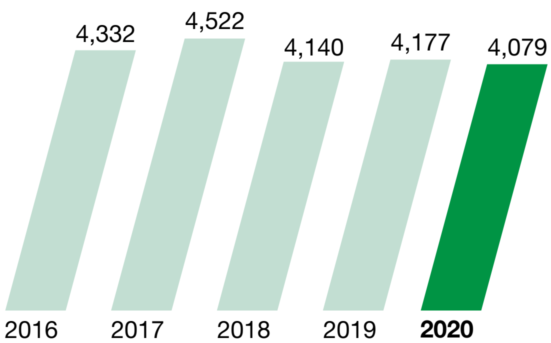
PROFIT/(LOSS) FOR THE YEAR/PERIOD
(RM' Million)



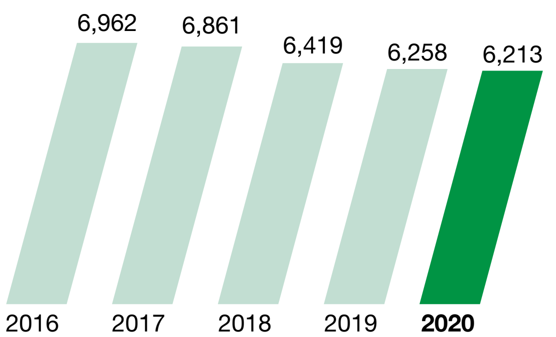
TOTAL ASSETS
(RM' Million)



NET EQUITY FUNDS
(RM' Million)



TOTAL EQUITY
(RM' Million)



SUSTAINABILITY STATEMENT

1. REPORTING PROFILE AND SCOPE

The Berjaya Land Berhad ("B-Land" or "the Group") annual sustainability statement for the financial year ended 30 June 2020 is prepared in accordance with the Sustainability Reporting Guide issued by Bursa Malaysia Securities Berhad ("Bursa Securities").

The information available in this section focuses primarily on the operations and management of economic, environmental and social sustainability of the Group for the financial year ended 30 June 2020. The information and data contained herein were derived from internal reporting processes, systems and records and are guided by Bursa Securities' Sustainability Reporting Guide and Toolkits.

This statement on sustainability represents a reasonable view of B-Land's economic, environmental and social sustainability practices with key material aspects being taken into consideration. It is mainly focused on the operations of its principal activities in Malaysia namely property development and investment; gaming; hotels and resorts; and clubs and recreations as well as motor retailing in the United Kingdom. It does not include the environmental and social sustainability aspects of the other business operations in Vietnam and the United States of America.

2. APPROACH TO SUSTAINABILITY

The COVID-19 pandemic has brought about significant disruptions affecting almost all sectors of economies across the globe. The various lockdown measures implemented by governments around the world to contain the spread have led to various levels of business suspension.

With the emergence of the COVID-19 pandemic, sustainability issues are gaining more importance in the decision making of the various stakeholder groups. During this challenging period of uncertainties, the Group has faced disruptive changes to its business operations with significant impacts across the three main aspects of B-Land's sustainability pillars - economic, environmental and social. Nevertheless, B-Land strives to conduct its business operations according to pragmatic principles and sustainable practices with a long-term sustainability strategy comprising 3 main aspects:-

ECONOMIC SUSTAINABILITY

The creation of long-term value for shareholders and value add for all the Group's stakeholders.

ENVIRONMENTAL SUSTAINABILITY

Striving towards reducing the Group's environmental footprint by improving the efficiency of resources and supporting conservation efforts.

SOCIAL SUSTAINABILITY

Dealing with the customers and public according to good market practices and regulatory requirements, conducive workplace practices and community engagement through a variety of initiatives involving the Group's monetary and non-monetary resources.

Although several key activities planned for the year were halted during this period, the Group has nevertheless implemented stringent hygiene standards and operational procedures as mandated by the local government authorities to ensure business continuity in the new normal and to safeguard the well-being of its employees and the various stakeholder groups.

While the Group continued to navigate the global coronavirus pandemic and the impact on its businesses and the communities it serves locally and internationally, the continuing impact going forward cannot be accurately estimated at this juncture. B-Land strives to adapt, innovate and take the necessary steps to navigate through this incredibly challenging time.

3. MATERIALITY

Determining materiality aids the Group in identifying and categorising prevalent issues to focus its efforts on and chart its direction in sustainability. Material issues are defined as elements that are expected to have a significant effect on and are related to the Group's various stakeholder groups.

An annual materiality assessment is a pivotal part of the Group's approach to sustainability as it aids the Group in identifying the significant impact of economic, environmental, social, human capital and community factors towards the sustainability of its businesses.

The materiality assessment for the Group was conducted by engaging with the relevant stakeholders which resulted in the identification of 13 material issues that impact the sustainability of the Group. The 13 material issues identified were mapped to the relevant sustainability pillars as illustrated below.

3 Sustainability Pillars

ECONOMIC

6.1 Financial Performance

6.2 Procurement

6.3 Design Efficiency Through Value Engineerng

ENVIRONMENTAL

7.1 Emissions

7.2 Waste Management

7.3 Water Conservation

7.4 Energy

7.5 Conservation Of Natural Environment & Marine Ecosystem

SOCIAL

8.1 Product And Service Responsibility

8.2 Compliance

8.3 Good Governance

8.4 Human Capital

8.5 Community Support

The Materiality Matrix displayed the position of the 13 material issues relative to the degree of importance to the Group's business operation and its stakeholders. The Group strives to review the Materiality Matrix on an annual basis.

B-Land's Materiality Matrix

4. STAKEHOLDER ENGAGEMENT

Operating as an effective and sustainable business entity, B-Land believes that maintaining a good degree of communication and understanding with all the internal and external stakeholders involved is highly essential. Hence, the Group recognises the need for continuous dialogue or discourse and information sharing with the relevant stakeholder groups.

In line with this objective, the Group has established a series of engagement initiatives with various stakeholders through the respective operating divisions. The input and perspectives gathered from all the relevant stakeholders specialised in their respective fields have been beneficial for the long-term collaboration with the stakeholders, and also the development of the Group's business strategy and operations in respect of the trends, impacts, risks and also opportunities to drive key performance indicators improvement.

The Group's key stakeholders and engagement platforms are as listed below :-

STAKEHOLDER GROUP	ENGAGEMENT PLATFORMS
Government and regulators	• Ongoing meetings and interactions with the regulators on policy matters, issues and concerns arising from the changing operating environment as well as matters concerning the customers and the general public.
Customers	• Regular networking activities (property buyers). • Formal and informal meetings to collect feedback, attend to grievances and disseminate information on development projects (property buyers). • Customer Service Unit which attends to calls, walk-ins and live chats from customers. Also conducts customer survey once every 3 years to better understand customer needs and expectations on the company's products and services (Gaming customers). • Guest experience surveys (hotel customers). • Online reservation (hotel customers).
Employees	• New staff orientation • Internal engagement channels i.e. Berjaya intranet and quarterly newsletters. • Training and development programmes.
Contractors/Consultants/ Suppliers	• Tendering and procurement process. • Regular meetings
Media	• Regular engagement and updates with the mainstream media. • Press conference and media releases relating to key business development as well as corporate social responsibility ("CSR") activities.
Communities, Non-Governmental Organisations, Peer Companies, Industry Groups	• Focus groups and consultative meetings • Volunteering opportunities and charitable events.
Shareholders/Investors	• Communications via announcements to Bursa Securities, General Meetings, the Group's website as well as conducting briefings and updates for analysts, fund managers and potential investors as and when required.

5. GOVERNANCE

B-Land has in place a corporate governance structure and processes which are detailed in the Statement on Corporate Governance and Statement on Risk Management and Internal Control sections of this Annual Report.

The Sustainability Working Group ("SWG") was formed in 2016 to oversee the overall planning and implementation of sustainability practices and policy continuously and systematically. The Material Entity Sustainability Officer from each operating division has been charged with the fiduciary duty to take into consideration sustainability in their business strategy planning, operations and processes. While doing that, the Group strives to develop systems to monitor the implementation of its internal control measures and sustainability measures as well as the completeness and reliability of information related to the financial, operational, safety, health and environmental management aspects of the Group. The Board and management are committed to continually refining and improving these processes over time. The financial figures in this statement on sustainability have been externally verified.

For more detailed information on the Group's Statement on Corporate Governance and Statement on Risk Management and Internal Control, please refer to pages 42 to 60 of the B-Land Annual Report 2020.

Berjaya Land Berhad Sustainability Governance Structure

SUPPORT & APPROVE	**Board of Directors CEO**
EVALUATE & GUIDE	**Sustainability Committee**
HARMONISE & STANDARDISE	**Head of SWG**
PLAN & STRATEGISE	**Sustainability Working Group ("SWG")**
MANAGE & CONTROL	**Material Entity Sustainability Officer ("MESO")**
IMPLEMENT EES & MONITOR RESULTS	**Operating Entities (Operations & Marketing/Human) Resources/Finance/Information Technology/Others)**

Note : EES denotes economic, environmental and social.

6. ECONOMIC SUSTAINABILITY

6.1 Financial Performance

B-Land is committed to strengthening its financial position and enhancing its competitiveness through good business practices and capital management.

B-Land's financial performance highlights for the financial year ended 30 June 2020 and its comparatives for the 14-month financial period ended 30 June 2019 are as follows:-

REVENUE
RM **5.2** billion
(FPE 2019-RM7.3 billion)

(LOSS)/RETURN ON EQUITY
Loss on Equity **(1.6%)**
(FPE 2019-Return on Equity 3.1%)

PROFIT BEFORE TAX
RM **185.4** million
(FPE 2019-RM546.4 million)

NET ASSETS PER SHARE
RM **0.83**
(FPE 2019-RM0.84)

Note : The comparatives showed the financial period results for the 14-month financial period ended 30 June 2019.

For more information about B-Land's financial performance, please refer to the Financial Summary and Highlights on pages 24 and 25 of the B-Land Annual Report 2020.

6.2 Procurement Practices

B-Land emphasises a competitive and reliable procurement process by prioritising the procurement of products and services from locally established business entities to generate economic value in the local community. The procurement process adheres to the standard operating procedures to ensure efficient and reliable business transactions.

At the Property Development Division ("PD Division"), procurement is conducted through a fair and stringent tendering process and has in place a Supply Chain Section that modulates the procurement process through proper procedures comprising market analysis, risk management, cost-benefit analysis and work performance evaluation of all its suppliers and tenderers. The PD Division has achieved 100% local procurement by awarding the construction and consultancy contracts of its projects namely Bayu Timur and Berjaya Property Gallery at Berjaya Park, Shah Alam, Selangor, Phase 1 of The Link 2, KM2, Residensi Lanai and The Tropika at Bukit Jalil, Kuala Lumpur, Lot 81 The Peak at Taman TAR, Kuala Lumpur ("The Peak") and Kensington Gardens, Penang.

Similar procurement procedures are also being adopted by the other business segments namely Berjaya Hotels & Resorts ("BHR"), Clubs and Recreation ("The Clubs"), Property Investment Division ("PI Division") and Sports Toto Malaysia Sdn Bhd ("Sports Toto") by giving priority to locally produced items and responsibly-sourced products and services.

Where local procurement is not possible for items such as specialised technical equipment for lottery operations, they are sourced from entities within the Group. This includes lottery terminals and central system and system software procured from International Lottery & Totalizator Systems, Inc ("ILTS"), a subsidiary of Berjaya Sports Toto Berhad.

Tioman Island Conservation Day 2019.

6.3 Design Efficiency Through Value Engineering

The project teams of PD Division and PI Division continue to review design concepts, material selections and work methodology to optimise the overall project value. Design efficiency resulting from value engineering is attributed to cost reduction without compromising on its quality and delivery.

The Tropika and the affordable homes project in Residensi Lanai at Bukit Jalil embraced precast Industrialised Building System ("IBS") which enhances the efficiency of the construction process, reduced construction wastage and provide a safer construction environment. Autoclaved aerated concrete ("AAC") is a type of precast concrete composed of natural raw materials. AAC, adopted in Residensi Lanai, is well-known for its high fire and termite resistant features apart from easy handling and installation due to its lightweight.

Precast design software such as the "Cloud Work Sharing" and "Autodesk Revit with BIM 360" are used by the contractors to produce consistent, coordinated and complete model-based building architectural design, mechanical, electrical and plumbing (MEP) and structural design, detailing and engineering and construction of projects in Residensi Lanai and The Peak.

Kensington Gardens, located on the site of Penang Hill, engaged geotechnical engineers for detailed soil investigation and slope analysis works to facilitate a more sustainable construction method.

As a result of the design efficiency and careful selection of construction products and materials, the PI Division's renovation works of the 68-room hotel in the Kota Raya Complex provides long term economic sustainability to the Group.

7. ENVIRONMENTAL SUSTAINABILITY

B-Land and its subsidiaries continue to manage and reduce the impact of its businesses on the environment through its continuous efforts to improve environmental performance. B-Land and its subsidiaries strive to monitor carbon emission, with the increasing usage of 'green products'.

7.1 Emissions

For the construction of The Tropika, PD Division emphasised the usage of green materials such as low carbon timber, low carbon steel, Volatile Organic Compound paints and coatings, apart from certified adhesives and sealants. These environmentally friendly materials facilitate healthy living.

In an effort to reduce carbon footprint, electric buggies are being used at Berjaya Langkawi Resort and The Taaras Beach & Spa Resort, Redang Island as the main mode of transportation around the resorts.

7.2. Waste Management

The Group continues with its effort in promoting awareness of the 5R practices of Refuse, Reduce, Reuse, Repurpose and Recycle among its employees within the business operations.

The PD Division emphasises the usage of sustainable and recycled materials; green cement with approved industrial by-products such as the Ground Granulated Blast furnace Slag, silica fume and "fly ashes" to replace the Ordinary Portland Cement for super-structural works purpose. The PD Division complies with the Concrete Usage Index of less than 0.60 m3/m2 for The Tropika to minimise the usage of concrete. At The Tropika, compost bins are provided to collect organic waste and wire mesh were sold as scrap to the steel mills.

BHR continues to improve waste management in its daily operations through several initiatives. BHR adopts a paperless check-in process and invoices are only printed upon request whilst quotation and room confirmation are communicated via emails. Old linens and towels are repurposed into rags and floor mats for use in common areas. Plastic wrappers for in-room amenities are replaced with recycled paper wrapping. At Berjaya Langkawi Resort and The Taaras Beach & Spa Resort in Redang Island, water dispenser units are provided to complement the existing practice of using water bottles in the hotel rooms.

Sports Toto uses recycled papers for its betting slips and biodegradable paper cores for its thermal ticket rolls.

7.3 Water Conservation

The project development sites of the PD Division collect and use storm water for landscaping irrigation and construction cleaning purposes. In Kensington Gardens, storm water is stored in underground tanks whilst in The Tropika and Bayu Timur, On-Site Detention ("OSD") tanks are installed to manage the storm water in compliance with The Urban Storm Water Management Regulation.

The Tropika uses GreenRE RB V3.1 Bronze Award as the standard for its Water Efficient Fittings. Water fittings are certified by the Water Efficiency Products Labelling Scheme ("WEPLS") and Water Efficient Labelling Scheme ("WELS") based on 6.0 < f (L/min) < 8.0 for taps, mixers and bidet. Such fittings which are based on WEPLS resulted in 10% to 15% savings of water. Sub-meters were installed for better monitoring and control of water usage.

The Cold Water Schematic System Design used in The Tropika identifies the possibility of operational failures prior to the construction and improves the monitoring and the distribution of water. The PI Division also installed self-closing pillar tap fittings and dual flush cistern and hand dryers in some of its complexes to reduce water wastage.

Bedding and towel laundry in the BHR consumes significant amounts of energy and water. BHR offered guests with towels and linen reuse options to reduce water usage. Other initiatives in water conservation include the installation of water flow regulators in the water taps system, and the installation of water sub-meters to improve the monitoring of water consumption and early detection of a leak.

At The Clubs' golf courses, reclaimed water is used for watering. The golf course area requires specific irrigation care as compared to the other green areas. The amount of water required for an average green size of 500m2 is about 450 litres for each round of watering. The estimated amount of water required daily for Staffield Country Resort (27-holes golf course, located in Negeri Sembilan) and Bukit Banang Golf & Country Club (18-holes golf course, located in Batu Pahat) is 13,500 litres and 9,000 litres respectively. Water from the river, man-made ponds and rainwater is used for general cleaning to minimise the usage of potable water.

7.4 Energy

The PD Division aims to achieve optimised energy efficiency in its development projects by incorporating features of natural lighting, cross or natural ventilation, and sun shading to reduce the impact of heat from the sun into the designs of the buildings. The Phase 1 of The Link 2 and Residensi Lanai at Bukit Jalil, Kuala Lumpur, Bayu Timur and Berjaya Property Gallery at Berjaya Park, Shah Alam, Selangor and Jesselton Villas in Penang are built with green building features which include the usage of energy-saving light fittings, smart lighting with automated intelligent control switching features, mechanical and electrical equipment selection with emphasis on green energy and control systems such as variable voltage variable frequency ("VVVF") use in lift drive and control. Kensington Gardens, Penang uses a solar-panel lighting system for outdoor applications such as its playground and parking lots.

The PD Division was awarded the "GreenRE Bronze" certification for its energy-efficient efforts at The Link 2 at Bukit Jalil, Kuala Lumpur. Following this achievement, PD Division adopts a similar standard for the construction of The Tropika. The GreenRE RB V3.1 advocates the "Thermal Performance of Building Envelope" Concept which aims to minimise heat gains through the envelope of a building.

To comply with the Uniform Building By-Law ("UBBL") Clause 39 National Ventilation requirement, The Tropika at Bukit Jalil provides natural ventilation in the common areas such as staircase, corridors and lift lobbies. All rooms are designed to provide for openable windows to allow a minimum of 5% fresh air passage. With the use of energy-efficient design and the control of ventilation systems in the car parks, prevailing wind conditions are used optimally. The CIDB requires 70% cross ventilation for the car park areas and this condition is met where natural ventilation is optimised utilising prevailing wind conditions.

To optimise the use of daylighting at The Tropika, all rooms are designed to comply with the UBBL Clause 39 Natural Daylight requirements. These rooms are designed to allow a minimum of 10% daylight. All rooms and common areas are designed to achieve the minimum windows area of 10% of the total floor space. The usage of higher Solar Reflective Index ("SRI") materials for non-roof hardscape areas aims to meet the requirements for Cool Hardscaped Areas. More than 50% of the non-roof hardscaped areas were completed with a light-coloured surface to meet the SRI value of 29 or more materials.

Several BHR properties use solar water heating systems to improve the efficiency of energy consumption.

The PI Division has implemented VVVF in lifts and escalator motors. The lift replacement at Plaza Berjaya has reduced energy consumption from a fixed rating of 32.1kW to 21kW or lower per lift, resulting in 35% of energy savings.

H.R. Owen has complied with the various local regulations for its environmental responsibilities. The UK Government's mandatory energy assessment scheme, the Energy Savings Opportunity Scheme requires H.R. Owen to measure its total energy consumption and carry out its energy audits to identify cost-effective energy-saving opportunities. H.R. Owen also invested in energy-saving fit-outs on the refurbishment of its existing and new sites. It has also officially opened its Ferrari Mayfair showroom which showcased the UK debut of the SF90 Stradale, Ferrari's first series production plug-in hybrid electric vehicle ("PHEV"). PHEV significantly reduces the vehicle's petrol consumption and it emits less greenhouse gas as compared to the conventional vehicle.

7.5 Conservation of natural environment & marine ecosystem

The development projects such as Residensi Lanai, Bayu Timur and The Tropika conformed to the Green Provision which emphasised the greater use of greenery and restoration of existing trees to reduce the heat island effect and to achieve a high Green Plot Ratio ("GnPR") landscape design. GnPR is calculated by considering the 3D volume which is covered by the plants using the Leaf Area Index (LAI). In line with the authorities' requirements, the PD Division maintains 10% of the plot area for greenery and landscape purpose. Apart from that, prioritising materials with "green" product certifications are practised during the selection of construction materials.

At the development in Kensington Gardens at Penang, a licensed Arborist is appointed to examine the existing trees and to submit a recommendation report to the local authorities for approval before the tree transplanting activity takes place with approved methodology and sequence. The number of mature trees successfully relocated are as follows:-

Bird's Nest Viewing Deck at The Tropika, Bukit Jalil, Kuala Lumpur.

FYE 2020
66 trees

FPE 2019
63 trees

FYE 2018
45 trees

At Residensi Lanai at Bukit Jalil and Bayu Timur and Berjaya Property Gallery at Berjaya Park, the PD Division has rehabilitated the brownfield site with lush green landscaping and mature trees to return the site to a green ecosystem. Functional landscaping features were provided to encourage the residents to pursue a healthy lifestyle.

BHR continues to promote awareness on marine ecosystem preservation in Tioman Island and Redang Island through its annual activities such as clean-up dive to remove sea debris and crown-of-thorns from the sea bed and regular beach cleaning activities from marine debris that was washed up from the ocean.

BHR signed a Memorandum of Understanding with the Universiti Malaysia Terengganu to set up Malaysia's first-of-its-kind Sea Turtle Research Unit Turtle Lab at The Taaras Beach & Spa Resort in Redang Island to promote and develop education programmes, research and campaigns related to the sustainability of sea turtle conservation efforts. The Turtle Lab is managed by a marine biologist and serves as a research centre to experiment on sea turtle hatchlings based on their digging and swimming activities.

The Clubs recognises that golf courses are home to numerous wetland animals and bird species. Organic wastes from the Golf Course Maintenance ("GCM") are used to nourish the local ecosystem by feeding the fish in the river and ponds. Horse manure from the stables are utilised for landscaping purpose. The GCM team works closely with the Department of Environment to identify any anomalies or pollution found in the water source. The Clubs ensures that only appropriate and approved fertilisers and chemicals are in use to avoid harm to the century-old trees. Chemical applications are done prudently on the greens rather than spraying on a large scale to avoid contamination and pollution of streams or rivers.

8. SOCIAL SUSTAINABILITY

B-Land acknowledges the importance of social sustainability by putting in place various practices in matters ranging from responsible marketing and communications to human capital and community support.

8.1 Product and Service Responsibility

a. Marketing and Communication Practices

The Group ensures that its products and services offered to its customers adhere to regulatory guidelines, and takes the responsibility to ensure that all the information which was being disseminated through its promotional materials and marketing channels is clear, concise and accurate.

The PD Division ensures that information related to its projects such as specifications, facilities and amenities are properly presented in the promotional materials and marketing channels to comply with the local authorities' regulation. BHR and The Clubs regularly review and update their marketing materials and websites to ensure that the services and promotions are properly presented.

Sports Toto uses communication materials such as posters and leaflets, mainstream print media, websites, social media and other online applications to provide information on its products and services. Being adversely affected by illegal operators, Sports Toto displayed posters to educate its customers on the penalties of buying from illegal operators under the relevant gaming laws. Sports Toto's website also carries a "Be A Responsible Player" reminder message which clearly states that Toto players must be of 21 years of age and above; they should bet within their financial means and self-evaluate their financial status. Every Sports Toto outlet displayed a notice to prohibit minors and Muslims from betting. Sports Toto also improved its existing mobile application by incorporating new users' interface and features to enhance customers' experience while checking on their draw results and updates on the promotional events.

b. Customer Care and Experience

BHR widen its distribution channel by collaborating with Travel Prologue to provide "live room rates" and inventory to traditional offline travel agencies, wholesalers and corporate travel intermediaries on Trip Affiliates Network ("TA Network"). The TA Network platform is designed to facilitate direct connectivity and automate their inventory management processes. The system minimises errors associated with room allotments hence improves its customer satisfaction.

Sports Toto's Customer Service Unit attends to customers enquiries through various communication channels, from telephone calls and mail to email correspondence, webmaster enquiries and live chats with customers. Customers may also log in to Sports Toto website or post messages on its Facebook page, whereby the standard guidelines for a reply and resolution of an issue is within 3 to 5 working days, depending on the nature of the issue.

8.2 Compliance

a. Information Security and Privacy

In compliance with the Personal Data Protection Act 2010, a privacy policy has been published on the respective operating companies' websites which governs the use and protection of customers' data.

b. IT Integrity, Cyber Security and Other Security-related Practices

Information technology ("IT") integrity and cybersecurity are of vital importance to all the operations of the businesses within the Group. Various security measures are put in place to minimise exposure to cyber security risk.

Sports Toto has in place a system that effectively identifies and responds to any IT integrity or cybersecurity issues. The network and its systems are checked on an annual basis to ensure the operating system is up-to-date to counter potential cyber threats. In addition to its upgraded firewall security measures, penetration tests are carried out by the IT department to test the vulnerability of the systems' network including Sports Toto's mobile application and mobile website.

8.3 Good Governance

The Group's employees are required to adhere to the Employees Code of Conduct to ensure that they observe good work practices to avoid any legal infringement or non-compliance in its business operations. In addition, the Group also acknowledges the importance of providing a safe and trusted channel for its employees to escalate issues and concerns. As such, the Group has implemented a whistleblowing policy that accepts anonymous reports. In response to the introduction of the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act 2009), which took effect on 1 June 2020, the Group has put in place adequate procedures to prevent corrupt practices and gratification. These policies are available on B-Land website.

Sports Toto ensures that its gaming operations are in compliance with the relevant laws concerning legal gaming operations, particularly the Pool Betting Act 1967 and the anti-money laundering laws. The success annual renewal of its gaming licence by the Ministry of Finance is a testament to its constant compliance and fulfilment of its responsibility as a leading licenced Number Forecast Operator ("NFO").

Sports Toto attained the World Lottery Association Security Control Standard: 2016 (WLA-SCS:2016) and ISO/IEC 27001:2013 certification in December 2019. WLA-SCS:2016 is the lottery sector's only internationally recognised security standard. It combines a comprehensive information security management baseline incorporating ISO/IEC 27001:2013, a leading international standard for information security management, with additional lottery-specific security controls representing the best practices. With this accreditation, Sports Toto has met the stringent requirements of ISO/IEC 27001:2013 for establishing, implementing, maintaining and continually improving its Information Security Management System (ISMS), together with additional security requirements which are set forth by the WLA, including lottery specific and integrity controls.

Sports Toto attained level 2 of the Responsible Gaming certification from the World Lotteries Association in June 2020. The certifications for WLA-SCS:2016 and ISO/IEC 27001:2013 are valid up to December 2022.

8.4 Human Capital

a. Human Resource Diversity

B-Land embraces and values diversity and inclusion in the workplace as it promotes a collaborative, supportive and respectful environment among its employees.

B-Land believes that its fair employment practice, equal treatment to all employees and equal access to opportunity are keys to boosting employees' morale and achieving competitive advantage through its diverse workforce. It encourages an inclusive workplace where its employees feel safe and confident to contribute their views towards delivering more innovative and effective business solutions.

b. Occupational Safety And Health

B-Land promotes a proactive occupational safety, health and environmental philosophy and adopts best practices in building and maintaining a healthy and safe working environment.

The Group undertook various COVID-19 preventive measures in accordance with the guidelines and Standard Operating Procedures which are mandated by the Malaysian Government.

At Berjaya Corporate Office ("BCO"), the Occupational, Health, Safety and Environment ("OHSE") Committee represented by all levels together with its OHSE Support Team of 105 employees trained for critical OHSE roles such as Fire Marshals, First Aider and Environmentalist are tasked to ensure that the OHSE best practices are well communicated and adopted at the workplace.

In July 2019, B-Land's employees participated in a fire drill conducted by Berjaya Corporation Berhad ("BCorp"). To ensure proper compliance and safe evacuation of all employees from their workplace, all fire marshals were briefed, and they performed rehearsal and conducted floor checks on the emergency escape routes.

In October 2019, B-Land had converted Occupational Health and Safety Management System (OHSAS 18001:2007) to ISO 45001:2018 which integrates with other management systems and aligns directly with ISO 9001:2015 and ISO 14001:2015 and continued to comply with the Environmental Management System (ISO14001:2004).

In December 2019, BCO had introduced QR Code for Facility Maintenance Reporting to encourage hazard reporting by employees and to improve its operational efficiency and response time.

In January 2020, B-Land's parent company, BCorp rolled out its Crisis Management Recovery ("CMR") policies to its subsidiaries where a training session was conducted for Head of Companies and representatives. Areas covered in the training included the CMR policy, scope, organisation and planning for emergencies, threat assessment and emergency response.

As part of the Group's continuous efforts in communicating the importance of health, safety and environmental awareness to our employees, various awareness talks and training programmes were organised on relevant topics such as Prevention of Fire, Safety and Health at Work and training on CPR and First Aid Training.

As at 30 June 2020, a total of 496 employees from B-Land participated in various training and awareness programs.

B-Land continuously raises health and safety awareness where several awareness talks and training were held for employees during the financial year under review.

The PD Division complies with the Occupational Safety and Health Act ("OSHA") relating to projects at the sites. The strategies to comply with OSHA are as follows:-

i. Contractors are required to set up Safety Committees;
ii. Penalties are imposed for breaking safety and health rules and guidelines; and
iii. Architects are required to comply with the safety and health aspects of the properties.

The PD Division ensures its contractors have set up their Safety Committees and they demonstrate their commitment to providing initiatives such as occupational health and safety induction and workshops. The PD Division also provides leadership support to promote employees' participation at the safety programmes in the project sites such as The Tropika, Kensington Gardens and Bayu Timur.

There are Safety Officers ("SO") who are tasked with dedicated OSHA functions in several BHR such as the Berjaya Times Square Hotel Kuala Lumpur, and Berjaya Langkawi Resort. The general duties of a SO are to ensure compliance and to promote workplace safety apart from providing training on safety topics.

H.R. Owen ensures that all of its vehicle sites comply with health and safety requirements. H.R. Owen has in place a Health and Safety Action Plan which includes among others, risks and hazards identified by the Health and Safety Advisor. H.R. Owen is required under the Health & Safety at Work etc. Act 1974 Section 2(8) to inform its employees of the action that are taken to mitigate the risks at the place of work. H.R. Owen conducts Workplace Risks Assessment at the vehicle sites such as The Burr Road and Jack Barclay.

c. Labour Practices

B-Land practises fair employment opportunities to all employees and job applicants. Equal opportunities apply to all the Company's activities such as recruitment, hiring, compensation, assignment, training, promotion, discipline and discharge.

H.R. Owen adopts a zero-tolerance approach to modern slavery. Effective systems and controls are implemented to ensure modern slavery does not take place within the business of H.R. Owen. The Modern Slavery and Human Trafficking Statement is applicable to all its employees, contractors, external consultants, and third party representatives. Through H.R. Owen Induction programmes, employees are encouraged to identify and report any potential breaches of anti-slavery and human trafficking policy. This Statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015, United Kingdom.

i) Human Resource Deliverables

B-Land recognises that human capital is one of the critical enablers for driving and sustaining the Group's success and growth. As such, B-Land strongly believes that human capital development and availability of a highly resilient workforce is very important to support the continued expansion and growth.

To this end, B-Land invests immerse efforts in recruiting the best fits, strengthening the talent and leadership pipeline and cultivating a positive and learning culture within the organisation. B-Land aims to ensure that its employees are not just engaged but knowledgeable, productive and competitive while enriching its work culture and environment, distinguishing the organisation as the "Employer of Choice".

Deliverables

- Recruiting the Best Talents through Talent Acquisition Strategies.
- Strengthen Talents and Leadership Pipeline through Talent Management and Succession Planning Strategies.
- Cultivating a Performance Driven Culture.
- Building a Learning Culture and Highly Agile Workforce through Learning and Development Programmes.
- Progressively Review and Improve Human Resource Policies, Work Environment and Work Systems.
- Building a Highly Engaged and Productive Workplace Culture.
- Capitalising on HR Technology and Develop Digital Native Culture.

ii) Company and Employer Branding

Berjaya has established its employer brand locally and overseas which helps to convey to internal and external talents what distinguishes the Group from its competitors.

In 2019, B-Land's parent company, BCorp bagged another 3 awards, recognising its employer brand's impact and presence, locally as well as in Asia and a special award recognising its best practices implemented within the Group.

B-Land's branding facilitates its strategy to bring in the best internal and external talents. Its branding is recognised by the industry and government agencies with several awards. BHR was honoured to win five awards from The Asia Pacific Tourism & Travel Federation Awards 2019. Other awards included:-

1) Best Luxury Beach Resort - The Taaras Beach & Spa Resort;
2) Best Island Resort - Redang Island Resort;
3) Best Beach Resort in Malaysia - Berjaya Langkawi Resort; and
4) Outstanding Beach Resort in Malaysia - Berjaya Tioman Resort.

"Continuously Striving for Excellence" BCorp's Awards and Recognition for 2019

The Taaras Beach & Spa Resort was awarded with the Best 5-Star Hotel Award at the Terengganu Tourism and Cultural Awards 2018/2019.

The Taaras Beach & Spa Resort was awarded the Best 5-Star Hotel Award at the Terengganu Tourism and Cultural Awards 2018/2019 for its excellent achievements in developing innovative products and services to place Terengganu as one of the top travel destinations. It was also awarded a score of 8.5/10 by Booking.com's Traveller Review Award 2020. This award was a recognition by the resort's guests expressing their satisfaction with the service extended throughout their stay.

Berjaya Penang Hotel was awarded the "Exceptional Guest Experience (Best Of the Best)" Award and the ANSA Hotel Kuala Lumpur was awarded the Best Guest Experience in the Service Prestige Award under the 'Traveloka Hotel Awards 2019'. The hotels were evaluated based on their overall food, services, and cleanliness under the "Prestige (4/5 Star)" category.

Berjaya Makati Hotel in the Philippines was awarded the 2019 Productivity Regional Winner for Small Service Category by the Department of Labour and Employment for its excellent service and branding.

iii) Learning and Development

B-Land continues its efforts to build a learning culture and a highly agile workforce through learning and development programmes.

B-Land has in place a formal talent management framework that focuses on providing the best-tailored programmes cater to its different pool of talents, especially for employees holding key positions, potential successors and high performers.

Unique and specially tailored, Berjaya's Talent Management Programmes were designed to meet its future talent needs and to build opportunities for current talent growth.

B-Land continued to enroll its talents in Berjaya Group's leadership development programmes, namely Berjaya Advanced Leadership Programme ("B.ALP"), Berjaya Manager Development Programme ("B.MDP") and Berjaya Executive Development Programme ("B.EDP"), to help the employees develop and reach their full potential.

The number of B-Land's employees who graduated from the above-mentioned programmes are as follows:-

i. FYE 2020: 24
ii. FPE 2019: 9
iii. FYE 2018: 44

The graduates of Berjaya Executive Development Programme 2019.

To track the progress of the graduates of Berjaya's development programmes and the effectiveness of the programmes, the graduates are required to plan and craft out their short-term and long-term individual development plans. With these, B-Land is able to further gauge the graduates' potential and meet the needs of their career development and B-Land's employment plans.

In line with B-Land's objective to enhance customers' service and quality, as at 30 June 2020, a total of 1,087 employees from BHR and The Clubs attended various training programmes such as English language classes, grooming workshops, coffee training, upselling and customer service programmes and food handling trainings.

To improve its customer service levels, Sports Toto provides various training programmes where relevant using Video Tele-Conferencing ("VTC"), for its employees and agents' frontline staff.

	FYE 2020	FYE 2019	FYE 2018
Product training sessions	13	21	19
Service upselling training sessions (including navigating the 'new normal' in view of the COVID-19 pandemic)	4	35	20
Employees and agents' frontline staff who attended the training sessions	331	2,077	932

Cyber Security Awareness Trainings are being conducted via Video Tele-Conferencing ("VTC") to equip its employees with knowledge and skills to protect the employees from cybercrime elements.

B-Land continued with the implementation of Performance Management which is based on the Balanced Scorecard concept and the implementation of the e-Appraisal system for employees within B-Land in line with the Group's aim of building a high-performance driven culture. During the year under review, 4 training sessions on Performance Management based on the Balanced Scorecard Concept were conducted for 26 employees and 10 training sessions were conducted for 40 employees on the e-Appraisal system.

iv) Employees' Engagement and Wellbeing

Maintaining a high level of employee engagement is increasingly important for B-Land to attract and retain talented employees and ultimately, deliver business success.

Employees who are from different business units continue to uphold the practice of constant synergy, collaboration, and partnership through participation in Berjaya Group's various activities and initiatives. Communication with employees is conducted using commonly used platforms, such as "Buzz" mobile application, "BFamily" intranet, "Beritajaya" newsletter and synergy meetings.

The Buzz Mobile Application

Buzz
Connects • Inspires • Empowers

Main features of Buzz:

- Announcement & Events
- Contents & Surveys
- Employee-Exclusive Offers & Promotions
- Hall of Buzz (Platform to Welcome New Employees & Recognise Achievements)

B-Land believes that understanding its employees from a holistic perspective, taking into account the totality and quality of their lives is equally important. Employees who are in good health, physically and emotionally are more motivated and could create positive energy that leads to higher productivity and a better working environment. B-Land provides a range of initiatives aimed not just to create awareness but also to encourage employees to make informed choices that will impact their career and personal life and at the same time to enhance their overall health and wellbeing.

B-Land offered free fitness and workout sessions during lunch break which allowed employees to relax their minds and to enjoy various types of exercise such as Bollywood dance, Les Mills Body Pump and Body Step fitness session which attracted participation from 32 employees from BCO.

B-Land also collaborated with the Pertubuhan Pembangunan Orang Buta Malaysia ("PPOBM") to organise 3 special charity drive events for massage sessions at BCO. This collaboration was especially meaningful as not only employees were benefited from the events but at the same time to be able to support the services provided by the members of the PPOBM and spread awareness of the existence of PPOBM.

A Webinar on "Managing Stress and Relationships During The COVID-19 Crisis" was organised by the Group Human Resource Division during the MCO. This Webinar showed employees how to maintain and keep positive mental health during the unprecedented period. 100 employees participated in this Webinar which was held in April 2020.

Building a healthy mind and body is an ongoing journey, for prevention and early detection of any sicknesses, B-Land employees are encouraged to perform yearly health screenings/health checks by utilising the balance of their yearly clinical outpatient entitlement at selected panel clinics at a special staff rate.

In March 2019, B-Land launched the Flexi Benefits Scheme for the benefit of all its employees. With the Flexi Benefits Scheme, employees have the option to select the type of benefits they need from a package of benefits offered by the Company and able to manage their benefits utilisation based on their yearly entitlement.

Flexi Benefits Scheme

In the current financial year, employees are

Learning & Development Opportunity

Medical & Insurance

Staggered Working Hours Arrangement

Nursing Room

Flexible Benefits

Optical
Vaccination
Pap Smear
Dental
Chiropractic
Insurance Top Up Scheme

Staff Discount/Rate

Hotel Stay
F&B
Gym
Education (for staff & their children)

being offered the Group Term Life Assurance Policy which covers death or permanent disablement arising from natural causes and critical illness.

B-Land implemented workplace improvements that benefit its employees by allowing them more flexible work hours through "Staggered Work Hours Arrangement" and further revised its application to benefit more employees. B-Land also provides a nursing room for returning mothers who are based at BCO a private, safe and clean environment to help them ease back to work and balance their new work-life priorities.

B-Land continues to assist its employees in times of need. B-Land provides financial assistance to its employees and their immediate family members to alleviate their financial burden in times of crisis, that is to cover medical expenses incurred by the employee/employee's immediate family members or in the event that the home of an employee is affected by fire or natural disaster.

In July 2019, B-Land launched its fitness challenge campaign, "STOP x START" (that is, STOP giving excuses, but START to work-out). This three-month campaign encouraged its participants to challenge their "overall health transformation" through extensive fitness activities that are designed to achieve the targets. A total of 10 employees took up the challenge and their physiques have improved as a result of better Body Mass Index ("BMI") readings, reduction of body fat, and improved muscle-gain.

STOP giving excuses, but START to work-out

During the previous financial period, Sports Toto implemented a "Boost Your Health" campaign where fruits were provided on daily basis to the staff who are based in Klang Valley. In the current financial year, employees were also provided with dental care products free-of-charge, to further promote good hygiene.

8.5 Community Support

Despite the challenges faced during the financial year under review, The Group continued to carry out various projects, wherever possible. B-Land empathised with the hardship faced by the community including the tenants of its complexes during the MCO. The Group through its PI Division granted rental and service charges relief for its tenants from 18 March to 14 April 2020 to alleviate their financial burden.

Community

Social integration and community development are an integral part of the PD Division's development projects. Condominium and house owners' accessibility to public amenities, major expressways, and public transport is a major consideration in the design of its development projects. In line with the growing demand for e-hailing services such as "Grab", dedicated covered waiting areas are provided to the residents as pick-up and drop-off points. The PD Division also collaborated with the "Park-n-Ride" bicycle companies, and provided bicycle parking stations to facilitate cycling activities at Bayu Timur and The Tropika. A broad spectrum of facilities was offered to cater to the healthy lifestyle needs of its residents.

The PD Division enhances the security aspects of its development projects through the use of mobile applications such as "Jaga" mobile application, gated and guarded environment, sensor access card system, intercom system and 24 hours surveillance via Close-Circuit-Tele-Vision ("CCTV"). Panic buttons are installed at carparks as a crime prevention measure.

The 33rd Sports Toto Chinese New Year Ang Pow

Berjaya Penang Hotel staff with the residents of The Penang Home for The Infirm and Aged.

Sports Toto Chinese New Year Ang Pow Donation Campaign 2020.

Donation Campaign, which cost approximately RM1.2 million, benefited over 19,000 senior citizens nationwide. More than 800 employees and agents contributed towards making the campaign a success. Since its inception in 1988, the campaign has benefited over 410,000 senior citizens. During the festive celebrations of Hari Raya, Deepavali and Christmas, B-Land and its subsidiaries also hosted several festive gatherings with scrumptious treats, gifts and token money as well as entertainment for the less privileged groups.

In the Philippines, BPI collaborated with the Gawad Kalinga Community Development Foundation ("GK"), a Philippine-based poverty alleviation and nation-building organisation, to build houses for Filipinos hit by calamity and poverty-stricken families. During the financial year under review, a total of 20 houses were built and delivered to the beneficiaries. To-date, the Berjaya-GK collaboration has contributed more than 1,200 houses for the needy and poor in the Philippines. BPI also distributed relief packs consisting of clothes and food to 350 evacuees from the Taal Volcano eruption at an evacuation centre in Barangay San Antonio in Santo Tomas, Batangas. Taal was declared as a danger zone by the Philippine Institute of Volcanology and Seismology, when the volcano erupted in January 2020.

Education

B-Land supported the operating costs for two community education centres providing free English, Mathematics, computer and personal development lessons for underprivileged children and adults. During the financial year under review, approximately 2,000 students have benefitted from the programme.

In line with its objective to promote literacy and education, Sports Toto has been supporting the "Reading My Companion" learning programme since 2012 with the distribution of storybooks and storytelling sessions for students at micro-sized Chinese primary schools. Since schools were closed due to the COVID-19 pandemic, the programme which was expected to take place in June 2020 was deferred to the next financial year. In the previous financial year, Sports Toto visited 20 schools in Perak, Negeri Sembilan, Melaka, Pahang and Johor. Since its inception, the programme has benefitted more than 14,000 students in 132 rural Chinese primary schools.

Sports

Sports Toto views sports development as a key element in nation-building and fostering national unity. Since its inception in 1983, Sports Toto has contributed substantial annual contributions to the National Sports Council, playing a pivotal role in helping the nation to groom sports' talents over the past 37 years.

Sports Toto also supported various community sports activities such as the Kuching Festival's 3 on 3 Basketball Jamboree, Sports Toto's High School Basketball Tournament, Seremban Half Marathon, Sungai Petani Half Marathon, Sutera Harbour 7K Charity Run and Penang Bridge International Marathon.

Arts & Culture

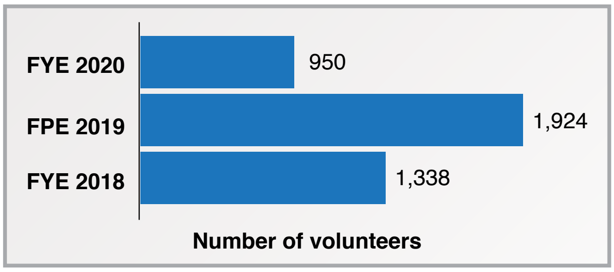
Sports Toto supported the "TRUE @ Melaka – Riverside Art" Festival held at Jonker Street, Malacca in December 2019. The highlight of the event was the iconic boat parade at the Melaka River which showcased the unique cultures of the communities in the state. It also featured performances by popular local artists.

Sports Toto continued to support traditional Chinese festivals such as the "Pesta Tanglung" in September 2019 through a collaboration with the Muar Youth Association to promote traditional cultures which attracted more than 30,000 visitors. Sports Toto also supported the "Por Tor" (Hungry Ghost Month) festival in August 2019 and the Penang Chingay Parade in December 2019.

Culture of Volunteerism

B-Land embraces a culture of "giving back" to society and it is one of the most inspiring ways to engage employees. The values of Corporate Social Responsibility ("CSR") bring about a positive change to society through participation in CSR activities such as blood donation drive, welfare home visits and festive celebrations with the less fortunate.

The number of employees from the Group participated in the various CSR events across the country, are as follows:-



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Berjaya Land Berhad (or "the Company") recognises the importance of corporate governance towards promoting business prosperity and corporate accountability to protect and enhance shareholders' value as well as the interest of the Company.

The Board is also committed in ensuring that the Group carries out its business operations within the required standards of corporate governance as set out in the Malaysian Code on Corporate Governance ("MCCG").

The Board is pleased to provide an overview of the corporate governance ("CG") practices, which made reference to the three key CG principles as set out in the MCCG throughout the financial year ended 30 June 2020 ("FYE 2020") unless otherwise stated, which are as follows:-

(a) Principle A : Board Leadership and Effectiveness;
(b) Principle B : Effective Audit and Risk Management; and
(c) Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG overview statement, approved by the Board, shall be read together with the CG Report 2020 ("CG Report") of the Company which is available on the website of Bursa Malaysia Securities Berhad ("Bursa Securities") at www.bursamalaysia.com.

The CG Report provides the details on how the Company has applied each Practice, any departures thereof and the alternative measures being in place within the Company during the FYE 2020. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FYE 2020 save for the exceptions which are fully described in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board has overall responsibility for the proper conduct of the Company's business and the strategic direction, development and control of the Group. The Board has formally adopted a Board Charter which sets out the roles and responsibilities of the Board and the Management to ensure accountability. The Board Charter is available on the Company's website at www.berjaya.com/berjaya-land/ and will be subject to review periodically by the Board to ensure that it remains consistent with the Board's objectives and responsibilities.

Chairman and Chief Executive Officer

The Board is led by the Chairman, Tan Sri Datuk Seri Panglima Richard Malanjum, an Independent Non-Executive Director of the Company. The Chairman is responsible to ensure that he will preside at all Board meetings and general meetings of the Company. The Chairman is also responsible for providing leadership as well as to ensure that procedural rules are followed in the conduct of meetings and that decisions made are formally recorded and adopted.

The Board has delegated the day-to-day affairs of the Group's business to the Chief Executive Officer ("CEO") of the Company, Mr Syed Ali Shahul Hameed who assumed the position of CEO on 8 August 2019.

The CEO holds the primary executive responsibility for the Group's business performance and to manage the Group in accordance with the strategies and policies approved by the Board. The CEO will focus on the business and leads the Senior Management of the Company in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group. The CEO may delegate appropriate functions to any member of the Senior Management reporting to the CEO.

The CEO and Management meet regularly to review and monitor the performance of the Group's operating divisions. The CEO briefs the Board on the Group's business operations and Management's initiatives during the quarterly Board meetings.

Separation of Positions of the Chairman and Chief Executive Officer

The Chairman and the CEO positions are held by two different individuals. The distinct and separate roles of the Chairman and CEO with clear division of responsibilities have ensured the balance of the power and authority and that no one has unfettered control of the Board. The roles and responsibilities of the Chairman and CEO have been formalised in the Board Charter of the Company.

Non-Executive Directors

The Non-Executive Directors of the Company are not involved in the day-to-day management of the Group but contribute their own particular expertise and experience in the development of the Group's overall business strategy. Their participation as members of the various Board Committees also contributed towards the enhancement of the corporate governance and controls of the Group.

The Independent Non-Executive Directors are essential in providing unbiased and impartial opinion, advice and judgement to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. The significant contributions of the Independent Directors in the decision making process is evidenced in their participation as members of the various committees of the Board.

In addition, the Non-Independent Non-Executive Director on the Board will also help to provide views and contributions from a different perspective as he is not involved in the day to day operations of the Group.

Board Committees

The Board has established and is supported by the following Board Committees which consist of a majority of Independent Non-Executive Directors to provide independent oversights of management and to ensure that there are appropriate checks and balances in discharging its oversight function: -

i. Audit Committee
ii. Nomination Committee
iii. Remuneration Committee
iv. Risk Management Committee
v. Sustainability Committee

The Board Committees have their roles and functions, written terms of reference and authorities defined. The Board reviews the terms of reference of the Board Committees periodically to ensure their relevance.

The Board may form such other committees from time to time as dictated by business imperatives and/or to promote operational efficiency.

Notwithstanding the above, the ultimate responsibility for decision making and oversight still lies with the Board.

Company Secretary

The Board is supported by the Company Secretaries, who are members of the professional body namely, The Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified under the Companies Act 2016. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, Main Market Listing Requirements of Bursa Securities and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their Terms of Reference and best practices and ensuring adherence to the existing Board policies and procedures. The roles and responsibilities of the Company Secretaries have been formalised in the Board Charter which provides reference for Company Secretaries in the discharge of their roles and responsibilities.

The Company Secretaries have also been continuously attending the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the current regulatory changes in laws and regulatory requirements that are relevant to their profession and enabling them to provide the necessary advisory role to the Board.

Board Meeting and Meeting Materials

In order to discharge their responsibilities effectively, the Board meet regularly on a quarterly basis. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters under their purview and which requires the Board's expeditious review or consideration. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impact on the Group's business or on its financial position and the mitigating factors. All Board approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.

Prior to the Board Meeting, the Directors will be provided with the relevant agenda and Board papers five (5) business days' notice to enable them to have an overview of matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Board papers provide, among others the minutes of preceding meetings of the Board and Board Committees, summary of dealings in shares by the directors or affected persons and directors' circular resolutions, reports on the Group's financial statements, operations, any relevant corporate developments and proposals.

In addition, there is a schedule of matters reserved for Board's deliberations and decision, including among others, to review, evaluate, adopt and approve the policies and strategic plans for the Company and the Group. The Board will ensure that the strategic plans of the Company and the Group supports long term value creation, including strategies on economic, environmental and social considerations underpinning sustainability as well as to review, evaluate and approve any material acquisitions and disposals of undertakings and assets in the Group and any new major ventures.

Access to information and advice

The Directors have unrestricted access to the advice and services of the Company Secretaries and Senior Management staff in the Group to assist them in carrying out their duties. They may also obtain independent professional advice at the Company's expense in furtherance of their duties whenever the need arises.

Board Charter, Ethical Standards through Code of Ethics, Code of Conduct and Whistleblowing Policy and T. R. U. S. T. Concept

The Board has the following in place:-

(a) Board Charter

The Board has adopted a Board Charter to promote the standards of corporate governance and clarifies, amongst others, the roles and responsibilities of the Board. The Board Charter is subject to review by the Board periodically to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices. A copy of the Board Charter is available on the Company's website at www.berjaya.com/berjaya-land/.

(b) Code of Ethics for Director

The Board has also adopted a Code of Ethics for Directors ("Code") which is incorporated in the Board Charter. The Code was formulated to enhance the standard of corporate governance and to promote ethical conduct of the Directors.

(c) Code of Conduct and Business Ethics

The Group has established and adopted a Code of Conduct covering business ethics, workplace safety and employees' personal conduct for all employees of the Company and all of its subsidiaries and associates. This is to ensure that all employees and Directors maintain and enforce the highest standards of ethics and professional conduct in the performance of their duties and responsibilities throughout the organisation. All employees and Directors of the Company are required to declare that they have received, read and understood the provisions of the Code of Conduct and agreed to comply with its terms throughout their employment or tenure with the Company.

The Board will periodically review the Code of Conduct and the Code of Conduct is available on the Company's website at www.berjaya.com/berjaya-land/.

(d) Whistleblowing Policy and Procedures

The Group acknowledges the importance of lawful and ethical behaviours in all its business activities and is committed to adhere to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in its workplace.

The Group has in place a Whistleblowing Policy and Procedures which provides an avenue for employees, the Group's third party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct at the workplace on a confidential basis and pursuant to the Malaysian Whistleblower Protection Act 2010 or other similar laws prevailing in other countries where the subsidiary companies are located, without fear of any form of victimization, harassment, retribution or retaliation.

Employees also have free access to the Senior Independent Director and the Chief Executive Officer of the Company and may raise concerns of non-compliance to them.

Whistleblowing Policy and Procedures was recently reviewed, updated and approved by the Board of Directors on 24 August 2020 so as to enhance the reporting procedure to safeguard against the acts of bribery and corruption pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The revised and updated Whistleblowing Policy and Procedures, underlining its protection and reporting channels, is available on the Company's website at www.berjaya.com/berjaya-land/.

(e) T. R. U. S. T. Concept - Adequate Procedures to Curb and Prevent Bribery and Corruption

The Board has adopted Adequate Procedures to Curb and Prevent Bribery and Corruption - T. R. U. S. T. Concept ("T.R.U.S.T. CONCEPT") on 24 August 2020 which forms the ethos and philosophy of the top management in respect of the Group's fight against bribery and corruption in all its business dealings, transactions and such other related activities.

The T.R.U.S.T. CONCEPT was formulated to set out the guidelines on adequate procedures to curb and prevent bribery and corruption and the procedures are guided by the following five (5) principles:-

Principle I: Berjaya's Ethos and Commitment;
Principle II: Risk Assessment;
Principle III: Undertake Control Measures;
Principle IV: Systematic Review, Monitoring and Enforcement; and
Principle V: Training and Communication.

(Collectively known as T.R.U.S.T. CONCEPT)

The establishment of this T.R.U.S.T. CONCEPT demonstrates the Group's zero-tolerance approach against all forms of bribery and corruption in its daily operations and the Group takes a strong stance against such acts. The Group will take all reasonable and appropriate measures to ensure that all its directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corrupt activities for its advantage or benefit.

The T.R.U.S.T. CONCEPT can be accessed on the Company's website at www.berjaya.com/berjaya-land/.

Sustainability Strategies

The Board views the commitment to promote sustainability strategies in the environment, social and governance aspects as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Group strives to achieve a long term sustainable balance between meeting its business goals, preserving the environment to sustain the ecosystem and the welfare of its employees and the communities in which it operates. The Group's efforts to promote sustainability initiatives for the communities in which it operates, the environment and the employees is set out in Sustainability Statement in this Annual Report.

Board Composition

The Board composition of the Company represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The Board currently has eight (8) members comprising the CEO, two (2) Executive Directors, four (4) Independent Non-Executive Directors (including the Chairman) and a Non-Independent Non-Executive Director. The profiles of the Directors are set out in pages 3 to 7 of this Annual Report.

The present composition of the Board is in compliance with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Securities which requires at least one-third (1/3) of its members to be Independent Directors.

The Board noted that Practices 4.1 and 4.2 of the MCCG has recommended for at least half of the Board members to be independent directors and the tenure of an independent director does not exceed a cumulative term limit of nine (9) years. For Large Companies, the Board shall comprise a majority of Independent Directors.

Based on the review of the Board's composition and assessment of individual Directors, the Board is satisfied that the current Independent Directors are able to exercise independent and objective judgement and act in the best interests of the Company eventhough they do not form a majority of the Board members and with one (1) of them having served the Board for more than nine (9) years.

The current Directors of the Company as at the date of this Statement are as follows:-

Name	Designation
Tan Sri Datuk Seri Panglima Richard Malanjum	Chairman /Independent Non-Executive Director
Syed Ali Shahul Hameed	Chief Executive Officer
Nerine Tan Sheik Ping	Executive Director
Chryseis Tan Sheik Ling	Executive Director
Dato' Ng Sooi Lin	Non-Independent Non-Executive Director
Datuk Robert Yong Kuen Loke	Independent Non-Executive Director
Kee Mustafa	Independent Non-Executive Director
John V Pridjian	Independent Non-Executive Director

Boardroom Diversity

The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity.

The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.

The Board is of the view that whilst promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. Thus, the Company does not set any specific target for boardroom diversity but will actively work towards achieving the appropriate Boardroom diversity.

The Company takes diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company.

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a work place environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

Currently, the Board has two (2) female Directors namely, Ms Nerine Tan Sheik Ping and Ms Chryseis Tan Sheik Ling.

The Board has in place a Diversity Policy of the Company and a copy is available on the Company's website at www.berjaya.com/berjaya-land/.

Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. During the FYE 2020, the Board met five (5) times and the attendance record of the Directors at the Board meetings were as follows:-

Directors	Attendance
Tan Sri Datuk Seri Panglima Richard Malanjum #~ (Appointed on 9 December 2019)	2/2*
Syed Ali Shahul Hameed	4/5
Nerine Tan Sheik Ping	5/5
Chryseis Tan Sheik Ling	4/5
Dato' Ng Sooi Lin	5/5
Datuk Robert Yong Kuen Loke #	5/5
Kee Mustafa #	4/5
John V Pridjian #	5/5
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim † (Retired on 9 December 2019)	3/3*
Tan Thiam Chai ‡ (Resigned on 8 May 2020)	4/4*

Notes:
Independent Non-Executive Director.
* *Reflects the attendance and the number of Meetings held during the FYE 2020 since the Director held office.*
~ *During the financial year, Tan Sri Datuk Seri Panglima Richard Malanjum was appointed as an Independent Non-Executive Director/Chairman of the Company on 9 December 2019.*
† *During the financial year, Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim retired as an Independent Non-Executive Director/Chairman of the Company at the conclusion of the Company's last Annual General Meeting held on 9 December 2019.*
‡ *During the financial year,* Mr Tan Thiam Chai resigned as an Executive Director of the Company on 8 May 2020.

All the Directors of the Company do not hold more than five (5) directorships in listed issuers as required under Paragraph 15.06 of the Main Market Listing Requirements of Bursa Securities. They are required to notify the Chairman of the Board before accepting any new directorships outside the Group and indicating the time that will be spent on the new directorship. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships.

Directors' Training

All the Directors had attended the Mandatory Accreditation Programme as prescribed by Bursa Securities.

The Directors are mindful that they should continually attend seminars and courses to keep themselves abreast with the latest economic and corporate developments as well as new regulations and statutory requirements.

The Directors are also encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The Board is also regularly updated by the Company Secretaries on the latest update/amendments to the relevant regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

During the FYE 2020, the Directors had attended various training programmes and seminars, details of which were as follows:-

Director	Title of Programmes/Seminars/Courses/Forums
Tan Sri Datuk Seri Panglima Richard Malanjum *(Appointed on 9 December 2019)*	- Mandatory Accreditation Programme
Nerine Tan Sheik Ping	- MACC Act Section 17A: Are you ready to comply?
Chryseis Tan Sheik Ling	- Virtual Board Meetings: In an era of social distancing boards
Dato' Ng Sooi Lin	- Sustainability and Digitalisation : A New Normal
Datuk Robert Yong Kuen Loke	- Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees - MACC Act Section 17A : Are you ready to comply?
Kee Mustafa	- Anti-Corruption and Integrity Forum 2019 - 2019 Conference on Corporate Liability - Section 17A of the MACC Act 2009
John V Pridjian	- Raising Defences: Section 17A, MACC Act
Syed Ali Shahul Hameed	- Demystifying the Diversity Conundrum: The Road to Business Excellence - Powertalk#9 : Adequote Procedures: The Director's Response to Individual Liability
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim *(Retired on 9 December 2019)*	- International Humanitarian Conference 2019 ^ - Sunway Leaders Conference 2019 - Good Health and Well-Being, Sustain 3.0
Tan Thiam Chai *(Resigned on 8 May 2020)*	- New Malaysia's 1st Anniversary: How 9 May 2018 Changed Our Legal Landscape - Lee Hishammuddin Allen & Gledhill Tax, Sales & Service Tax & Customs Seminar 2019 - Workshop on Corporate Liability Provision (Section 17A) of the Malaysian Anti-Corruption Commission Act 2009 - Shared Prosperity - Companies (Amendment) Act 2019 - The New Corporate Liability Offence for Corruption under the Malaysian Anti-Corruption Commission Act

^ *Attended as speaker*

The Board will, on a continuous basis, evaluate and determine the training needs of its members to assist them in the discharge of their duties as Directors.

Appointment to the Board

The members of the Nomination Committee ("NC"), which comprises exclusively Non-Executive Directors and all of whom are Independent Non-Executive Directors as at the date of this Statement are as follows:-

Tan Sri Datuk Seri Panglima Richard Malanjum *(Appointed on 9 December 2019)*	- Chairman/ Independent Non-Executive Director
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim *(Retired on 9 December 2019)*	- Chairman/ Independent Non-Executive Director
Datuk Robert Yong Kuen Loke *(Re-designated on 9 December 2019)*	- Senior Independent Non-Executive Director
Kee Mustafa	- Independent Non-Executive Director

During the FYE 2020 and following the retirement of Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as an Independent Non-Executive Director of the Company on 9 December 2019, he has also retired as the Chairman of the Nomination Committee. Thereupon, Tan Sri Datuk Seri Panglima Richard Malanjum has been appointed as the Chairman of the Nomination Committee on 9 December 2019. The member of the Nomination Committee namely, Datuk Robert Yong Kuen Loke has also been identified as the Senior Independent Non-Executive Director of the Board to whom concerns relating to the affairs of the Group may be conveyed on even date.

The composition, authority as well as the duties and responsibilities of the NC are set out in its Terms of Reference, which is available on the Company's website at www.berjaya.com/berjaya-land/.

The Board delegates to the NC the responsibility of making recommendations on any potential candidate for the appointment as a new Director. The NC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits.

The process for the appointment of a new Director is summarised in the sequence as follows:-

1. The candidate identified upon the recommendation by the existing Directors, Senior Management staff, major shareholders, independent search firms and/or other independent sources;

2. In evaluating the suitability of candidates for appointment to the Board, the NC considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidates' independence;

3. Recommendation shall then be made by NC to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and

4. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board Committees.

Annual Assessment

The NC reviews annually, the effectiveness of the Board and Board Committees as well as the performance of individual Directors. The evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered. The criteria for the evaluation are guided by the Corporate Governance Guide issued by Bursa Malaysia Berhad. The evaluation process also involved a peer and self-review assessment, where Directors will assess their own performance and that of their fellow Directors. These assessments and comments by all Directors were summarised and discussed at the NC meeting which were then reported to the Board at the Board Meeting held thereafter. All assessments and evaluations carried out by the NC in the discharge of its duties are properly documented.

During FYE 2020, the NC carried out the following activities:
- recommended to the Board, the appointment of Syed Ali Shahul Hameed as the Chief Executive Officer of the Company;
- reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- reviewed and assessed the performance of each individual Director; the independence of the Independent Directors; the effectiveness of the Board and the Board Committees;
- recommending Directors who are retiring and being eligible for re-election;
- reviewed the performance of the Audit Committee and its members;
- reviewed and assessed the financial literacy of the Audit Committee members;
- recommend to the Board, the retention of Independent Directors;
- recommended to the Board, the appointment of Tan Sri Datuk Seri Panglima Richard Malanjum as an Independent Non-Executive Director and Chairman of the Company;
- recommended to the Board, the reconstitution of Board Committees; and
- recommended to the Board, the re-designation of Datuk Robert Yong Kuen Loke as Senior Independent Non-Executive Director of the Company.

Re-election of Directors

The NC also conducted an assessment of the Directors who are subject to retirement at the forthcoming Annual General Meeting ("AGM") in accordance with the provisions of the Company's Constitution and the relevant provisions of the Companies Act 2016.

The Company's Constitution provides that at least one-third of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years. The Company's Constitution also provides that a Director who is appointed during the year is required to retire and seek shareholders' approval for re-election at the following AGM immediately after his/her appointment.

The NC is also responsible for recommending to the Board those Directors who are retiring and are eligible to stand for re-election at the AGM.

At the forthcoming Thirtieth AGM, the following Directors who are due for retirement and are eligible for re-election pursuant to the Company's Constitution are as follows:-

	Directors	Retiring Pursuant to
i.	Tan Sri Datuk Seri Panglima Richard Malanjum *(Appointed on 9 December 2019)*	Clause 107
ii.	Dato' Ng Sooi Lin	Clause 117
iii.	Kee Mustafa	Clause 117

Tenure of Independent Directors

The MCCG recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Directors' re-designation as a Non-Independent Director. The MCCG also sets out a recommendation that the Board must justify and seek shareholders' approval in the event it retains an Independent Director who has served in that capacity for more than nine (9) years.

The Board is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years.

The calibre, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his/her responsibilities in the best interest of the Company should be the predominant factors to determine the ability of a Director to serve effectively as an Independent Director.

The Board is also confident that the Independent Directors themselves, after having provided all the relevant confirmations on their independence, will be able to determine if they can continue to bring independent and objective judgement during Board deliberations and decision making.

Datuk Robert Yong Kuen Loke was re-designated from a Non-Independent Non-Executive Director to an Independent Non-Executive Director of the Company on 1 December 2009 and has therefore served the Company as an Independent Director for a cumulative term of more than 9 years but less than 12 years.

Following an assessment and recommendation by the NC, the Board concluded that Datuk Robert Yong Kuen Loke had remained independent and pursuant to Practice 4.2 of the MCCG, the Board will seek approval from the shareholders of the Company at the forthcoming AGM to support the Board's decision to retain Datuk Robert Yong Kuen Loke as an Independent Non-Executive Director of the Company based on the following justifications:-

(i) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and being independent, he will be able to function as a check and balance, bring an element of objectivity to the Board.

(ii) he has been with the Company for more than 9 years and is familiar with the Company's diversified business operations in multiple jurisdiction.

(iii) he remains objective and independent in expressing his views and participating in deliberations and decision making process of the Board and Board Committees. The length of his service on the Board does not in any way interfere with his exercise of independent judgement and ability to act in the best interests of the Company.

(iv) he has exercised his due care during his tenure as an Independent Non-Executive Director of the Company as well as the Chairman of Audit Committee, Risk Management Committee and Sustainability Committee and he has carried out his professional duties proficiently in the interests of the Company and the shareholders.

Annual Assessment of Independence

The Board recognises the importance of independence and objectivity in its decision making process. The presence of the Independent Non-Executive Directors is essential in providing unbiased and impartial opinion, advice and judgement to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account.

The Board, through the NC, has assessed the independence of its Independent Non-Executive Directors namely, Tan Sri Datuk Seri Panglima Richard Malanjum, Datuk Robert Yong Kuen Loke, Mr Kee Mustafa and Mr John V Pridjian based on criteria set out in the Main Market Listing Requirements of Bursa Securities.

The Independent Directors of the Company have fulfilled the criteria of "independence" as prescribed under Chapter 1 of the Main Market Listing Requirements of Bursa Securities. The Company has also fulfilled the requirement to have at least one-third of its Board members to be Independent Non-Executive Directors.

Remuneration Policies and Procedures

The Company has a Remuneration Committee which comprises exclusively Non-Executive Directors with a majority of them being Independent Directors. The members of the Remuneration Committee as at the date of this Statement are as follows:-

Tan Sri Datuk Seri Panglima Richard Malanjum *(Appointed on 9 December 2019)*	- Chairman/ Independent Non-Executive Director
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim *(Retired on 9 December 2019)*	- Chairman/ Independent Non-Executive Director
Dato' Ng Sooi Lin	- Non-Independent Non-Executive Director
Kee Mustafa	- Independent Non-Executive Director

During the FYE 2020 and following the retirement of Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as an Independent Non-Executive Director of the Company on 9 December 2019, he has also retired as the Chairman of the Remuneration Committee. Thereupon, Tan Sri Datuk Seri Panglima Richard Malanjum has been appointed as the Chairman of the Remuneration Committee on 9 December 2019.

The composition, authority as well as the duties and responsibilities of the Remuneration Committee are set out in its Terms of Reference which is available on the Company's website at www.berjaya.com/berjaya-land/.

The Board has adopted a Remuneration Policy to support the Directors and Key Senior Management in carrying out their responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's objective in this respect is to offer a competitive remuneration package in order to attract, motivate, retain and reward Directors and Key Senior Management who will manage and drive the Company's success.

The Board has delegated to the Remuneration Committee to implement its Remuneration Policy. The primary function of the Remuneration Committee is to set up the policy framework and to recommend to the Board on remuneration packages and other terms of employment of the Executive Directors. The remuneration of Executive Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

The remuneration of Key Senior Management is determined at a level which enables the Company to attract, develop and retain high performing and talented individual with the relevant experience, level of expertise and level of responsibilities.

Both the remuneration of Executive Directors and Key Senior Management are structured to link rewards to the achievement of individual and corporate performance.

The Remuneration Committee is also responsible to review the remuneration packages of the Non-Executive Directors of the Company and thereafter recommend to the Board for their consideration with the Director concerned abstaining from deliberations and voting on decision in respect of his/her individual remuneration package. The Board recommended that the level of remuneration should reflect the experience and the level of responsibilities undertaken by each Non-Executive Director. The Board will then recommend the yearly Directors' fees and other benefits payable to Non-Executive Directors to the shareholders for approval at the AGM in accordance with Section 230(1) of the Companies Act 2016.

The Board will periodically review the Remuneration Policy and a copy is available on the Company's website at www.berjaya.com/berjaya-land/.

Details of Directors' remuneration paid or payable to all Directors of the Company (by both the Company and the Group) and categorised into appropriate components for FYE 2020 are as follows:-

Company

	RM					
	Fees	**Salaries**	**Bonuses**	**Benefits in-kind**	**Other Emoluments**	**Total**
Executive						
Datuk Pee Kang Seng @ Lim Kang Seng (Resigned on 8 August 2019)	-	91,935.48	-	1,850.00	68,758.96	162,544.44
Syed Ali Shahul Hameed	-	164,537.63	31,452.00	24,600.00	53,312.50	273,902.13
Tan Thiam Chai (Resigned on 8 May 2020)	-	148,790.33	30,000.00	22,104.84	22,034.55	222,929.72
Nerine Tan Sheik Ping	-	-	-	-	-	-
Chryseis Tan Sheik Ling	-	-	-	-	-	-
Non-Executive						
Tan Sri Datuk Seri Panglima Richard Malanjum (Appointed on 9 December 2019)	47,193.55	-	-	-	9,000.00	56,193.55
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim (Retired on 9 December 2019)	37,032.26	-	-	-	18,700.00	55,732.26
Datuk Robert Yong Kuen Loke	84,000.00	-	-	-	27,300.00	111,300.00
Dato' Ng Sooi Lin	84,000.00	-	-	24,600.00	15,000.00	123,600.00
Kee Mustafa	84,000.00	-	-	-	20,000.00	104,000.00
John V Pridjian	84,000.00	-	-	-	22,000.00	106,000.00
	420,225.81	**405,263.44**	**61,452.00**	**73,154.84**	**256,106.01**	**1,216,202.10**

Group

	RM					
	Fees	**Salaries**	**Bonuses**	**Benefits in-kind**	**Other Emoluments**	**Total**
Executive						
Datuk Pee Kang Seng @ Lim Kang Seng (Resigned on 8 August 2019)	-	91,935.48	-	1,850.00	68,758.96	162,544.44
Syed Ali Shahul Hameed	-	432,206.88	139,452.00	24,600.00	526,489.26	1,122,748.14
Tan Thiam Chai (Resigned on 8 May 2020)	-	895,137.96	208,824.00	22,104.84	198,373.95	1,324,440.75
Nerine Tan Sheik Ping	-	1,263,314.52	300,000.00	12,499.94	188,521.40	1,764,335.86
Chryseis Tan Sheik Ling	-	504,786.78	45,000.00	-	67,852.80	617,639.58
Non-Executive						
Tan Sri Datuk Seri Panglima Richard Malanjum (Appointed on 9 December 2019)	47,193.55	-	-	-	219,743.26	266,936.81
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim	37,032.26	-	-	3,174.19	61,022.58	101,229.03
Datuk Robert Yong Kuen Loke	164,000.00	-	13,000.00	11,598.00	214,052.80	402,650.80
Dato' Ng Sooi Lin	84,000.00	-	-	24,600.00	15,000.00	123,600.00
Kee Mustafa	84,000.00	-	-	-	20,000.00	104,000.00
John V Pridjian	84,000.00	-	-	-	22,000.00	106,000.00
	500,225.81	**3,187,381.62**	**706,276.00**	**100,426.97**	**1,601,815.01**	**6,096,125.41**

Remuneration of Key Senior Management

The number of top five (5) Key Senior Management and their total remuneration from the Group categorised into the various bands are as follows:-

			Number of Key Senior Management
RM250,001	-	RM300,000	1
RM400,001	-	RM450,000	1
RM500,001	-	RM550,000	1
RM1,650,001	-	RM1,700,000	1
RM17,900,001	-	RM17,950,000	1
			5

Although the MCCG provides that the Company should disclose the detailed remuneration of the top five (5) Senior Management on a named basis, the Board has opined that it is not in the best interest of the Company to make such disclosures on the remuneration of the Senior Management due to the sensitivity of their remuneration package, privacy, competition and the issue of staff poaching.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee of the Company comprises four (4) members, all of whom are Independent Non-Executive Directors. The members are as follows:-

Datuk Robert Yong Kuen Loke	- Chairman/ Independent Non-Executive Director
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim *(Retired on 9 December 2019)*	- Independent Non-Executive Director
Tan Sri Datuk Seri Panglima Richard Malanjum *(Appointed on 9 December 2019)*	- Independent Non-Executive Director
Kee Mustafa	- Independent Non-Executive Director
John V Pridjian	- Independent Non-Executive Director

During the FYE 2020 and following the retirement of Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as an Independent Non-Executive Director of the Company on 9 December 2019, he has also retired as the member of the Audit Committee. Thereupon, Tan Sri Datuk Seri Panglima Richard Malanjum has been appointed as a member of the Audit Committee on 9 December 2019.

The Chairman of the Audit Committee is appointed by the Board and is not the Chairman of the Board. The composition, authority as well as the duties and responsibilities of the Audit Committee are set out in its Terms of Reference ("TOR") and a copy is available on the Company's website at www.berjaya.com/berjaya-land/.

The members of the Audit Committee possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the TOR of the Audit Committee. In addition, the Audit Committee members are literate in financials and are able to understand, analyse and challenge matters under purview of the Audit Committee including the financial reporting process.

The Board is assisted by the Audit Committee to oversee the Group's and Company's financial reporting process and the quality of financial reporting and ensuring that the financial statements comply with the provisions of the Companies Act 2016 and the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards in Malaysia.

In presenting the annual audited financial statements to the shareholders, the Board takes responsibility to present a balanced and meaningful assessment of the Group's financial performance and prospects and ensure that the financial statements reviewed and recommended by the Audit Committee for Board's approval are prepared in accordance with the provisions of the Companies Act 2016, the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to present a true and fair view of the financial position, financial performance and cash flows of the Group and Company. In addition, the Audit Committee reviews the annual financial statements and quarterly financial results before they are submitted to the Board for approval.

Besides overseeing the Group's accounting and financial reporting process, Audit Committee is also responsible to assist the Board to review the nature, scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external auditors, to oversee and monitor the Group internal audit functions, reviews any related party transactions, oversees recurrent related party transactions, risk management activities and other activities such as governance matters. A full Audit Committee Report detailing its composition and a summary of activities during the financial year is set out in pages 61 to 65 of this Annual Report.

The performance of the Audit Committee is reviewed annually by the NC. The evaluation covered aspects such as the members' financial literacy levels, its quality and composition, skills and competencies and the conduct and administration of the Audit Committee meetings.

Based on the evaluation, the NC concluded that the Audit Committee has been effective in its performance and has carried out its duties in accordance with its TOR during FYE 2020.

Assessment of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the Audit Committee. Under the existing practice, the Audit Committee invites External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Company's yearly financial statements. In addition, the Audit Committee will also have private meetings with the External Auditors without the presence of the Chief Executive Officer and Senior Management to enable exchange of views on issues requiring attention.

The Audit Committee has adopted an External Auditors Policy ("EA Policy") which outlines the policies and procedures for the Audit Committee to govern the assessment and to monitor the External Auditors. The EA Policy covers, among others, the appointment of External Auditors, assessment of External Auditors, independence of External Auditors, non-audit services including the need to obtain approvals from the Chief Financial Officer (if any)/ Executive Director/ Head of Group Accounts or the Audit Committee for non-audit work up to a certain threshold and the annual reporting and rotation of the External Audit Engagement Partner. In addition, the EA policy also included a requirement for a former audit partner to observe a cooling-off period for at least two years before they can be considered for appointment as a member of the Audit Committee and/or the Board.

The Board has delegated to the Audit Committee to perform an annual assessment on the quality of the audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism. The assessment process involves identifying the areas of assessment, setting the minimum standards and devising tools to obtain the relevant data. The areas of assessment include among others, the External Auditors' calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees. Assessment questionnaires were used as a tool to obtain input from the Company's personnel who had constant contact with the external audit team throughout the financial year.

To support the Audit Committee's assessment of their independence, the External Auditors will provide the Audit Committee with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are required to declare their independence annually to the Audit Committee as specified in the By-Laws issued by the Malaysian Institute of Accountants. The External Auditors have provided the declaration in their annual audit plan presented to the Audit Committee of the Company.

The Audit Committee also ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors. The recurring non-audit services were in respect of tax compliance, the annual review of the Statement on Risk Management and Internal Control. The non-recurring non-audit services are acting as reporting accountants for any corporate exercises.

During the FYE 2020, the amount of statutory audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for FYE 2020 were as follows: -

	Company		**Group**	
	FYE2020 RM'000	**FPE2019 RM'000**	**FYE2020 RM'000**	**FPE2019 RM'000**
Statutory audit fees paid/payable to:-				
- Ernst & Young PLT ("EY") Malaysia				
(i) Current financial year/period	170	153	1,523	1,484
(ii) Underprovision in previous financial year/period	48	4	200	81
- Affiliates of EY Malaysia	-	-	100	125
Total (a)	218	157	1,823	1,690
Non-audit fees paid/payable to:-				
- EY Malaysia	812	433	891	519
- Affiliates of EY Malaysia	8	8	249	245
Total (b)	820	441	1,140	764
% of non-audit fees (b/a)	376%	281%	63%	45%

- FPE2019 denotes financial period ended 30 June 2019.
- The increase in non-audit fees paid/payable to EY Malaysia was mainly due to additional compliance requirements in relation to several new accounting standards applicable in FYE2020.

In considering the nature and scope of non-audit fees, the Audit Committee was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

Upon completion of the assessment, the Audit Committee will make recommendation for the re-appointment of the External Auditors to the Board. The Board upon acceptance of the recommendation, will then seek approval from the shareholders on the re-appointment of the External Auditors at the AGM.

Risk Management and Internal Control

The Board is responsible for the Group's risk management framework and system of internal control and for reviewing their adequacy and integrity. Accordingly, the Directors are required to ensure that an effective system of internal control, which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines is in place within the Group.

While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system is designed to manage rather than eliminate risks and therefore cannot provide an absolute assurance against material misstatement or loss.

The internal audit function of the Company is outsourced to the Group Internal Audit Division of the ultimate holding company, Berjaya Corporation Berhad and they are free from any relationships or conflict of interest that could impair their objectivity and independence. The Internal Auditors report regularly to the Audit Committee provides the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. As proper risk management is a significant component of a sound system of internal control, the Group has also put in place risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of the risk management process is carried out by the Risk Management Committee of the Group.

The Company has a Risk Management Committee, which comprises exclusively Non-Executive Directors and majority of whom are Independent Non-Executive Directors. The members are as follows:-

Datuk Robert Yong Kuen Loke	- Chairman/ Independent Non-Executive Director
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim (Retired on 9 December 2019)	- Independent Non-Executive Director
Tan Sri Datuk Seri Panglima Richard Malanjum (Appointed on 9 December 2019)	- Independent Non-Executive Director
Kee Mustafa	- Independent Non-Executive Director
John V Pridjian	- Independent Non-Executive Director
Dato' Ng Sooi Lin	- Non-Independent Non-Executive Director

During the FYE 2020 and following the retirement of Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim as an Independent Non-Executive Director of the Company, he has also ceased to be a member of the Risk Management Committee. Thereupon, Tan Sri Datuk Seri Panglima Richard Malanjum has been appointed as a member of the Risk Management Committee on 9 December 2019.

A Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal controls within the Group is set out on pages 58 to 60 of the Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Company strives to maintain an open transparent channel of communication with its shareholders, institutional investors, analysts and the public at large with the objective of providing as clear and complete picture of the Group's performance and financial position as possible. The provision of timely information is important to the shareholders and investors for informed decision making. However, whilst the Company endeavours to provide as much information as possible to its shareholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

Currently, the Company's various channels of communications are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, general meetings of shareholders and through the Company's website at www.berjaya.com/berjaya-land/ where shareholders can have easy access to the Company's corporate information such as the Board Charter, Terms of Reference of the Board Committees, Company Policies, press releases, financial information, Company announcements and others.

The above channels of communication will help to enhance stakeholders' understanding of the business and operations of the Group and to make informed investment decisions.

Conduct of General Meetings

The Company's AGM remains the principal forum for dialogue with private and institutional shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with and constructive feedback from the shareholders. At each AGM, the Board presents the progress and performance of the Company's businesses and shareholders are encouraged to participate in the proceedings and question and answer session and thereafter to vote on all resolutions. The External Auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders in connection with the Audited Financial Statements.

The Chairman as well as the Chief Executive Officer will respond to shareholders' questions at the AGM. The Executive Directors and other Directors present will also respond when required. The Notice and agenda of AGM together with Form of Proxy are given to shareholders at least twenty-eight (28) days before the AGM, which gives sufficient time to prepare themselves to attend the AGM personally or to appoint a proxy to attend and vote on their behalf. Each item of the special business included in the Notice of AGM is accompanied by an explanatory statement on the proposed resolution to facilitate the full understanding and evaluation of issues involved.

Poll Voting

All the resolutions passed by the shareholders at the previous AGM held on 9 December 2019 were voted by way of a poll in accordance with the Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities. The shareholders were briefed on the voting procedures by the Share Registrar namely, Berjaya Registration Services Sdn Bhd while the results of the poll were verified and announced by the independent scrutineer, Messrs LT Lim & Associates.

The Company Secretaries will announce the poll results of the AGM with details on the number of votes cast for and against for each resolution and the respective percentage on the same day to Bursa Securities. The minutes of the AGM will also be made available on the Company's website after it has been confirmed and signed by the Chairman of the AGM.

Leverage Technology for Remote Participation and Voting by Shareholders

In view of the Covid-19 pandemic and as part of the Company's precautionary measures and initiative, the forthcoming AGM of the Company will be held on a fully virtual basis through live streaming from the broadcast venue and online remote voting using the Remote Participation and Voting facilities ("RPV Facilities") provided by the Poll Administrator of the Company, SS E Solutions Sdn Bhd via Securities Services ePortal's platform at https://sshsb.net.my/. This allows shareholders to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM of the Company via RPV Facilities.

Going forward, the Company may consider leveraging on the use of technology to facilitate voting in absentia and/or remote shareholders participation at general meetings, taking into consideration the number of shareholders, applicable laws and regulations and the cost and resources required vis-à-vis the benefits.

This CG Overview Statement was approved by the Board of Directors of the Company on 15 October 2020.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Berjaya Land Berhad ("BLand" or "the Group") is committed to maintaining a sound system of risk management and internal controls to provide for a platform for Group's business objectives to be achieved. The Board sets out below the nature and scope of the risk management and internal controls of the Group.

RESPONSIBILITY

The Board of BLand recognises that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The Board's responsibility in relation to the system of internal control extends to all the subsidiaries of the Group. In view of the limitations that are inherent in any system of internal control, the Group's internal control system is designed to manage and achieve business objectives. As such, the system can only provide reasonable assurance against material misstatement or loss.

The Board's primary objective and direction in managing the Group's principal business risks are to enhance the Group's ability to achieve its business objectives. In order to achieve these objectives, the Board has identified, evaluated and managed the significant risks being faced by the Group by monitoring the Group's performance and profitability at its Board meetings.

The Board has received assurance from the Chief Executive Officer and is of the view that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects.

MANAGEMENT STYLE

The Group's businesses which are operated by its subsidiaries are categorised into three main divisions:

- Gaming and Lottery Management ("Gaming Division");
- Hotels, Resorts and Recreation ("Hotels & Resorts Division"); and
- Property Development and Investment ("Property Division").

The management of the Group as a whole is assigned to the Chief Executive Officer and the Executive Directors who will lead the management teams. The Executive Directors and their respective management teams of the Group's individual operating units are accountable for the conduct and performance of their businesses within the agreed business strategy.

The Executive Directors and the management team, holds regular meetings and review financial and operations reports, in order to monitor the performance and profitability of the Group's businesses. The Group also prides itself in the "open-door" and "close-to-operations" policy practised by the Chief Executive Officer, Executive Directors and the management. These provide the platform for timely identification of the Group's risks and systems to manage risks.

Where the Group's business locations are dispersed, operations are divided into regions and areas. Regional and area offices are staffed by experienced personnel to ensure that the operations of the businesses are well controlled and in line with the operating procedures. Similarly, the overseas operations are being managed by experienced personnel in their respective country offices. Regular reporting on performance of their businesses is provided to the Chief Executive Officer and Executive Directors who are assigned to manage the respective overseas operations. In addition, the Executive Directors in charge also made field visits to these overseas operations as well as to conduct periodic performance review meetings with the management personnel, thus ensuring the business plans and targets are met.

The Board does not regularly review the internal control system of its associated companies, as the Board does not have any direct control over their operations. The Group's interests are served through board representations on the board of associated companies and the review of their management accounts, and enquiries thereon. As for its joint ventures, the Group has appointed representatives to the respective members' councils or to the respective board of these joint ventures which hold regular meetings to oversee and manage their operations. These representatives provide the Board with information for timely decision making on the continuity of the Board's investments based on the performance of the associated companies and joint ventures.

INTERNAL CONTROL PROCESSES

The key aspects of the internal control process are as follows:

- The operating units identify the areas of control relevant to their business, design the internal control procedures and document the procedures in manuals.
- The internal auditors of the Group establish the annual audit plan and table the plan to the Audit Committee for approval.
- The internal auditors perform the audit and present their audit reports to the Audit Committee, highlighting any shortcomings by the business units in implementing the controls and the remedial procedures implemented by the business units.

ASSURANCE MECHANISM

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. The Board has assigned the Audit Committee with the duty of reviewing and monitoring the effectiveness of the Group's internal control. The Audit Committee receives assurance reports from the internal auditors.

The Internal Audit function furnishes the Audit Committee with independent and objective reports from visits conducted at various operating units. The reports comprise the observations from internal audits together with management's responses and proposed action plans. The action plans are then followed up during subsequent internal audits with implementation status reported to the Audit Committee. The Internal Audit function is outsourced to the Group Internal Audit Division of Berjaya Corporation Berhad.

The Board also reviews the minutes of meetings of the Audit Committee. The Audit Committee Report is set on pages 61 to 65 of the Annual Report.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

Some of the identified key features of the Group's system of internal control include:

- Clear organisation structure and delineated reporting lines
- Defined levels of authority
- Monitoring mechanisms in the form of timely financial and operations reports, and scheduled management meetings
- Capable workforce with ongoing training
- Centralised human resource function which outlines procedures for recruitment, training, appraisal, the reward system and succession planning
- Centralised procurement function that ensures approval procedures are adhered to, as well as to leverage on the Group's purchasing power
- Payment functions controlled at Head Office
- Regular visits to the operating units of the Group's businesses by the Executive Directors and senior management personnel
- Independent assurance on the system of internal control from regular internal audit visits
- Physical security and systems access controls
- Business continuity planning

WHISTLEBLOWING POLICY

The Group has in place a whistleblowing policy, which provides an avenue for employees, the Group's third party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns, disclose alleged, suspected or actual wrongdoings on a confidential basis or known improper conduct without fear of any form of victimization, harassment, retribution or retaliation.

The whistleblowing policy was recently revised to clarify and further enhance existing reporting procedures.

RISK MANAGEMENT

A Risk Management Committee ("RMC") has been established by the Company to further enhance the Group's system of internal control and be in line with the Malaysian Code of Corporate Governance. The management teams of business units maintain risk registers which outlines the risk policies including the procedures of risk identification, risk tolerance and the evaluation and managing process.

The members of the RMC during the financial year ended 30 June 2020 are Datuk Robert Yong Kuen Loke (Chairman), Tan Sri Datuk Seri Panglima Richard Malanjum, Mr. Kee Mustafa, Mr. John V Pridjian and Dato' Ng Sooi Lin.

The RMC terms of reference include, inter alia:
- To ensure that the strategic context of risk management strategy is complete
- To determine the overall risk management processes
- To ensure that the short and long term risk management strategy, framework and methodology are implemented and consistently applied by all business units
- To ensure that risk management processes are integrated into all core business processes
- To establish risk reporting mechanism
- To establish business benefits
- To ensure alignment and coordination of assurance activity across the organisation
- To act as a steering committee for the group wide risk management programme

The key aspects of the risk management process are as follows:
- The business units are required to identify the risks relevant to their businesses.
- The risks are then assessed based on the probability of their occurrence and are evaluated as Low, Medium or High. The level of residual risk is determined after evaluating the effectiveness of controls and mitigating measures.
- The business units develop control procedures or action plans to either prevent the occurrence or reduce the impact upon its occurrence.
- The business units are required to update their risk profiles and review their processes in monitoring the risks periodically.
- On a quarterly basis, the business units are required to prepare a report summarising the significant risks and status of action plan. Selected reports will be submitted to the RMC for review and deliberation.

For the financial year ended 30 June 2020, the Risk Management Committee held four meetings where it reviewed risk management reports of various unlisted operating subsidiary companies (i.e. Berjaya Okinawa Development Co. Ltd., Tioman Island Resort Berhad, The Taaras Beach & Spa (Redang) Sdn Bhd and Berjaya Langkawi Beach Resort Sdn Bhd), and recommended certain measures to be adopted to mitigate their business risks.

REVIEW BY EXTERNAL AUDITORS

The external auditors have performed limited assurance procedures on the Statement on Risk Management and Internal Control ("SRMIC") pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3 (previously the Recommended Practice Guide 5 (Revised 2015), Guidance for Auditors on Engagements to Report on the SRMIC included in the Annual Report issued by the Malaysian Institute of Accountants), for the year ended 30 June 2020, and reported to the Board that nothing has come to their attention that causes them to believe the SRMIC intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the SRMIC: Guidelines for Directors of Listed Issuers, nor is the SRMIC factually inaccurate. AAPG 3 does not require the auditors to consider whether the Directors' SRMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely to the Board in connection with their compliance with the Listing Requirements of Bursa Malaysia and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

CONCLUSION

The Board remains committed towards operating a sound system of internal control and therefore recognises that the system must continuously evolve to support the type of business and size of operations of the Group. The Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Group's system of internal control.

The system of internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

AUDIT COMMITTEE REPORT

The Board of Directors of Berjaya Land Berhad ("BLand") is pleased to present the report of the Audit Committee for the financial year ended 30 June 2020 ("FYE 2020").

<u>Audit Committee Members and Meeting Attendances</u>

The current members of the Audit Committee comprises the following:-

Datuk Robert Yong Kuen Loke
- *Chairman/Independent/Non-Executive Director*

Tan Sri Datuk Seri Panglima Richard Malanjum
- *Independent/Non-Executive Director*

Kee Mustafa
- *Independent/Non-Executive Director*

John V Pridjian
- *Independent/Non-Executive Director*

The Audit Committee held five (5) meetings during the FYE 2020. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Datuk Robert Yong Kuen Loke	5/5
Tan Sri Datuk Seri Panglima Richard Malanjum (Appointed on 9 December 2019)	2/2*
Kee Mustafa	5/5
John V Pridjian	5/5
Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim@ (Retired on 9 December 2019)	3/3*

Notes:

* *Reflects the attendance and the number of Meetings held during the FYE 2020 since the Director held office.*

@ *Tan Sri Datuk Seri Razman Md Hashim Bin Che Din Md Hashim retired as an Independent Non-Executive Director/ Chairman of the Company at the conclusion of the Twenty-Ninth Annual General Meeting of the Company held on 9 December 2019.*

The Audit Committee meetings were convened with proper notices and agenda and these were distributed to all members of the Audit Committee with sufficient notification. The minutes of each of the Audit Committee meetings were recorded and tabled for confirmation at the next Audit Committee meeting and tabled at the Board Meeting for the Directors' review and notation.

The Chief Executive Officer, Head of Group Accounts & Budgets and the General Manager of Group Internal Audit were also invited to attend the Audit Committee meetings. The External Auditors were also invited to attend three (3) of these meetings. The Audit Committee also met with the External Auditors without the presence of executive Board members and the Management. In addition, the senior management of the relevant operations were also invited to provide clarification on the follow-up audit review and the adequacy of internal controls to be implemented to address these issues arising from the audit reports.

SUMMARY OF WORK OF THE AUDIT COMMITTEE

The duties and responsibilities of the Audit Committee are set out in its Terms of Reference, a copy of which is available on the Company's website at www.berjaya.com/berjaya-land.

In discharging its duties and responsibilities, the Audit Committee had undertaken the following activities and work during the FYE 2020:-

Financial Reporting

(a) Reviewed the interim financial statements including the draft announcements pertaining thereto and made recommendations to the Board for approval of the same as follows:-

Date of Meetings	Interim Financial Statements Reviewed
26 August 2019	Fifth period results for financial period ended 30 June 2019
10 October 2019	Draft statutory accounts of the Group for the financial period ended 30 June 2019
25 November 2019	First quarter results for financial year ended 30 June 2020
20 February 2020	Second quarter results for financial year ended 30 June 2020
9 June 2020	Third quarter results for financial year ended 30 June 2020

The above review is to ensure that BLand's fifth period results, quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standard 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standard 34 - Interim Financial Reporting as well as the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

(b) Reviewed the audited financial statements of the Company and the Group for the financial period ended 30 June 2019 together with the Management and the External Auditors at its meeting held on 10 October 2019 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval.

External Audit

(a) Evaluated the performance of the External Auditors for the financial period ended 30 June 2019 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the External Auditors. The Audit Committee, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young PLT ("EY"), had recommended to the Board for approval of the re-appointment of EY as External Auditors for the ensuing FYE 2020 at its meeting held on 10 October 2019.

(b) Discussed and considered the significant accounting adjustments and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The Audit Committee also had private discussions with EY on 26 August 2019 and 10 October 2019, without the presence of Management during the review of the audited financial statements for the period ended 30 June 2019 to discuss any problems/issues arising from the final audit and the assistance given by the employees during the course of audit by EY.

(c) Reviewed with the External Auditors at the meeting held on 9 June 2020, their audit plan in respect of the FYE 2020, outlining the audit scope, methodology and timetable, audit materiality, areas of audit emphasis, fraud consideration and the risk of management override, internal control considerations, digital audit, update on the New Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and also the new and revised auditors reporting standards.

Internal Audit

(a) Reviewed eleven (11) Internal Audit reports on the various non-listed operating subsidiaries of the Group during the financial year under review. Areas covered by the Internal Audit included the following :-

- Management and internal controls
- Finance and cash handling management
- Human Resource related matters
- Project Management
- Club Memberships
- Sales, Marketing and Tenancy Management
- Information Technology
- Building Maintenance and Safety & Security Controls Management
- Refurbishment/Renovation Exercise
- Purchasing, Inventories & Maintenance
- Administrative control issue

The Audit Committee then deliberated the findings and recommendations made including the Management's responses thereto. The Internal Audit monitored the implementation of management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses were being properly addressed.

(b) Reviewed and approved the Internal Audit Plan for financial year ending 30 June 2021 to ensure that the scope and coverage of the internal audit on the operations of the BLand Group is adequate and comprehensive and that all the risk areas are audited annually.

Recurrent Related Party Transactions

(a) Reviewed the Circular to Shareholders in connection with the Recurrent Related Party Transactions that arose within the Group to ensure that the transactions are fair and reasonable to, and are not to the detriment of, the minority shareholders.

The framework set up for identifying and monitoring the Recurrent Related Party Transactions includes inter-alia, the following:-

(i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;

(ii) The Related Parties and interested Directors will be notified of the method and/or procedures of the Group;

(iii) Records of Recurrent Related Party Transactions will be retained and compiled by the Group Accountant for submission to the Audit Committee for review;

(iv) The Audit Committee is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the Group;

(v) The Audit Committee also reviewed the procedures and processes with regards to the Recurrent Related Party Transactions on a half yearly basis to ensure that the transactions are within the approved mandate;

(vi) Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the extraordinary general meeting or annual general meeting to be convened for the purpose; and

(vii) Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial year, amongst others, based on the following information:-

- the type of the Recurrent Related Party Transactions made; and
- the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the Group.

Related Party Transactions

(a) The Audit Committee also reviewed transactions with related parties and/or interested persons to ensure that such transactions are undertaken on an arm's length basis, on normal commercial terms consistent with the Company's business practices and policies, not prejudicial to the interests of the Company and its minority shareholders and on terms which are generally no more favourable to the related parties and/or interested persons (pursuant to Chapter 10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad).

During the FYE 2020, the Audit Committee had reviewed among others, the following related party transactions, prior to their recommendations to the Board for approval and to make the relevant announcements thereof:-

(i) Proposed acquisition of 100% equity interest in Berjaya Engineering Construction Sdn Bhd ("BEC") comprising 5 million ordinary shares in BEC from Berjaya Group Berhad for a total cash consideration of RM4.82 million.

(ii) Proposed disposal of 3.50 million ordinary shares representing about 0.30% equity interest in 7-Eleven Malaysia Holdings Berhad ("SEM") to Mr Teoh Ewe Jin via a direct business transaction for a total cash consideration of RM4.90 million, which had resulted in the decrease of BLand Group's equity interest in SEM from 2.67% to 2.37%, so as to enable the BLand Group to realise part of its investment in SEM and to raise fund for the working capital of the BLand Group.

(iii) Proposed acquisitions of additional 5.0 million ordinary shares in Berjaya Food Berhad ("BFood") in the open market or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group's equity interest in BFood from 2.32% to 3.79%, so as to enable the BLand Group to increase its investment in BFood.

(iv) Proposed acquisition of up to 5.0 million ordinary shares in SEM in the open market and/or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group's equity interest in SEM from 2.37% to 2.80%, so as to enable the BLand Group to increase its investment in SEM.

(v) Proposed acquisition of up to 20.0 million ordinary shares representing about 5.65% equity interest in BFood in the open market and/or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group's equity interest in BFood from 3.56% to 9.22%, to enable the BLand Group to increase its investments in BFood which has constant and good dividend records in the previous years.

(vi) Proposed acquisition of up to 20.0 million ordinary shares representing about 1.74% equity interest in SEM in the open market and/or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group's equity interest in SEM from 2.74% to 4.47%, to enable the BLand Group to increase its investments in SEM which has constant and good dividend records in the previous years.

(vii) Proposed acquisition of up to 10.0 million ordinary shares representing about 0.39% equity interest in Berjaya Assets Berhad ("BAssets") in the open market and/or via direct business transactions based on the prevailing market prices, which had resulted in an increase of BLand Group's equity interest in BAssets from 9.09% to 9.48%, to enable the BLand Group to increase its stake in BAssets.

Other Activities

(a) Reviewed and recommended to the Board for approval, the Audit Committee Report, Corporate Governance Report, Corporate Governance Overview Statement, Directors' Responsibility Statement in respect of the Audited Financial Statements and Statement of Risk Management and Internal Control for inclusion in the 2019 Annual Report.

(b) Reviewed, discussed and took note of the new accounting standards and amendments that came into effect during the financial year including the assessment of adoption of new accounting standard – MFRS 16: Leases and other regulatory requirements with External Auditors and the Management and its impact on the financial statements.

(c) Reviewed and assessed the financial literacy of Audit Committee members for the financial period ended 30 June 2019.

SUMMARY OF THE WORK OF THE INTERNAL AUDIT FUNCTION

The Internal Audit Function of Berjaya Land Berhad is outsourced to the Group Internal Audit Division of the ultimate holding company, Berjaya Corporation Berhad, whose primary function is to assist the Audit Committee in discharging its duties and responsibilities. Their role is to undertake independent regular and systematic reviews of the systems of internal controls and procedures of operating units within the Group so as to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance to the Group's established policies and procedures.

The Internal Audit's activities are guided by the Group's Internal Audit Charter and the Internal Audit Division adopts a risk-based approach focusing on high risk areas. All high risk activities in each auditable area are audited annually.

The activities undertaken by the Internal Audit Division during the financial year ended 30 June 2020 included the following:

1. Tabled Internal Audit Plan for the Audit Committee's review and endorsement.
2. Reviewed the existing systems, controls and governance processes of various operating units within the Group.
3. Conducted audit reviews and evaluated risk exposures relating to the Group's governance process and system of internal controls on reliability and integrity of financial and operational information, safeguarding of assets, efficiency of operations, compliance with established policies and procedures and statutory requirements.
4. Provided recommendations to assist the various operating units and the Group in accomplishing its internal control requirements by suggesting improvements to the control processes.
5. Issued internal audit reports incorporating audit recommendations and management's responses in relation to audit findings on weaknesses in the systems and controls to the Audit Committee and the respective operations management.
6. Presented internal audit reports to the Audit Committee for review.
7. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

For the financial year under review, the Internal Audit Division conducted audit assignments on various operating units of the Group involved in hotels, resorts and golf club operations, vacation timeshare, security guard services, property development, investment and management.

The cost incurred for the Internal Audit function of the Group in respect of the financial year ended 30 June 2020 was approximately RM1,257,900.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Terms of Reference of the Audit Committee which laid down its duties is accessible via the Company's website at www.berjaya.com/berjaya-land.

STATEMENT OF DIRECTORS' RESPONSIBILITY

IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The directors are required by the Companies Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company at the end of each financial year and of their results and cash flows for the financial year then ended.

In preparing the financial statements, the directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable;
- ensured that applicable accounting standards have been complied with; and
- applied the going concern basis.

The directors are responsible for ensuring that the Group and the Company keep proper accounting records, which disclose with reasonable accuracy on the financial position of the Group and of the Company, and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016.

The directors are responsible for taking reasonable steps to safeguard the assets of the Company and to prevent and detect other irregularities.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiary companies.

The principal activities of the subsidiary companies consist of:
(i) Toto betting operation under Section 5 of the Pool Betting Act, 1967;
(ii) property development and investment;
(iii) development and operation of hotels and resorts, vacation time share and operating of a casino;
(iv) franchisor and licensor for computer and commercial training centres and examination facilitators;
(v) development, manufacturing, distribution of computerised wagering and voting systems and provision of software support;
(vi) motor retailing, repair and maintenance and provision of aftersales and insurance services; and
(vii) investment holding.

RESULTS

	GROUP RM'000	COMPANY RM'000
Profit for the financial year	43,535	113,004
(Loss)/Profit attributable to:		
Owners of the Parent	(65,072)	113,004
Non-controlling interests	108,607	-
	43,535	113,004

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

In the opinion of the Directors, the results of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Notes 32, 33, 42 and 49 to the financial statements.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period.

The Board does not recommend the payment of any dividend for the current financial year ended 30 June 2020.

DIRECTORS

The names of the Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Datuk Seri Panglima Richard Malanjum	(Appointed on 9 December 2019)
Syed Ali Shahul Hameed	
Nerine Tan Sheik Ping	
Chryseis Tan Sheik Ling	
Datuk Robert Yong Kuen Loke	
Kee Mustafa	
Dato' Ng Sooi Lin	
John V Pridjian	
Tan Sri Datuk Seri Razman Md Hashim bin Che Din Md Hashim	(Retired on 9 December 2019)
Tan Thiam Chai	(Resigned on 8 May 2020)

The names of directors of subsidiary companies are set out in the respective subsidiary companies' statutory accounts and the said information is deemed incorporated herein by such reference and made a part hereof.

DIRECTORS' BENEFITS

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

Since the end of the previous financial period, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as disclosed in Note 36 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 43 to the financial statements.

The Company maintained a Directors' and Officers' Liability Insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and for the Group. The total amount of insurance premium effected for any director and officer of the Company and of the Group for the financial year was RM74,622. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of Directors in office at the end of the financial year in shares, warrants and debentures in the Company and its related corporations during the financial year were as follows:

DIRECTORS' INTERESTS (CONT'D)

THE COMPANY

	Number of Ordinary Shares			
Berjaya Land Berhad	**At 1.7.2019**	**Bought**	**Sold**	**At 30.6.2020**
Nerine Tan Sheik Ping	2,000,000	-	-	2,000,000
Chryseis Tan Sheik Ling	5,000,000	-	-	5,000,000
Datuk Robert Yong Kuen Loke	360,808	-	-	360,808
Dato' Ng Sooi Lin	224,000	-	-	224,000

ULTIMATE HOLDING COMPANY

	Number of Ordinary Shares			
Berjaya Corporation Berhad	**At 1.7.2019**	**Bought**	**Sold**	**At 30.6.2020**
Chryseis Tan Sheik Ling	202,910	-	-	202,910
Datuk Robert Yong Kuen Loke	1,051,545	-	-	1,051,545
Dato' Ng Sooi Lin	138,741	-	2,060	136,681

	Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value			
	At 1.7.2019	**Bought**	**Sold**	**At 30.6.2020**
Nerine Tan Sheik Ping	132,000	-	-	132,000
Chryseis Tan Sheik Ling	275,000	-	-	275,000
Datuk Robert Yong Kuen Loke	2,516,508	-	-	2,516,508
Dato' Ng Sooi Lin	16,666	-	-	16,666

	Number of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value			
	At 1.7.2019	**Bought**	**Sold**	**At 30.6.2020**
Dato' Ng Sooi Lin	1,000	-	-	1,000

	Number of Warrants 2012/2022			
	At 1.7.2019	**Bought**	**Sold**	**At 30.6.2020**
Datuk Robert Yong Kuen Loke	170,108	-	-	170,108
Dato' Ng Sooi Lin	16,666	-	-	16,666

	Number of Warrants 2016/2026			
	At 1.7.2019	**Bought**	**Sold**	**At 30.6.2020**
Dato' Ng Sooi Lin	1,000	-	-	1,000

DIRECTORS' INTERESTS (CONT'D)

RELATED COMPANY

	Number of Ordinary Shares			
Berjaya Sports Toto Berhad	**At 1.7.2019**	**Bought**	**Sold**	**At 30.6.2020**
Datuk Robert Yong Kuen Loke	123,667	-	-	123,667

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in shares, warrants and debentures in the Company or its related corporations during the financial year.

SHARE CAPITAL AND TREASURY SHARES

The number of treasury shares held as at 30 June 2020 was as follows:

	Average price per share (RM)	Number of shares '000	Amount RM'000
At 1 July 2019	1.89	10,943	20,699
Acquisition of additional treasury shares during the financial year	0.19	68,894	12,944
At 30 June 2020	0.42	79,837	33,643

As at 30 June 2020, the number of ordinary shares in issue and fully paid with voting rights was 4,920,500,000 ordinary shares (2019 : 4,989,394,000 ordinary shares).

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 49 to the financial statements.

SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END

Significant events subsequent to the financial year end are disclosed in Note 50 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the statements of financial position, statements of profit or loss and statements of comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

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

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

(e) At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the Directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young PLT, (change of legal status from a conventional partnership to a Limited Liability Partnership on 2 January 2020) have expressed their willingness to continue in office.

The remuneration of the auditors is disclosed in Note 35 to the financial statements.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during the financial year and since the end of the financial year.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 20 October 2020.

TAN SRI DATUK SERI PANGLIMA RICHARD MALANJUM	SYED ALI SHAHUL HAMEED

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, TAN SRI DATUK SERI PANGLIMA RICHARD MALANJUM and SYED ALI SHAHUL HAMEED, being two of the Directors of BERJAYA LAND BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 76 to 244 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2020 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 20 October 2020.

TAN SRI DATUK SERI PANGLIMA
RICHARD MALANJUM

SYED ALI SHAHUL HAMEED

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF COMPANIES ACT 2016

I, SYED ALI SHAHUL HAMEED, being the Director primarily responsible for the financial management of BERJAYA LAND BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 76 to 244 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed SYED ALI SHAHUL HAMEED
at Kuala Lumpur in the Federal Territory
on 20 October 2020.

SYED ALI SHAHUL HAMEED

Before me,

YM TENGKU FARIDDUDIN BIN TENGKU SULAIMAN (W533)
Commissioner for Oaths
Kuala Lumpur

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2020

		GROUP		COMPANY	
		2020	2019	2020	2019
	Note	RM'000	RM'000	RM'000	RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3	1,709,233	1,571,650	1,906	2,132
Right-of-use assets	4	1,308,012	-	-	-
Subsidiary companies	7	-	-	3,355,262	3,030,156
Investment properties	5	712,071	728,766	-	-
Inventories - Land held for property development	6	1,095,083	861,321	-	-
Associated companies	8	468,067	522,351	43,339	40,591
Joint ventures	9	53,689	56,177	-	-
Investments	10	190,384	174,155	58,435	17,487
Intangible assets	11	3,612,867	3,592,282	-	-
Receivables	13	211,807	1,358,185	829,140	676,400
Deferred tax assets	26	77,103	70,963	-	-
		9,438,316	8,935,850	4,288,082	3,766,766
CURRENT ASSETS					
Inventories - Property development costs	6	73,099	202,270	-	-
Inventories - Others	6	667,576	618,021	-	-
Contract cost assets	12	118,257	97,951	-	-
Receivables	13	2,055,955	1,138,375	1,123,435	1,207,918
Contract assets	14	8,032	58,398	-	-
Tax recoverable		26,423	13,734	-	549
Short term investments	15	8,727	9,691	-	-
Derivative asset	25	343	-	343	-
Deposits	16	242,161	432,917	66,423	62,062
Cash and bank balances	17	402,048	327,861	5,486	11,654
		3,602,621	2,899,218	1,195,687	1,282,183
Assets of disposal group/Non-current assets classified as held for sale	18	778,056	230,084	-	-
		4,380,677	3,129,302	1,195,687	1,282,183
TOTAL ASSETS		13,818,993	12,065,152	5,483,769	5,048,949

		GROUP		COMPANY	
	Note	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
EQUITY					
Share capital	19	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	20	1,612,434	1,697,945	616,071	504,834
Equity funds		4,112,602	4,198,113	3,116,239	3,005,002
Treasury shares	21	(33,643)	(20,699)	(33,643)	(20,699)
Net equity funds		4,078,959	4,177,414	3,082,596	2,984,303
Non-controlling interests		2,134,130	2,080,907	-	-
Total Equity		6,213,089	6,258,321	3,082,596	2,984,303
NON-CURRENT LIABILITIES					
Long term borrowings	22	2,338,311	1,742,770	843,276	501,294
Lease liabilities	4	947,078	-	-	-
Contract liabilities	14	224,512	239,895	-	-
Long term liabilities	23	22,938	29,799	367,547	285,076
Retirement benefit obligations	24	7,176	5,124	-	-
Derivative liabilities	25	28,239	-	-	-
Deferred tax liabilities	26	1,006,042	959,611	-	-
		4,574,296	2,977,199	1,210,823	786,370
CURRENT LIABILITIES					
Payables	27	1,224,973	1,248,257	579,798	695,244
Short term borrowings	28	1,285,547	1,238,626	596,615	583,032
Lease liabilities	4	73,735	-	-	-
Contract liabilities	14	326,330	309,705	-	-
Retirement benefit obligations	24	49	251	-	-
Derivative liabilities	25	763	-	763	-
Provisions	29	3,031	1,771	-	-
Tax payable		13,647	18,929	13,174	-
		2,928,075	2,817,539	1,190,350	1,278,276
Liabilities directly associated to disposal group classified as held for sale	18	103,533	12,093	-	-
		3,031,608	2,829,632	1,190,350	1,278,276
Total Liabilities		7,605,904	5,806,831	2,401,173	2,064,646
TOTAL EQUITY AND LIABILITIES		13,818,993	12,065,152	5,483,769	5,048,949

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	Note	GROUP 1.7.2019 to 30.6.2020 RM'000	GROUP 1.5.2018 to 30.6.2019 RM'000	COMPANY 1.7.2019 to 30.6.2020 RM'000	COMPANY 1.5.2018 to 30.6.2019 RM'000
Revenue	30	5,160,309	7,307,221	289,774	31,901
Cost of sales		(4,023,516)	(5,560,743)	-	-
Gross profit		1,136,793	1,746,478	289,774	31,901
Other income	31	183,090	144,685	497	308
Administrative expenses		(841,129)	(951,109)	(37,303)	(40,001)
Selling and marketing expenses		(298,603)	(388,167)	-	-
		180,151	551,887	252,968	(7,792)
Investment related income	32	80,654	286,142	66,973	79,253
Investment related expenses	33	(25,266)	(56,295)	(74,935)	(33,138)
Finance costs	34	(199,004)	(205,366)	(113,304)	(131,358)
Share of results of associated companies		152,352	(27,327)	-	-
Share of results of joint ventures		(3,505)	(2,644)	-	-
Profit/(Loss) before tax	35	185,382	546,397	131,702	(93,035)
Taxation	38	(141,847)	(193,925)	(18,698)	(4,817)
Profit/(Loss) for the financial year/period		43,535	352,472	113,004	(97,852)
Attributable to:					
Owners of the Parent		(65,072)	154,083	113,004	(97,852)
Non-controlling interests		108,607	198,389	-	-
		43,535	352,472	113,004	(97,852)
(Loss)/Earnings per share attributable to owners of the Parent (sen)	39				
Basic		(1.31)	3.09		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	GROUP		COMPANY	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Profit/(Loss) for the financial year/period	43,535	352,472	113,004	(97,852)
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Currency translation differences:				
- Movement during the financial year/period	16,353	38,902	-	-
- Transfer to profit or loss upon disposal of interests in subsidiary companies	-	(1,549)	-	-
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Change in fair value reserve of equity investments classified as fair value through other comprehensive income ("FVTOCI")	(28,293)	(5,867)	(1,767)	(59)
Share of associated companies' changes in fair values of FVTOCI investments	(4,520)	(2,194)	-	-
Change in fair value reserve:				
- Impairment of gaming rights	-	(433,926)	-	-
- Reversal of deferred tax liabilities arising on impairment of gaming rights	-	100,177	-	-
Actuarial loss recognised in defined benefit pension schemes	(4,708)	(710)	-	-
Tax effect relating to defined benefit pension schemes	1,001	154	-	-
Share of other comprehensive (loss) /income of an associated company	(19)	3	-	-
Total comprehensive income for the financial year/period	23,349	47,462	111,237	(97,911)
Attributable to:				
Owners of the Parent	(91,111)	46,152	111,237	(97,911)
Non-controlling interests	114,460	1,310	-	-
	23,349	47,462	111,237	(97,911)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	<---- Attributable to owners of the Parent										---->		
		<---- Non-distributable					---->	Distributable					
GROUP	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value through other com-prehensive income reserve RM'000	Fair value reserve RM'000	Foreign currency translation reserve of disposal group classified as held for sale RM'000	Reserve of non-current asset held for sale RM'000	Consolidation reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Treasury shares RM'000	Net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 July 2019	2,500,168	181,101	(44,994)	1,054,940	-	877	80,064	116,528	309,429	(20,699)	4,177,414	2,080,907	6,258,321
Profit for the financial year	-	-	-	-	-	-	-	-	(65,072)	-	(65,072)	108,607	43,535
Other comprehensive income	-	(6,701)	(18,342)	-	-	-	-	-	(996)	-	(26,039)	5,853	(20,186)
Total comprehensive income	-	(6,701)	(18,342)	-	-	-	-	-	(66,068)	-	(91,111)	114,460	23,349
Effects arising from the disposals of:													
- FVTOCI investments	-	-	1,287	-	-	-	-	-	(1,287)	-	-	-	-
- a non-current asset	-	-	-	-	-	(877)	-	-	877	-	-	-	-
Transfer to disposal group classified as held for sale	-	(66,953)	-	-	66,953	-	-	-	-	-	-	-	-
Transactions with owners:													
Non-controlling interests effects arising from:													
- a decrease of equity interest in a subsidiary company	-	-	-	-	-	-	5,600	-	-	-	5,600	1,390	6,990
- acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	1,979	1,979
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	(12,944)	(12,944)	-	(12,944)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(64,606)	(64,606)
	-	-	-	-	-	-	5,600	-	-	(12,944)	(7,344)	(61,237)	(68,581)
At 30 June 2020	2,500,168	107,447	(62,049)	1,054,940	66,953	-	85,664	116,528	242,951	(33,643)	4,078,959	2,134,130	6,213,089

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	<------ Attributable to owners of the Parent											------>
		<------ Non-distributable					------>	Distributable				
GROUP	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value through other com-prehensive income reserve RM'000	Fair value reserve RM'000	Reserve of non-current asset held for sale RM'000	Consolidation reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Treasury shares RM'000	Net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 May 2018	2,500,168	152,707	(41,068)	1,199,412	-	81,719	116,528	151,560	(20,699)	4,140,327	2,279,015	6,419,342
Profit for the financial period	-	-	-	-	-	-	-	154,083	-	154,083	198,389	352,472
Other comprehensive income	-	28,394	(4,420)	(131,892)	-	-	-	(13)	-	(107,931)	(197,079)	(305,010)
Total comprehensive income	-	28,394	(4,420)	(131,892)	-	-	-	154,070	-	46,152	1,310	47,462
Effects of amortisation of gaming rights	-	-	-	(11,703)	-	-	-	11,703	-	-	-	-
Effects arising from the disposal of FVTOCI investments	-	-	494	-	-	-	-	(494)	-	-	-	-
Transfer to non-current asset classified as held for sale	-	-	-	(877)	877	-	-	-	-	-	-	-
Transactions with owners:												
Non-controlling interests effects arising from:												
- an increase of equity interest in a subsidiary company	-	-	-	-	-	(1,655)	-	(7,410)	-	(9,065)	(33,328)	(42,393)
- capital contribution in a subsidiary company	-	-	-	-	-	-	-	-	-	-	19	19
- disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(5,451)	(5,451)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(160,658)	(160,658)
	-	-	-	-	-	(1,655)	-	(7,410)	-	(9,065)	(199,418)	(208,483)
At 30 June 2019	2,500,168	181,101	(44,994)	1,054,940	877	80,064	116,528	309,429	(20,699)	4,177,414	2,080,907	6,258,321

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

COMPANY	Share capital RM'000	Non-distributable Fair value through other com--prehensive income reserve RM'000	Distributable Retained earnings RM'000	Treasury shares RM'000	Total equity RM'000
At 1 July 2019	2,500,168	(7,276)	512,110	(20,699)	2,984,303
Profit for the financial year	-	-	113,004	-	113,004
Other comprehensive income	-	(1,767)	-	-	(1,767)
Total comprehensive income	-	(1,767)	113,004	-	111,237
Transaction with owners:					
Acquisition of treasury shares	-	-	-	(12,944)	(12,944)
At 30 June 2020	2,500,168	(9,043)	625,114	(33,643)	3,082,596
At 1 May 2018:	2,500,168	(7,217)	609,962	(20,699)	3,082,214
Loss for the financial period	-	-	(97,852)	-	(97,852)
Other comprehensive income	-	(59)	-	-	(59)
Total comprehensive income	-	(59)	(97,852)	-	(97,911)
At 30 June 2019	2,500,168	(7,276)	512,110	(20,699)	2,984,303

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	GROUP	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers/operating revenue	5,433,730	7,654,377
Payment to prize winners, suppliers and other operating expenses	(4,614,633)	(6,327,869)
Payment for pool betting duties, gaming tax, goods and services tax and other government contributions	(547,781)	(702,671)
Payment of development expenditure	(123,850)	(118,647)
Payment of taxes	(152,316)	(209,305)
Refund of taxes	5,618	3,179
Other receipts	17,033	10,691
Net cash generated from operating activities	17,801	309,755
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment and other non-current assets	31,008	12,790
Sale of investments	23,398	2,883
Sale of partial equity interest in a subsidiary company	26,835	-
Sale of short term investments	1,250	399
Sale of equity interest in a joint venture	-	192,374
Acquisition of property, plant and equipment (Note a)	(117,155)	(108,892)
Acquisition of properties and other non-current/current assets	(25,078)	(17,007)
Part payment for right-of-use assets (Note b)	(19,504)	-
Acquisition of treasury shares by a subsidiary company	(19,845)	-
Acquisition of additional equity interest in subsidiary companies	-	(55,591)
Net cash (outflow)/inflow from disposal of subsidiary companies (Note c)	(10,269)	6,848
Net cash outflow from the acquisition of subsidiary companies (Note c)	(221,417)	(3,810)
Acquisition of additional equity interests in associated companies	(9,207)	(11,729)
Advance for subscription of shares in a joint venture	(500)	(1,816)
Acquisition of investments	(61,704)	(66,588)
Acquisition of computer software classified as intangible assets	(2,347)	(321)
Interest received	17,812	43,569
Dividends received	106,455	10,645
Net repayment from/(advances to) related companies	34,927	(54,533)
Net repayment from joint ventures	44,812	354,706
Net withdrawals with fund managers	-	86,642
Deposits refunded for the proposed disposals of foreign ventures	-	(156,191)
Other (payments)/receipts arising from investments	(715)	156,586
Net cash (used in)/generated from investing activities	(201,244)	390,964

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	GROUP	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contribution from non-controlling interest in a subsidiary company	-	19
Issuance of medium term notes	358,960	678,866
Drawdown of bank borrowings and other loans	819,071	403,746
Repayment of bank borrowings and other loans	(351,666)	(733,615)
Redemption of medium term notes	(460,000)	(780,000)
Interest paid	(150,974)	(209,029)
Payment of finance lease and hire purchase liabilities	(8,751)	(9,075)
Payment of lease liabilities	(39,969)	-
Dividends paid to non-controlling interests	(100,454)	(156,995)
Acquisition of treasury shares	(12,944)	-
Withdrawals of/(placements with) securities pledged for borrowings from banks	825	(10,140)
Net cash generated from/(used in) financing activities	54,098	(816,223)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(129,345)	(115,504)
EFFECTS OF EXCHANGE RATE CHANGES	3,722	8,698
OPENING CASH AND CASH EQUIVALENTS	680,734	787,540
CLOSING CASH AND CASH EQUIVALENTS (Note d)	555,111	680,734

(a) The additions in property, plant and equipment were by way of:

	GROUP	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Cash	117,155	108,892
Hire purchase and leasing	1,114	2,007
Restoration cost	1,055	-
	119,324	110,899

(b) The additions of right-of-use assets were by way of:

Lease liabilities	83,099	-
Payables	10,790	-
Cash	19,504	-
	113,393	-

(c) The analysis of the effects of the acquisitions and disposals of subsidiary companies on cash flows is disclosed in Note 7.

(d) The closing cash and cash equivalents comprise the following:

	GROUP	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Deposits (Note 16)	242,161	432,917
Cash and bank balances	402,048	327,861
Bank overdrafts (Note 28)	(10,224)	(9,333)
	633,985	751,445
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(74,287)	(79,100)
- Cash and bank balances (Note 17)	(5,554)	(1,566)
	554,144	670,779
Including: Cash and cash equivalents of disposal group classified as held for sale (Note 18)	967	9,955
	555,111	680,734

(e) Reconciliation of liabilities arising from financing activities:

	Medium term notes RM'000	Bank borrowings and other loans RM'000	Lease liabilities RM'000	Finance lease and hire purchase liabilities RM'000	Total RM'000
At 1 July 2019	1,298,385	1,604,354	-	69,324	2,972,063
Effect of adoption of MFRS 16: Leases	-	-	403,634	-	403,634
Drawdown of borrowings	358,960	819,071	-	-	1,178,031
Arising from acquisition of subsidiary companies	-	273,729	560,786	-	834,515
Additional hire purchase liabilities	-	-	-	1,114	1,114
Additional lease liabilities	-	-	83,099	-	83,099
Repayment of borrowings	(460,000)	(351,666)	-	(8,751)	(820,417)
Repayment of lease liabilities	-	-	(39,969)	-	(39,969)
Charge out of deferred transaction costs	313	5,466	-	-	5,779
Exchange differences	-	3,454	13,263	(119)	16,598
At 30 June 2020	1,197,658	2,354,408	1,020,813	61,568	4,634,447

	Medium term notes RM'000	Bank borrowings and other loans RM'000	Finance lease and hire purchase liabilities RM'000	Total RM'000
At 1 May 2018	1,399,221	1,935,838	74,257	3,409,316
Drawdown of borrowings	678,866	403,746	-	1,082,612
Additional hire purchase liabilities	-	-	2,007	2,007
Repayment of borrowings	(780,000)	(733,615)	(9,075)	(1,522,690)
Charge out of deferred transaction costs	298	4,987	-	5,285
Exchange differences	-	(6,602)	2,135	(4,467)
At 30 June 2019	1,298,385	1,604,354	69,324	2,972,063

(e) Reconciliation of liabilities arising from financing activities (cont'd):

The total cash outflows for leases were as follows:

	GROUP	
	1.7.2019 to 30.6.2020 RM'000	**1.5.2018 to 30.6.2019 RM'000**
Payment for principal portion of lease liabilities	39,969	-
Interest paid on lease liabilities	21,367	-
	61,336	-

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	COMPANY	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	130,290	36,687
Payment for operating expenses	(45,906)	(53,399)
Payment for taxes net of tax refunds	(4,975)	(9,995)
Other receipts	1,279	1,817
Net cash generated from/(used in) operating activities	80,688	(24,890)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment	-	79
Acquisition of property, plant and equipment (Note a)	(326)	(597)
Subscription of additional shares in subsidiary companies	(338,105)	(391,766)
Acquisition of additional equity interest in an associated company	(2,748)	-
Acquisition of investments	(43,380)	-
Capital contribution to a subsidiary company	(4,135)	-
Interest received	2,341	11,375
Inter-company receipts	417,743	831,756
Inter-company advances	(420,048)	(220,235)
Other receipts arising from investments	38,351	171,545
Net cash (used in)/generated from investing activities	(350,307)	402,157
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank borrowings and other loans	561,812	253,871
Issuance of medium term notes	300,000	125,000
Interest paid	(69,892)	(91,966)
Payment of hire purchase liabilities	(373)	(335)
Repayment of bank borrowings and other loans	(111,965)	(399,884)
Redemption of medium term notes	(400,000)	(225,000)
Acquisition of treasury shares	(12,944)	-
Placements of securities pledged for borrowings with banks	(4,109)	(19,967)
Net cash generated from/(used in) financing activities	262,529	(358,281)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(7,090)	18,986
OPENING CASH AND CASH EQUIVALENTS	17,204	(1,782)
CLOSING CASH AND CASH EQUIVALENTS (Note b)	10,114	17,204

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

(a) The additions in property, plant and equipment were by way of:

	COMPANY	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Cash	326	597
Hire purchase	110	888
	436	1,485

(b) The closing cash and cash equivalents comprise the following:

	COMPANY	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Deposits (Note 16)	66,423	62,062
Cash and bank balances	5,486	11,654
Bank overdrafts (Note 28)	(1,174)	-
	70,735	73,716
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(55,923)	(56,463)
- Cash and bank balances (Note 17)	(4,698)	(49)
	10,114	17,204

(c) Reconciliation of liabilities arising from financing activities:

	Medium term notes RM'000	Bank borrowings and other loans RM'000	Hire purchase liabilities RM'000	Total RM'000
At 1 July 2019	499,519	583,656	1,151	1,084,326
Drawdown of borrowings	300,000	561,812	-	861,812
Additional hire purchase liabilities	-	-	110	110
Repayment of borrowings	(400,000)	(111,965)	(373)	(512,338)
Charge out of deferred transaction costs	313	4,494	-	4,807
At 30 June 2020	399,832	1,037,997	888	1,438,717
At 1 May 2018	599,221	725,844	598	1,325,663
Drawdown of borrowings	125,000	253,871	-	378,871
Additional hire purchase liabilities	-	-	888	888
Repayment of borrowings	(225,000)	(399,884)	(335)	(625,219)
Charge out of deferred transaction costs	298	3,825	-	4,123
At 30 June 2019	499,519	583,656	1,151	1,084,326

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1 ABBREVIATION AND CORPORATE INFORMATION

1.1 ABBREVIATION

The following abbreviations are applied throughout the financial statements :-

The Group - Berjaya Land Berhad and its subsidiary companies
BCorp - Berjaya Corporation Berhad
BLand - Berjaya Land Berhad
BToto - Berjaya Sports Toto Berhad
MFRSs - Malaysian Financial Reporting Standards

1.2 CORPORATE INFORMATION

The principal activities of the Company are investment holding and the provision of management services to its subsidiary companies. The principal activities of the subsidiary companies consist of:

(i) Toto betting operation under Section 5 of the Pool Betting Act, 1967;
(ii) property development and investment;
(iii) development and operation of hotels and resorts, vacation time share and operating of a casino;
(iv) franchisor and licensor for computer and commercial training centres and examination facilitators;
(v) development, manufacturing, distribution of computerised wagering and voting systems and provision of software support;
(vi) motor retailing, repair and maintenance and provision of aftersales and insurance services; and
(vii) investment holding and others.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The registered office of the Company is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur. The principal place of business of the Company is located at Level 12, Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.

The ultimate holding company is BCorp which is incorporated in Malaysia and is listed on the Main Market of Bursa Malaysia.

Related companies in these financial statements refer to member companies of the BCorp group of companies other than subsidiary companies of the Company.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 October 2020.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below and comply with MFRSs, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM") and all values/units are rounded to the nearest thousand ("RM'000")/('000) except when otherwise indicated.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Subsidiaries and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies, which are prepared up to the end of the same financial year/period.

Subsidiary companies are those investees controlled by the Group. The Group controls an investee if and only if the Group has all the following:
i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
ii) exposure, or rights, to variable returns from its investment with the investee; and
iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Group has power over the investee:
i) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
ii) potential voting rights held by the Group, other vote holders or other parties;
iii) contractual arrangement with the other vote holders of the investee;
iv) rights arising from other contractual arrangements; and
v) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiary companies are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until that date such control ceases.

The cost of acquisition of a subsidiary company depends on whether it is a business combination, in accordance to the specifications in MFRS 3: Business Combinations, or not. If it is not a business combination, the cost of acquisition consists of the consideration transferred ("CT"). The CT is the sum of fair values of the assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree on the date of acquisition, and any contingent consideration. For an acquisition that is not a business combination, the acquisition-related costs can be capitalised as part of the cost of acquisition. If it is a business combination, the cost of acquisition (or specifically, the cost of business combination) consists of CT, and the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held equity interest in the acquiree. For an acquisition that is a business combination, the acquisition-related costs are recognised in profit or loss as incurred.

If the business combination is achieved in stages, any previously held equity interests in the acquiree are re-measured to fair value at the acquisition date with any corresponding gain or loss recognised in profit or loss.

Any excess of the cost of business combination, as the case may be, over the net amount of the fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill. For business combinations, provisions are made for the acquiree's contingent liabilities existing at the date of acquisition as the Group deems that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(1) Subsidiaries and basis of consolidation (Cont'd)

Any excess of the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed over the cost of business combination is recognised immediately in profit or loss.

The contingent consideration to be transferred by the acquirer will be recognised at fair value at the date of acquisition. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the ‘measurement period’ (which cannot exceed one year from the date of acquisition) about the facts and circumstances that existed at the date of acquisition. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates in accordance with MFRS 9: Financial Instruments or MFRS 137: Provisions, Contingent Liabilities and Contingent Assets, as appropriate with the corresponding gain or loss being recognised in profit or loss.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. In the preparation of the consolidated financial statements, the financial statements of all subsidiary companies are adjusted for the material effects of dissimilar accounting policies. Intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation, except for unrealised losses which are not eliminated when there are indications of impairment.

Profit or loss and each component of other comprehensive income are attributed to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests represent the equity in subsidiary companies not attributable, direct or indirectly, to the Group which consist of the amount of those non-controlling interests at the date of original combination, and the non-controlling interests’ share of changes in the equity since the date of the combination.

Non-controlling interests are presented separately in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

Equity instruments and equity components of hybrid financial instruments issued by subsidiary companies but held by the Group will be eliminated on consolidation. Any difference between the cost of investment and the value of the equity instruments or the equity components of hybrid financial instruments will be recognised immediately in equity upon elimination.

When there is share buyback by a subsidiary company, the accretion of the Group’s interest is recognised as a deemed acquisition of additional equity interest in the subsidiary company. Any differences between the consideration of the share buyback over the Group's revised interest in the net fair value of the identifiable assets acquired and liabilities assumed is recognised directly in equity attributable to owners of the parent.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(1) Subsidiaries and basis of consolidation (Cont'd)

Changes in the Group’s ownership interest in a subsidiary company that do not result in the Group losing control over the subsidiary company are accounted for as equity transactions. The carrying amounts of the Group’s interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to the owners of the parent.

When the Group loses control of a subsidiary company, a gain or loss calculated as the difference between:
i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary company and any non-controlling interest at the date when control is lost;

is recognised in profit or loss. The subsidiary company’s cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. Any investment retained is recognised at fair value.

In the Company’s separate financial statements, investments in subsidiary companies are stated at cost less impairment losses.

(2) Associated Companies and Joint Ventures

Associated companies are entities in which the Group and the Company have significant influence. Significant influence is the power through board representations to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in unquoted associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements and supplemented by management accounts of the associated companies and the joint ventures made up to the Group's financial year end.

Investments in quoted associated companies which have the same financial year end as the Group's financial year end are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements announced in the respective stock exchanges.

Investments in quoted associated companies which have different reporting date from the Group are accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements and supplemented by latest quarterly financial statements made up to a period end of no more than three months difference with the Group's reporting date, announced in the respective stock exchanges.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(2) Associated Companies and Joint Ventures (Cont'd)

Uniform accounting policies are adopted for like transactions and events of similar circumstances upon applying equity method of accounting.

After application of the equity method, the Group determines whether it is necessary to recognise impairment loss on its investment in its associated companies and joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the associated companies or joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associated company or joint venture and its carrying value, then recognises the impairment in profit or loss.

On acquisition of an investment in associated company or joint venture, any excess of the cost of investment over the Group’s share of the net fair value of the identifiable assets acquired and liabilities assumed of the investee is recognised as goodwill which is included in the carrying amount of the investment and is not amortised.

Any excess of the Group's share of net fair value of the associated company's or the joint venture’s identifiable assets acquired and liabilities assumed over the cost of investment is included as income in the determination of the Group's share of associated company's or joint venture’s profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in an associated company or a joint venture is recognised at cost on initial recognition, and the carrying amount is increased or decreased to recognise the Group’s share of profit or loss and other comprehensive income of the associated company or the joint venture after the date of acquisition, less impairment losses.

The Group's share of comprehensive income of associated companies or joint ventures acquired or disposed of during the financial year, is included in the consolidated profit or loss from the date that significant influence effectively commences or until the date that significant influence effectively ceases, as appropriate.

Unrealised gains and losses on transactions between the Group and the associated companies or the joint ventures are eliminated to the extent of the Group's interest in the associated companies or the joint ventures.

When the Group's share of losses equals or exceeds its interest in an equity accounted associated company or joint venture, including any long term interest, that, in substance, form part of the Group’s net investment in the associated company or the joint venture, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has legal or constructive obligations or has made payment on behalf of the associated company or the joint venture.

When there is share buyback by an associated company, the accretion of the Group's interest is recognised as a deemed acquisition of additional equity interest in the associated company. Any reduction of the Group’s pre-acquisition reserves arising from the share buyback (i.e. Goodwill) is included in the carrying amount of the investment and is not amortised. Any increase of the Group’s pre-acquisition reserves arising from the share buyback (i.e. Negative Goodwill) is included as income in the determination of the Group's share of associated company's results in the period of share buybacks.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(2) Associated Companies and Joint Ventures (Cont'd)

Upon loss of significant influence over the associated company and loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associated company or joint venture upon loss of significant influence or loss of joint control and the fair value of the retained investment and proceeds from the disposals is recognised in profit or loss.

In the Company's separate financial statements, investments in associated companies and joint ventures are stated at cost less impairment losses.

(3) Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent to recognition, when property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated but is reviewed at each reporting date to determine whether there is an indication of impairment. Capital work-in-progress are also not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Leasehold land	Ranging from 50 to 99 years
Buildings	1.25% - 3%
Plant and equipment	10% - 33%
Computer equipment	10% - 50%
Renovation	10% - 33%
Furniture and fittings	5% - 20%
Office equipment	10% - 67%
Motor vehicles	20% - 33%
Aircraft	Ranging from 15 to 20 years or based on flying hours
Golf course development expenditure	1% - 2%
Others*	10% - 25%

*Others comprise mainly linen, silverware, cutleries, kitchen utensils, gymnasium equipment, recreational livestocks and apparatus.

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period 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.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(3) Property, Plant and Equipment and Depreciation (Cont'd)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on the derecognition of the asset is included as profit or loss in the financial year the asset is derecognised.

(4) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the financial year in which they arise.

Right-of-use asset that meets the definition of investment property is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property is carried at fair value.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the financial year in which they arise.

When an item of investment property carried at fair value is transferred to property, plant and equipment following a change in its use, the property's deemed cost for subsequent accounting in accordance with MFRS 116: Property, Plant and Equipment shall be its fair value at the date of change in use.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in other comprehensive income. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of the investment property, any surplus previously recorded in other comprehensive income is transferred to retained earnings.

When an item of property inventory or property development is transferred to investment properties following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly to profit or loss.

(5) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, in the case of work-in-progress and finished goods, comprises raw materials, direct labour and an attributable proportion of production overheads. Cost is determined on the first-in first-out basis, the weighted average cost method, or by specific identification. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and the estimated costs necessary to make the sale.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(5) Inventories (Cont'd)

(i) Property Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value.

Cost includes the relevant cost of land and land use rights, development and construction costs and overheads, borrowing costs and other related costs. Net realisable value is the estimated selling price less all estimated costs to completion and the estimated costs necessary to make the sale.

a) Land Held for Property Development

Inventory properties where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle are referred to as land held for property development and classified within non-current assets.

Generally no significant development work would have been undertaken on these lands other than infrastructure work, earth work and landscape work incurred to prepare the land for development and these inventory properties are stated at cost plus incidental expenditure incurred to put the land in a condition ready for development. These inventory properties are classified to current assets at the point when active development project activities have commenced and when it can be demonstrated that the development activities can be completed within the normal operating cycle.

b) Property Development Costs

Inventory properties under construction are referred to as property development costs and comprise the cost of land, direct building costs and a share of development costs common to the entire development project where applicable. Once sold, the cost of these inventories is recognised in profit or loss as and when control passes to the respective customers, either over time or at one point in time.

c) Completed Properties

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land, direct building costs and other related costs.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(5) Inventories (Cont'd)

(ii) Other

Other inventories are stated at the lower of cost and net realisable value. Cost, in the case of work-in-progress and finished goods, comprises raw materials, direct labour and an attributable proportion of production overheads. Cost is determined on the first-in first-out basis, by weighted average cost method, or by specific identification.

Net realisable value represents the estimated selling price less all estimated costs of completion and the estimated costs necessary to make the sale.

(6) Intangible Assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Gaming Rights

The costs of gaming rights acquired in a business combination are their fair values at the date of acquisition. Following the initial recognition, the gaming rights are carried at cost less any accumulated impairment losses. The gaming rights comprise:

- a licence for Toto betting operations in Malaysia under Section 5 of the Pool Betting Act, 1967 ("Licence") which is renewable annually; and
- trademarks, trade dress, gaming design and processes and agency network.

The Licence has been renewed annually since 1985.

The gaming rights - Licence with indefinite useful life is not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful life of gaming rights - Licence is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

(iii) Dealership Rights

The cost of dealership rights ("Dealerships") acquired in a business combination is at its fair value at the date of acquisition. Following the initial recognition, the Dealerships are carried at cost less any accumulated impairment losses. The Dealerships are assessed and recognised based on the dealership agreements signed with the selected luxury brand car manufacturers that satisfied the criteria to be separately identified as intangible assets and highly likely to contribute significant future economic benefits. The Dealerships, which are considered to have indefinite useful lives, are not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful lives of Dealerships are reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on prospective basis.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(6) Intangible Assets (Cont'd)

(iv) Customer Relationships

The cost of customer relationships acquired in a business combination is measured at their fair values at the date of acquisition. Following the initial recognition, the customer relationships are carried at cost less accumulated amortisation and any accumulated impairment losses. The customer relationships with finite lives are amortised on a straight-line basis over their useful economic lives and assessed for impairment whenever there is an indication that the customer relationships may be impaired.

(v) Computer Software

Computer software acquired separately are measured on initial recognition at cost.

Following the initial recognition, computer software are carried at cost less any accumulated amortisation and any accumulated impairment losses. Computer software are amortised on a straight-line basis over its estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for a computer software are reviewed at each reporting date.

(vi) Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is based on their fair values as at the date of acquisition. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed yearly at each reporting date. Intangible assets with indefinite lives are not amortised but tested for impairment annually or more frequently when indicators of impairment are identified. The useful lives of intangible assets with indefinite lives are reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

(7) Impairment of Non-Financial Assets

The carrying amounts of the Group's and the Company's non-financial assets, other than investment properties, inventories, deferred tax assets and non-current assets (or disposal group) held for sale are reviewed at each reporting date to determine whether there is an indication of impairment. If any indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have indefinite useful lives and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when there is any indication of impairment.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(7) Impairment of Non-Financial Assets (Cont'd)

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises, except for an asset which is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for other asset other than goodwill is recognised in profit or loss, unless the assets is carried at revalued amount, in which case, such reversal in treated as a revaluation increase.

(8) Fair Value Measurement

The Group and the Company measure financial instruments, such as, investments and derivatives, and certain non-financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) in the principal market for the asset or liability, or
ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(8) Fair Value Measurement (Cont'd)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole as described in Note 45.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

(9) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

<u>Initial Recognition And Measurement</u>

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on:
(a) the financial asset’s contractual cash flow characteristics; and
(b) the Group’s and the Company’s business models for managing them.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

Initial Recognition And Measurement (Cont'd)

Classification of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model. Such changes are expected to be very infrequent.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or if the period between performance and payment is 1 year or less under practical expedient of MFRS 15: Revenue from Contracts with Customers, are measured at the transaction price determined under MFRS 15.

Subsequent Measurement

Subsequent measurement of financial assets depends on its classification. The classifications of financial assets are described below:

a) Amortised Cost

This category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Subsequent to initial recognition, the amortised cost of a financial asset is the amount at initial recognition minus principal repayments plus cumulative amortisation using the effective interest method and reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

b) Fair Value Through Other Comprehensive Income

Debt Instruments

This category comprises investments in debt instrument, which are held within a business model whose objective is collecting contractual cash flows and selling the debt investments, and its contractual terms give rise to cash flows on specified dates that are SPPI on the principal amount outstanding. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses or reversals are recognised in profit or loss. Fair value changes are recognised in other comprehensive income.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

Subsequent Measurement (Cont'd)

b) Fair Value Through Other Comprehensive Income (Cont'd)

Debt Instruments (Cont'd)

On derecognition of these financial assets, the fair value changes accumulated in other comprehensive income are recycled to profit or loss.

Equity Instruments

This category comprises investments in equity instrument that are not held for trading, and where the Group irrevocably elects to account for subsequent changes in the investments' fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividends clearly represent part recovery of the cost of investment. Other net gains and losses are recognised in other comprehensive income.

On derecognition of these financial assets, fair value changes and other net gains and losses accumulated in other comprehensive income are not recycled to profit or loss.

c) Fair Value Through Profit Or Loss

All financial assets not classified as amortised cost or fair value through other comprehensive income as described above are classified as fair value through profit or loss. This includes derivative financial assets (except for derivatives that are designated as effective hedging instruments). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be classified as financial asset at amortised cost or at fair value through other comprehensive income, as a financial asset at fair value through profit or loss, if doing so, eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in profit or loss. Other net gains or losses, including any interest or dividend income, are also recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(i) Financial Assets (Cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

i) The contractual rights to receive cash flows from the asset has expired; or
ii) The Group has transferred its rights to receive the cash flows from the asset and has transferred substantially all risks and rewards related to the asset; or
iii) The Group has transferred its rights to receive the cash flows from the asset and has not retained control of the asset; or
iv) The Group has assumed an obligation to pay the cash flows from the asset in full without material delay to a third party under a ‘pass-through’ arrangement.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement but is not able to derecognise the asset, the Group has to continue recognising the transferred asset to the extent of its continuing involvement and also to recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(ii) Financial Liabilities

Initial Recognition And Measurement

Financial liabilities are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss.

The Group initially measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

Subsequent Measurement

The Group measures the financial liabilities depending on their classification, as described below:

a) Amortised Cost

Financial liabilities are measured at amortised cost using the effective interest method, which allocates interest expenses at a constant rate over the term of the financial liabilities. The effective interest rate is calculated at initial recognition and is the rate that exactly discounts the estimated future cash flows (including all fees and points paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability to the amortised cost of the financial liability.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(ii) Financial Liabilities (Cont'd)

Subsequent Measurement (Cont'd)

a) Amortised Cost (Cont'd)

Subsequent to initial recognition, the amortised cost of a financial liability is the amount at initial recognition minus principal repayments, plus the cumulative amortisation using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

b) Fair Value Through Profit Or Loss

The fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated as fair value through profit or loss to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. This includes derivative financial liabilities (except for derivatives that are designated as effective hedging instruments). The changes in fair value of these financial liabilities are recognised in profit or loss.

Derecognition

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

(iii) Offsetting Of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(10) Impairment Of Financial Assets

The Group recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables.

ECLs are 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 effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are part of the contractual terms.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(10) Impairment Of Financial Assets (Cont'd)

ECLs are recognised in two stages. For credit exposures where there have 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 where there have 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 the 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 provision matrices that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group recognises impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in profit or loss and accumulated in the fair value reserve.

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.

(11) Contract Cost Assets

(i) Incremental Costs Of Obtaining A Contract

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as contract cost assets when the Group expects those costs to be recoverable.

(ii) Costs To Fulfill A Contract

The costs incurred in fulfilling a contract with a customer which are not within the scope of other MFRSs, such as MFRS 102: Inventories, MFRS 116 or MFRS 138: Intangible Assets, are recognised as contract cost assets when all of the following criteria are met:

a) the costs relate directly to a contract or to an anticipated contract that can be specifically identified;

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(11) Contract Cost Assets (Cont'd)

(ii) Costs To Fulfill A Contract (Cont'd)

b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

c) the costs are expected to be recovered.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: Accounting Policies, Changes in Accounting Estimate and Errors.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less

b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with another MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs assets in the carrying amount of the CGU to which it belongs for the purpose of applying MFRS 136: Impairment of Assets to that CGU.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

(12) Contract Assets and Liabilities

A contract asset is the right of the Group to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of MFRS 9.

A contract liability is the obligation of the Group to transfer goods and services to a customer for which it has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional before it 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 its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(13) Cash and Cash Equivalents

Cash comprises cash in hand, at bank and short term deposits with a maturity of three months or less. Cash equivalents, are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, against which the bank overdrafts, if any, are deducted.

The Group has excluded clients' monies and remisiers' deposits held in trust by the stockbroking subsidiary company from cash and cash equivalents of the Group.

(14) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(15) Leases

A lease, as defined in MFRS 16: Leases, is a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses at inception of a contract whether a contract is, or contains a lease in accordance to MFRS 16.

(i) 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.

<u>Right-of-use assets</u>

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, estimated cost to dismantle/restore the underlying asset, 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. In case where the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset implies that the Group will exercise a purchase option, depreciation is calculated using the estimated useful life of the underlying asset.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(15) Leases (Cont'd)

(i) Group as a lessee (Cont'd)

Right-of-use assets (Cont'd)

The depreciation period are as follows:

Leasehold land	99 years
Buildings	1 to 74 years
Aircraft and others	1 to 20 years

'Lease term' refers to the non-cancellable period of a lease plus: (i) the period covered by an option to extend the lease if the Group is reasonably certain to exercise; and (ii) the period covered by an option to terminate if the Group is reasonably certain not to exercise.

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

The right-of-use assets are also subject to impairment as detailed in Note 2.2 (7).

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 termination (if the lease term reflects the Group exercising the option to terminate the lease).

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 if 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 lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a reassessment (e.g. change in the lease term) or lease modification (e.g. change in scope of lease).

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of asset (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). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(15) Leases (Cont'd)

(ii) Group as a lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

<u>Operating lease</u>

Leases in which the Group retains substantially all the risks and rewards incidental to ownership of the underlying asset are classified as operating leases. Lease income from operating lease is accounted for on a straight-line basis or another systematic basis if another systematic basis is more representative of the pattern of benefit received. 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 lease income. The underlying asset of an operating lease is included in the statements of financial position based on the nature of the asset.

Contingent rents are recognised in profit or loss in the period in which they are earned.

<u>Finance lease</u>

A finance lease is a lease contract which transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee. At commencement of the contract, the Group recognises the finance lease as a receivable at an amount equal to the net investment in the lease. The net investment of a lease is the present value of the gross investments which includes fixed payments (including in-substance fixed payments) less any lease incentives payable, variable lease payments that depend on an index or a rate, residual value guarantees, exercise price of a purchase option and penalties for termination which are reasonably certain to be received.

Subsequent to the commencement date, finance income is recognised over the lease term on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Contingent rents from finance lease are recognised in profit or loss in the period in which they are earned.

(16) Non-Current Assets Held For Sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(16) Non-Current Assets Held For Sale (Cont'd)

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable MFRSs. Thereafter on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefit assets and financial assets) are measured in accordance with MFRS 5: Non Current Assets Held For Sale and Discontinued Operations, that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

(17) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved and declared for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. Treasury shares may be acquired and held by the Company. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. Consideration paid or received is recognised directly in equity.

(18) Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

(19) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contract is recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk free rate of interest.

At the end of each subsequent reporting period, financial guarantees are measured at the higher of:
i) the amount of the loss allowance determined in accordance with ECL; and
ii) the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15, where appropriate.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(20) Contingencies

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

Contingent liabilities and assets are not recognised in the statements of financial position except for contingent liabilities assumed in a business combination of which the fair value can be reliably measured.

(21) Current and non-current classification

The Group presents assets and liabilities in statements of financial position based on current and non-current classification.

An asset is classified as current when it is:
- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within 12 months after the reporting period; or
- cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

(22) Revenue Recognition

MFRS 15 establishes a five-step model that will apply to revenue arising from contracts with customers.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group recognises revenue from contracts with customers based on the five-step model as set out below:

(i) Identify contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations. A contract falls within the scope of MFRS 15 if it meets all the criteria sets out in this standard.

(ii) Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer goods or services to the customer.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(22) Revenue Recognition (Cont'd)

(iii) Determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

(iv) Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group needs to allocate the transaction price to each performance obligation on a relative stand-alone selling price basis.

(v) Recognise revenue when the Group satisfies a performance obligation or as the Group is satisfying a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue is recognised at the point in time at which the performance obligation is satisfied. However, where the performance obligation is satisfied over time, the Group shall recognise revenue over time if the Group's performance:

(i) Provides benefits that the customer simultaneously receives and consumes as the Group performs; or

(ii) Creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(iii) Does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

The revenue recognition of other classes of revenue that are not within the scope of MFRS 15 are set out below:

a) Dividend Income

Dividend income is recognised when the shareholders' rights to receive the dividend payment are established.

b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method unless recoverability is in doubt, or where a loan is considered to be non-performing in which case the recognition of interest is suspended. Subsequent to suspension, interest is recognised on receipt basis until all arrears have been paid except for margin accounts where interest is suspended until the account is reclassified as performing.

Interest income from investments in bonds, government securities and loan stocks are recognised on a time proportion basis that takes into account the effective yield of the asset.

c) Lease Income

Lease income is recognised on the basis as detailed in Note 2.2 (15) (ii).

d) Other Income

All other income are recognised on an accrual basis.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(23) Foreign Currencies

(i) Functional And Presentation Currencies

The individual financial statements of each entity in the Group 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 RM, which is also the Company's functional currency.

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of initial transaction.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Company's net investment in foreign operations are recognised in profit or loss of the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates for the reporting period, which approximate the exchange rates at the dates of the transactions; and
- All the resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(23) Foreign Currencies (Cont'd)

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 May 2006 are treated as assets or liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

Goodwill and fair value adjustments which arose on the acquisition of foreign subsidiary companies before 1 May 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

(24) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current financial year and preceding financial years. Such contributions are recognised as an expense in profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiary companies also make contributions to the statutory pension schemes of their respective countries.

(iii) Defined Benefit Plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary.

a) Funded Defined Benefit Plan

Certain foreign subsidiary companies of the Group provides funded pension benefits to its eligible employees.

The legal obligation for any benefits from this kind of pension plan remains with the Group even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long term benefit fund, as well as qualifying insurance policies.

The Group's net obligations in respect of defined benefit plans for certain foreign subsidiary companies are calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(24) Employee Benefits (Cont'd)

(iii) Defined Benefit Plans (Cont'd)

a) Funded Defined Benefit Plan (Cont'd)

The liability recognised in the statements of financial position for defined benefit plans is the discounted present value of the defined benefit obligation using an appropriate discount factor at the reporting date less the fair value of plan assets. The discount rate is the market yield at the reporting date on high quality corporate bonds or government bonds. The calculation is performed by independent actuaries using the projected unit credit method.

Re-measurements, comprising actuarial gains and losses, the effect of limiting a net defined benefit asset to the asset ceiling (excluding net interest, if applicable) and the return on plan assets (excluding net interest), are recognised immediately in the statements of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
i) the date of the plan amendment or curtailment; and
ii) the date that the Group recognises restructuring related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises service costs and net interest expense or income in profit or loss.

b) Unfunded Defined Benefit Plan

Certain local subsidiary companies within the Group operate unfunded defined retirement benefit schemes for their eligible employees. The obligation recognised in the statements of financial position under the Scheme is calculated by independent actuaries using the projected unit credit method.

Re-measurements, comprising actuarial gains and losses are recognised immediately in the statements of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:
i) the date of the plan amendment or curtailment; and
ii) the date that the Group recognises restructuring related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises service costs and net interest expense or income in profit or loss.

The present values of the obligations under the Scheme are determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related post-employment benefit obligation.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(25) Taxes

(i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss which is recognised either in other comprehensive income or directly in equity.

(ii) Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and

- in respect of taxable temporary differences associated with investments in subsidiary companies, associated companies and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and

- in respect of deductible temporary differences associated with investments in subsidiary companies, associated companies and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(25) Taxes (Cont'd)

(ii) Deferred Tax (Cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and deferred tax assets shall reflect the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

(iii) Indirect taxes

Indirect taxes include Sales Tax, Service Tax, Gaming Tax, and Goods and Services Tax (also known as Value Added Tax).

The amount of indirect taxes payable to taxation authority is included as part of payables in the statements of financial position.

Indirect taxes incurred on the purchase of assets or services which cannot be recovered from the respective tax authorities are recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The difference between output and input Goods and Services Tax, being the amount payable to or receivable from the respective taxation authorities at the reporting date, is included in other payables or other receivables respectively in the statements of financial position.

(26) Segmental Information

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. The Group adopts business segment analysis as its primary reporting format and geographical segment analysis as its secondary reporting format.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(26) Segmental Information (Cont'd)

Segment revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Revenue and expenses do not include income tax expense and items arising on investing or financing activities. Revenue is attributed to geographical segments based on location where sale is transacted.

Segment assets include all operating assets used by a segment and do not include tax assets and items arising on investing or financing activities. Assets are allocated to a geographical segment based on location of assets.

Segment liabilities comprise operating liabilities and do not include tax liabilities and items arising on investing or financing activities.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES

On 1 July 2019, the Group and the Company adopted the following new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretation:

Effective for financial periods beginning on or after 1 January 2019:

- Amendments to MFRS 9: Financial Instruments - Prepayment Features with Negative Compensation
- MFRS 16: Leases
- Amendments to MFRS 119: Employee Benefits - Plan Amendment, Curtailment or Settlement
- Amendments to MFRS 128: Long Term Interest in Associates and Joint Ventures
- Amendments to MFRS 16: COVID-19 - Related Rent Concessions
- Annual Improvements to MFRSs 2015-2017 Cycle
- IC Interpretation 23: Uncertainty over Income Tax Treatments

The Group has early adopted the Amendments to MFRS 16: COVID-19 - Related Rent Concessions on 1 July 2019, which is effective for financial years beginning on or after 1 June 2020.

Adoption of the above new MFRS, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretation did not have any effect on the financial performance or position of the Group and of the Company except as discussed below:

MFRS 16: Leases

MFRS 16 supersedes MFRS 117 Leases, IC interpretation 4 Determining whether an Arrangement contains a Lease, IC interpretation 115: Operating Leases-Incentives and IC Interpretation 127: Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 does not have an impact for leases where the Group is the lessor.

The Group has applied MFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application, if any, is recognised as an adjustment to retained earnings at 1 July 2019 (i.e. date of initial application). Accordingly, the comparative information presented for the financial period ended 30 June 2019 has not been restated i.e. it is presented as previously reported under MFRS 117.

At the date of initial application, for leases that were previously classified as operating lease under MFRS 117 were measured at the present value of the remaining lease payments, discounted at the incremental borrowing rates as at that date. The weighted-average rates applied was 3.35%. Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group has applied the following practical expedients upon the adoption of MFRS 16:

- For a contract entered into before the date of initial application, the Group did not reassess whether it is, or contains a lease as defined in MFRS 16. Instead, the Group applied MFRS 16 only to contracts that were previously identified as leases in accordance to MFRS 117;

- A single discount rate has been applied to portfolios of leases with reasonably similar characteristics;

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

MFRS 16: Leases (Cont'd)

The Group has applied the following practical expedients upon adoption of MFRS16 (cont'd):

- Impairment losses on right-of-use assets as at 1 July 2019 have been measured by reference to the amount of any onerous lease provision recognised on 30 June 2019;
- Leases with a remaining term of twelve months or less from the date of initial application have been treated as short-term leases and not recognised on the statements of financial position:
- Hindsight was used in determining the lease term if the contract contains options to extend or terminate the lease; and
- Initial direct costs were excluded from measuring the right-of-use asset at the date of initial application.

The effect of adoption of MFRS 16 as at 1 July 2019 is as follows:

Group **Statement of Financial Position**	**Increase/ (Decrease)** **RM'000**
Assets	
Property, plant and equipment (Note 3)	(248,993)
Right-of-use assets (Note 4(a))	529,963
Inventories - Land held for property development (Note 6(a))	123,237
Receivables	(573)
	403,634
Liabilities	
Lease liabilities (Note 4(b))	403,634

The reconciliation between operating lease commitments disclosed by applying MFRS 117 at 30 June 2019, and lease liabilities recognised in the statement of financial position at 1 July 2019 is as follows:

	Group **RM'000**	**Company** **RM'000**
Operating lease obligation as at 30 June 2019	578,012	1,644
Commitments relating to short term leases	(488)	-
Leases on low-value items	(879)	-
Adjustments to commitments relating to non-lease components	(4,725)	(1,644)
Leases effected subsequent to date of initial adoption at 1 July 2019	(66,610)	-
Renewal options reasonably certain to be exercised	163,840	-
	669,150	-
Discounting	(265,516)	-
Lease liabilities as at 1 July 2019	403,634	-

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 CHANGES IN ACCOUNTING POLICIES (CONT'D)

Amendments to MFRS 16: COVID-19 - Related Rent Concessions

On the adoption of the Amendments to MFRS 16, the Group applies the practical expedients not to assess whether a COVID-19 related rent concession from a lessor that meets all of the following conditions is a lease modification:

1. the change in lease payments results in revised consideration for the lease that is substantially the same as or less than, the consideration for the lease immediately preceding the change;

2. any reduction in lease payments affect only payments due on or before 30 June 2021; and

3. there is no substantive change to other terms and conditions of the lease.

The Group accounts for such COVID-19 related rent concession as a variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs and accordingly recognised in profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

Effective for financial periods beginning on or after 1 January 2020

- Amendments to MFRS 2: Share-based Payment
- Amendments to MFRS 3: Business Combinations - Definition of a Business
- Amendments to MFRS 6: Exploration for and Exploration for and Evaluation of Mineral Resources
- Amendments to MFRS 14: Regulatory Deferral Accounts
- Amendments to MFRS 101: Presentation of Financial Statements - Definition of Material
- Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material
- Amendments to MFRS 134: Interim Financial Reporting
- Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets
- Amendments to MFRS 138: Intangible Assets
- IC Interpretation 12: Service Concession Arrangements
- IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
- IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine
- IC Interpretation 22: Foreign Currency Transactions and Advance Consideration
- IC Interpretation 132: Intangible Assets - Web Site Costs

Effective for financial periods beginning on or after 1 January 2021

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 - Interest Rate Benchmark Reform - Phase 2

Effective for financial periods beginning on or after 1 January 2022

- Amendments to MFRS 3: Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract
- Annual Improvements to MFRS Standards 2018 - 2020

Effective for financial periods beginning on or after 1 January 2023

- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Insurance Contracts
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Effective date yet to be determined

- Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)

Unless otherwise described below, the new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations above are expected to have no significant impact on the financial statements of the Group and of the Company upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of the above new MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES

The preparation of the Group’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Critical Judgements Made in Applying Accounting Policies

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

(i) Useful lives of Gaming Rights, Dealerships and Customer Relationships

The Gaming Rights consist of Licence for the Toto betting operations in Malaysia.

The Group considers that the Licence and Dealerships arising from the motor vehicle dealership operations have indefinite useful lives because they are expected to contribute to the Group's net cash inflows indefinitely. The Group intends to continue the Toto betting and motor vehicle dealership operations and is confident that these rights can be maintained indefinitely. Historically, there has been no compelling challenge to the renewals of the Licence and Dealerships.

The Customer Relationships are recognised separately from goodwill on acquisition of a subsidiary company. The useful lives of the Customer Relationships are estimated to be up to 10 years which is determined based on customer attrition from the acquired relationships. The estimated useful lives of customer relationships are reviewed periodically.

(ii) Recoverability of balance cash consideration for the disposal of project by Berjaya (China) Great Mall Co Ltd ("GMOC") ("Final Instalment")

As disclosed in Note 42(c), the Group, through its subsidiary company GMOC, has initiated arbitration proceedings at Hong Kong International Arbitration Court ("HKIAC") to seek the recovery the Final Instalment and accrued late payment interests as well as other reliefs from Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") and the Guarantors who are SkyOcean Holdings Group Limited and Mr Zhou Zheng ("GMOC Arbitration").

The Company has announced that GMOC has on 21 May 2020 obtained a favourable arbitration award from the HKIAC and GMOC proceeded to seek recognition and enforcement of the Final Award. The Group expects the matter to be resolved and the Final Instalment will be received by 30 June 2021. Hence, the Final Instalment has been classified as a current receivable as disclosed in Note 13(b)(i).

(iii) Significant influence over Berjaya Assets Berhad ("BAssets")

Although the Group holds less than 20% of the voting shares in BAssets, the Group exercises significant influence by virtue of its ability to participate in the financial and operating policy decisions of BAssets through representation on the board of directors of BAssets. Therefore, the Group continues to regard BAssets as an associated company.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(a) Critical Judgements Made in Applying Accounting Policies (Cont'd)

(iv) Recoverability of prepayments for the relocation of turf club project

A subsidiary company, Berjaya Tagar Sdn Bhd ("BTSB") had in 2004, entered into a sale and purchase agreement ("SPA") to acquire several parcels of land from a related company, BerjayaCity Sdn Bhd ("BCity"), for the relocation of turf club project as disclosed in Note 42(b). The transaction relating to the relocation of the turf club is still not completed, pending the fulfillment of several of the conditions precedent which are detailed in the same note, of which several of the conditions precedent affect the SPA with BCity.

The amount prepaid is disclosed in Note 13(c). In the event the SPA with BCity is not completed due to non-performance by BCity, BTSB has legal recourse under the SPA to seek relief and/or recover the prepayments made.

(v) Determination of the lease term of contracts with renewal and termination options as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably not to be exercised.

The Group assesses, by applying significant judgement at lease commencement date, whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate it.

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are explained below.

(i) Impairment of Gaming Rights, Dealerships, Customer Relationships and goodwill

The Group performs an impairment test on its Gaming Rights, Dealerships, Customer Relationships and goodwill at least on an annual basis or when there is evidence of impairment. This requires an estimation of the VIU of the CGU to which the Gaming Rights, Dealerships, Customer Relationships and goodwill are allocated. Estimating a VIU amount requires the management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

During the current financial year, there is no impairment loss recognised in respect of Gaming Rights, Dealerships, Customer Relationships and goodwill.

The carrying amounts of Gaming Rights, Dealerships, Customer Relationships and goodwill of the Group as at 30 June 2020 are disclosed in Note 11.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(ii) Impairment of investments in subsidiary companies, associated companies and joint ventures

The Group and the Company conduct an annual impairment review of their investments in subsidiary companies, associated companies and joint ventures. The Group and the Company carried out the impairment test based on the assessment of the fair value less costs to sell of the investees' assets or CGU. An impairment loss will be recognised if the carrying values of these CGU are assessed to be in excess of their recoverable amounts.

During the current financial year, the annual impairment review resulted in the Group and the Company respectively recognising an impairment loss in respect of its investments in subsidiary companies and joint ventures as disclosed in Note 33. There is no impairment is required for investments in associated companies.

The carrying amounts of investments in associated companies and joint ventures of the Group are disclosed in Notes 8 and 9 respectively whilst the carrying amounts of investments in subsidiary companies of the Company are disclosed in Note 7.

(iii) Recoverability of amounts owing by subsidiary companies, associated companies and joint ventures

Based on the expected credit loss (“ECL”) model of provision of impairment loss, the Group and the Company assess the credit risk of these debts at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets.

During the current financial year, the Group and the Company have assessed the credit risks in respect of the amounts owing by an associated company, a joint venture and certain subsidiary companies respectively. The Group and the Company recognised impairment losses on these balances as disclosed in Note 33.

The amounts owing by the subsidiary companies, joint ventures and associated companies are disclosed in Note 13.

(iv) Impairment of property, plant and equipment and right-of-use assets ("ROU Assets")

During the current financial year, certain subsidiary companies of the Group have recognised impairment losses in respect of certain of their property, plant and equipment. These subsidiary companies estimated the recoverable amounts of the property, plant and equipment based on the respective assets' or cash generating units' ("CGU") fair value less costs to sell or based on the estimated value-in-use ("VIU") of the CGU. Estimating the VIU requires these subsidiary companies to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the impairment loss recognised are disclosed in Note 3(a). There is no impairment loss recognised for ROU Assets.

The carrying amounts of property, plant and equipment and ROU Assets of the Group as at 30 June 2020 is disclosed in Notes 3 and 4.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(v) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent professional valuers to perform valuations on its investment properties as at 30 June 2020. The valuation methodology commonly used is the comparison method which is based on comparable historical transactions adjusted for specific market factors such as location, size, condition, accessibility and design of the respective properties.

The details of the investment properties are disclosed in Note 5 whilst the valuation techniques and key assumptions applied on the determination of the fair values are disclosed in Note 45(a).

(vi) Revenue recognition of property development activities

The Group recognises revenue on certain of its property development activities over time or based on the percentage of completion method using the input method which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation and this includes determining the extent of property development costs incurred and the total estimated costs of property development, which in turn is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group. In making these judgements, management relies on past experience and the work of specialists.

Details of property development costs are disclosed in Note 6(b).

(vii) Provision for expected credit losses (“ECL”) of trade and other receivables and contract assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The Company develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information.

Other than trade receivables and contract assets, the Group and the Company assess the credit risk of other receivables at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets. To determine whether there is a significant increase in credit risks, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments. Where there is a significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or in full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(vii) Provision for expected credit losses (“ECL”) of trade and other receivables and contract assets (Cont'd)

In assessing credit risks for purposes of applying the ECL model, the Group and the Company consider the need to incorporate forward-looking factors and to estimate the probability of default, which are likely to be judgemental and subject to estimation uncertainties.

The information about the ECLs on the Group’s trade and other receivables and contract assets are disclosed in Notes 13 and 14 respectively.

(viii) Inventory valuations

The Group holds significant inventories of used cars in the United Kingdom. Trade guides and other publications are used to assist in the assessment of the carrying values of these cars at the reporting date and write-downs are taken as necessary.

(ix) Land value appreciation taxes and other related taxes

In the financial year ended 30 April 2017, the Group completed the disposal of Berjaya (China) Great Mall Recreation Centre ("GMOC Project"). Consequently, the Group has estimated that the land value appreciation tax and other related tax liabilities in relation to the disposal of the project to be approximately RMB72.74 million (equivalent to approximately RM44.01 million) ("LVAT Estimate"). As of the reporting date, the LVAT Estimate has yet to be agreed with the relevant tax authorities. Where the final outcome of LVAT Estimate is different from the amount initially recognised, such difference will impact profit or loss in the period in which such determination is made.

(x) Incremental borrowing rates ("IBR") of lease liabilities

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses IBR to measure a lease liability. The IBR is the rate of interest that the Group would have to pay to borrow on a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR is therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

(xi) Purchase price allocation exercise for the acquisition of Icelandair Hotels ehf ("Icelandair")

As disclosed in Note 7(a), the Group is undertaking a purchase price allocation exercise in relation to the acquisition of Icelandair with the assistance of an external professional valuer to determine the fair values of the assets and liabilities acquired. Significant management judgement was involved in determining the fair value of the hotel assets based on the valuation that rely on the use of various assumptions including the current market conditions and the impact arising from COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2020

3 **PROPERTY, PLANT AND EQUIPMENT**

GROUP

At 30 June 2020	Net carrying amount at 1.5.2019 RM'000	Effects of MFRS 16 adoption RM'000	Reclassi-fication RM'000	Transfers/ Adjustments RM'000	Additions RM'000	Acquisition of subsidiary companies RM'000	Disposal of subsidiary companies RM'000	Impairment losses net of reversals RM'000	Write-off/ Disposals RM'000	Depreciation RM'000	Exchange differences RM'000	Net carrying amount at 30.6.2020 RM'000
Freehold land	167,261	-	(7,677)	-	109	-	-	-	-	-	2,826	162,519
Leasehold land	95,358	(95,358)	-	-	-	-	-	-	-	-	-	-
Buildings	932,350	(153,635)	58,860	-	17,374	291,995	-	(3,163)	(5,730)	(27,509)	(9,563)	1,100,979
Plant and equipment	29,402	-	1,467	-	10,512	-	-	-	(565)	(9,302)	(144)	31,370
Computer equipment	28,683	-	95	-	4,259	2,809	-	-	(67)	(8,704)	(51)	27,024
Renovation	52,126	-	11,797	(762)	5,220	16,962	-	-	(28)	(12,266)	219	73,268
Furniture and fittings	18,663	-	7,495	-	4,006	56,499	-	-	(156)	(8,779)	(1,227)	76,501
Office equipment	7,679	-	-	-	1,301	3,206	(21)	-	(61)	(2,196)	3	9,911
Motor vehicles	32,045	-	(3)	(54)	6,932	33	-	-	(813)	(7,690)	(22)	30,428
Aircraft	83,239	-	-	-	-	-	-	-	-	(6,580)	-	76,659
Golf course development expenditure	68,230	-	-	-	-	-	-	-	-	(1,149)	-	67,081
Capital work-in-progress	54,670	-	(71,939)	(3,771)	69,087	-	-	-	-	-	723	48,770
Others	1,944	-	(95)	-	524	2,980	-	-	(10)	(630)	10	4,723
	1,571,650	(248,993)	-	(4,587)	119,324	374,484	(21)	(3,163)	(7,430)	(84,805)	(7,226)	1,709,233

At 30 June 2019	Net carrying amount at 1.5.2018 RM'000	Reclassi-fication RM'000	Transfers/ Adjustments RM'000	Additions RM'000	Impairment losses net of reversals RM'000	Write-off/ Disposals RM'000	Depreciation RM'000	Exchange differences RM'000	Net carrying amount at 30.6.2019 RM'000
Freehold land	156,244	-	-	7,655	-	-	-	3,362	167,261
Leasehold land	96,200	653	-	915	-	-	(2,410)	-	95,358
Buildings	963,041	4,904	-	6,651	(5,000)	(565)	(39,297)	2,616	932,350
Plant and equipment	37,657	-	-	7,378	-	(3,229)	(11,626)	(778)	29,402
Computer equipment	18,083	668	(1,607)	19,495	-	(44)	(9,719)	1,807	28,683
Renovation	65,545	118	(23)	8,722	-	(7,774)	(13,137)	(1,325)	52,126
Furniture and fittings	22,479	(396)	-	4,074	-	(180)	(7,615)	301	18,663
Office equipment	8,600	134	(314)	2,097	-	(131)	(2,725)	18	7,679
Motor vehicles	27,815	-	(583)	14,922	-	(1,585)	(8,574)	50	32,045
Aircraft	94,987	-	-	-	(4,083)	(21)	(8,173)	529	83,239
Golf course development expenditure	69,569	-	-	-	-	-	(1,339)	-	68,230
Capital work-in-progress	22,675	(5,761)	-	37,839	-	-	-	(83)	54,670
Others	1,613	(320)	-	1,151	-	(5)	(513)	18	1,944
	1,584,508	-	(2,527)	110,899	(9,083)	(13,534)	(105,128)	6,515	1,571,650

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

GROUP

At 30 June 2020	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Net carrying amount RM'000
Freehold land	165,631	-	3,112	162,519
Leasehold land	-	-	-	-
Buildings	1,556,309	445,385	9,945	1,100,979
Plant and equipment	183,313	151,927	16	31,370
Computer equipment	89,750	62,360	366	27,024
Renovation	205,348	131,474	606	73,268
Furniture and fittings	264,657	188,156	-	76,501
Office equipment	53,106	43,167	28	9,911
Motor vehicles	100,361	69,933	-	30,428
Aircraft	251,483	106,286	68,538	76,659
Golf course development expenditure	105,586	24,668	13,837	67,081
Capital work-in-progress	52,772	-	4,002	48,770
Others	22,773	15,702	2,348	4,723
	3,051,089	1,239,058	102,798	1,709,233

At 30 June 2019	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Net carrying amount RM'000
Freehold land	170,373	-	3,112	167,261
Leasehold land	131,319	35,961	-	95,358
Buildings	1,399,103	457,190	9,563	932,350
Plant and equipment	176,594	147,176	16	29,402
Computer equipment	82,877	54,194	-	28,683
Renovation	152,126	100,000	-	52,126
Furniture and fittings	149,431	130,768	-	18,663
Office equipment	44,951	37,272	-	7,679
Motor vehicles	98,740	66,695	-	32,045
Aircraft	251,483	99,706	68,538	83,239
Golf course development expenditure	105,586	23,519	13,837	68,230
Capital work-in-progress	58,672	-	4,002	54,670
Others	14,976	10,702	2,330	1,944
	2,836,231	1,163,183	101,398	1,571,650

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) During the current financial year, the Group conducted a review of the recoverable amounts of certain assets of certain of its subsidiary companies.

This resulted in the recognition of an impairment loss of RM3,163,000 (2019 : RM5,000,000) on a clubhouse building located on a leased land as its recoverable amount determined based on VIU computation, was lower than its carrying amount. The recoverable amount of the building was RM35,585,000 (2019 : RM38,748,000) (categorised as Level 3 in the fair value hierarchy) based on discounted projected cash flows.

In the previous financial period, the Group had also recognised impairment losses of RM4,083,000 in respect of 1 unit of aircraft.

The impairment losses were recognised in profit or loss as disclosed in Note 33.

(b) During the current financial year, certain parts of a hotel building that was destroyed in a fire, amounting to RM5,370,000, was written off. A claim has been filed under the fire insurance policy and the final amount of claim under the fire insurance policy is determined to be RM26.0 million.

(c) The transfers/adjustments of property, plant and equipment of the current financial year comprised:
(i) an amount of RM816,000 (2019 : RM2,527,000) which relates to assets of disposal group classified as held for sale. Further details are disclosed in Note 18; and
(ii) an amount of RM3,771,000 which relates to transfer to right-of-use assets resulting from completion of capital work-in-progress as disclosed in Note 4(a).

(d) Properties and aircraft of the Group with carrying amounts totalling RM427,612,000 (2019 : RM556,932,000) are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

(e) Carrying amounts of property, plant and equipment of the Group held under finance lease and hire purchase arrangements are as follows:

	Group	
	2020 RM'000	2019 RM'000
Motor vehicles	4,771	5,404
Plant and equipment	308	-
Aircraft	54,542	57,154
	59,621	62,558

COMPANY At 30 June 2020	Net carrying amount at 1.7.2019 RM'000	Additions RM'000	Disposals RM'000	Depreciation RM'000	Net carrying amount at 30.6.2020 RM'000
Furniture and fittings	121	-	-	(17)	104
Office equipment	581	180	-	(204)	557
Renovation	257	-	-	(44)	213
Motor vehicles	1,173	256	-	(397)	1,032
	2,132	436	-	(662)	1,906

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY At 30 June 2019	Net carrying amount at 1.5.2018 RM'000	Additions RM'000	Disposals RM'000	Depreciation RM'000	Net carrying amount at 30.6.2019 RM'000
Furniture and fittings	80	62	-	(21)	121
Office equipment	596	239	(2)	(252)	581
Renovation	269	106	-	(118)	257
Motor vehicles	507	1,078	-	(412)	1,173
	1,452	1,485	(2)	(803)	2,132

At 30 June 2020	Cost RM'000	Accumulated depreciation RM'000	Net carrying amount RM'000
Furniture and fittings	2,177	2,073	104
Office equipment	7,907	7,350	557
Renovation	3,328	3,115	213
Motor vehicles	7,266	6,234	1,032
	20,678	18,772	1,906

At 30 June 2019	Cost RM'000	Accumulated depreciation RM'000	Net carrying amount RM'000
Furniture and fittings	2,177	2,056	121
Office equipment	7,727	7,146	581
Renovation	3,328	3,071	257
Motor vehicles	7,010	5,837	1,173
	20,242	18,110	2,132

Motor vehicles of the Company with carrying amounts totalling RM1,033,000 (2019 : RM1,173,000) are held under hire purchase arrangements.

4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

GROUP 2020	Leasehold land RM'000	Buildings RM'000	Aircraft and others RM'000	Total RM'000
At 1 July 2019	-	-	-	-
Effects of adoption of MFRS 16	110,048	405,048	14,867	529,963
At 1 July 2019 - as restated	110,048	405,048	14,867	529,963
Additions during the financial year	16,296	96,878	219	113,393
Depreciation	(3,174)	(51,915)	(3,824)	(58,913)
Acquisition of subsidiary companies	2,161	710,530	-	712,691
Transfer from property, plant and equipment (Note 3(c))	-	3,771	-	3,771
Exchange differences	642	6,465	-	7,107
At 30 June 2020	125,973	1,170,777	11,262	1,308,012
At 30 June 2020				
Cost	169,257	1,278,883	15,086	1,463,226
Accumulated depreciation	(39,500)	(105,325)	(3,824)	(148,649)
Accumulated impairment	(3,784)	(2,781)	-	(6,565)
	125,973	1,170,777	11,262	1,308,012

The right-of-use assets are in respect of lease contracts for land, buildings, aircraft and others.

As at the reporting date, leasehold land and buildings of the Group, with net carrying amount of RM193,836,000 was pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

Other than the above, the Group has right-of-use assets classified as land held for property development under inventories amounting to RM222,354,000 at the reporting date.

(b) Lease liabilities

GROUP	2020 RM'000
At 1 July 2019	-
Effects of adoption of MFRS 16 (Note 2.3)	403,634
At 1 July 2019 - as restated	403,634
Additions during the financial year	83,099
Interest expense (Note 34)	21,367
Acquisition of subsidiary companies	560,786
Lease payments	(61,336)
Exchange differences	13,263
At 30 June 2020	1,020,813

4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(b) Lease liabilities (Cont'd)

	2020 RM'000
Analysed as follows:	
Current	73,735
Non-Current	947,078
At 30 June 2020	1,020,813

5 INVESTMENT PROPERTIES

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	728,766	760,737
Additions during the financial year	-	2,304
Transferred to non-current assets classified as held for sale (Note 18)	-	(21,749)
Net fair value adjustments (Note 33)	(16,723)	(11,516)
Exchange differences	28	(1,010)
At 30 June	712,071	728,766

Investment properties comprise a number of commercial and other properties leased under operating leases to third and related parties.

Investment properties with carrying amounts totalling RM36,150,000 (2019 : RM36,300,000) are held under lease terms.

The carrying amounts of the investment properties were derived based on valuations by independent qualified valuers, who hold recognised qualifications and have relevant experience in valuing these types of properties. Fair value is determined based on the comparison method.

Fair value hierarchy disclosures for investment properties have been provided in Note 45(a).

Investment properties with carrying amounts totalling RM557,047,000 (2019 : RM571,071,000) are pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

6 INVENTORIES

	Group	
	2020	2019
NON-CURRENT	RM'000	RM'000
Land held for property development, at cost (Note a)	1,095,083	861,321
CURRENT		
Property development costs, at cost (Note b)	73,099	202,270
Other inventories, at cost:		
Vehicles	257,431	318,917
Completed properties	189,439	104,964
Stores and consumables	12,421	10,958
Gaming equipment components and parts	271	473
Ticket inventories	3,527	3,328
Work-in-progress	377	1,202
Raw materials	19,987	27,896
Finished goods and inventories for resale	1,933	6,089
	485,386	473,827
At net realisable value:		
Vehicles	135,287	104,912
Completed properties	29,100	19,560
Stores and consumables	17,803	19,722
	667,576	618,021
	1,835,758	1,681,612

The cost of inventories recognised as an expense during the current financial year amounted to RM1,931,752,000 (2019 : RM2,505,265,000).

The carrying amounts of vehicles inventories pledged for vehicle stocking loans amounted to RM351,771,000 (2019 : RM376,443,000).

The following inventories are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies:

	Group	
	2020	2019
	RM'000	RM'000
Land held for property development	257,473	323,171
Property development costs	70,770	38,227
Completed properties	52,923	39,112
	381,166	400,510

6 INVENTORIES (CONT'D)

(a) Land held for property development

	Group	
	2020 RM'000	2019 RM'000
At cost:		
At 1 July 2019/May 2018:		
- freehold land	675,879	611,350
- leasehold land	24,941	24,941
- land use rights/land lease premium	11,608	11,217
- development costs	148,893	133,930
	861,321	781,438
Effects of adoption of MFRS 16 - leasehold land	123,237	-
	984,558	781,438
Arising from acquisition of a subsidiary company:		
- leasehold land	61,117	-
Additions:		
- freehold land	27,725	7,096
- development costs	15,665	13,493
	43,390	20,589
Transfers/Adjustments during the financial year/period (Note 6(b)):		
- freehold land	-	54,275
- development costs	-	(638)
	-	53,637
Exchange differences:		
- freehold land	2,970	4,672
- leasehold land	1,430	-
- land use rights/land lease premium	457	391
- development costs	1,597	2,108
	6,454	7,171
Total costs at 30 June	1,095,519	862,835
Write-down in value	(436)	(1,514)
Carrying amount at 30 June	1,095,083	861,321

(b) Property development costs

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018:		
- freehold land	82,766	142,226
- leasehold land	-	3
- land use rights	11,235	10,857
- development costs	108,269	47,642
	202,270	200,728

6 INVENTORIES (CONT'D)

(b) Property development costs (Cont'd)

	Group	
	2020 RM'000	2019 RM'000
Costs incurred during the financial year/period:		
- freehold land	1,075	1,099
- development costs	91,953	71,736
	93,028	72,835
Transferred during the financial year/period:		
- to land held for property development (Note 6(a))	-	(53,637)
- to inventories	(98,106)	(758)
- to contract cost assets	(126,319)	(17,718)
	(224,425)	(72,113)
Reclassification during the financial year/period:		
- leasehold land	-	704
- development costs	-	(704)
	-	-
Exchange differences	2,226	820
Carrying amount at 30 June	73,099	202,270

7 SUBSIDIARY COMPANIES

	Company	
	2020 RM'000	2019 RM'000
Quoted shares, at cost	327,065	256,583
Unquoted shares, at cost	3,330,165	3,062,542
Capital contribution	4,135	-
	3,661,365	3,319,125
Less: Accumulated impairment losses of unquoted shares	(306,103)	(288,969)
	3,355,262	3,030,156
Fair value of quoted shares	477,201	524,079

Details of the subsidiary companies are set out in Note 51.

The capital contribution to subsidiary companies represent additional shareholders' net investment. The capital contribution is unsecured, interest free and the repayment of such balances are not expected in the foreseeable future until such time the subsidiary companies are in the position to repay the amount without impairing its liquidity position.

7 SUBSIDIARY COMPANIES (CONT'D)

At the reporting date, the Company conducted an impairment review of its investments in certain subsidiary companies, principally based on the Company's share of net assets in these subsidiary companies, which represents the directors' estimation of fair value less costs to sell of these subsidiary companies.

The review gave rise to the recognition of impairment losses of investments in subsidiary companies of RM17,134,000 (2019 : RM5,305,000) as disclosed in Note 33 based on recoverable amounts of RM4,801,000 (2019 : RM2,327,000) (categorised as Level 2 in the fair value hierarchy).

Certain quoted shares in subsidiary companies of the Group and of the Company with carrying amounts totalling RM1,196,183,000 and RM327,065,000 (2019 : RM977,743,000 and RM189,701,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

a) Acquisition of subsidiary companies

For the current financial year ended 30 June 2020

(i) The Company acquired the entire equity interest in Berjaya Engineering Construction Sdn Bhd ("BESB"), comprising 5.0 million ordinary shares for RM4.82 million.

(ii) Berjaya Leisure Capital (Cayman) Limited ("BLCC"), a wholly-owned subsidiary of the Company, subscribed for its entitlement and the excess of rights shares cum free warrants, totalling 100,000,000 new ordinary shares and 33,333,333 free warrants in Informatics Education Ltd ("Informatics") for a total cash consideration of SGD5.0 million (equivalent to approximately RM15.305 million). Consequently, BLCC's equity interest in Informatics increased from 27.09% to 67.42%, thus making Informatics a subsidiary company of BLCC.

(iii) Berjaya Reykjavik Investment Limited, a wholly-owned subsidiary of the Company has completed the acquisition of the entire equity interest in Geirsgata 11 ehf ("GE11"), a company incorporated in Reykjavik, Iceland that owns a piece of leasehold land in Iceland for a cash consideration of USD1.399 million (equivalent to approximately RM5.75 million).

(iv) Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of the Company has completed the acquisition of 75% equity interest in Icelandair Hotels ehf, a company incorporated in Reykjavik, Iceland that owns several hotels and real estate assets in Iceland for a total cash consideration of USD43.63 million (equivalent to approximately RM196.0 million). BPIL has also entered into a put and call option agreement with the seller for the remaining 25% stake in the Icelandair Hotels ehf. This option, which is treated as deferred consideration of the acquisition, effectively gives BPIL a present ownership interest of 100% in Icelandair Hotels ehf.

(v) Several other new subsidiary companies were incorporated during the financial year.

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the financial year ended 30 June 2020 (Cont'd)

(i) The financial effects of the acquisition of BESB which qualified as a business combination were as follows:

The cost of acquisition comprised the following:

Group	2020 RM'000
Property, plant and equipment	26
Current assets	4,829
Current liabilities	(33)
Total net assets acquired	4,822
Goodwill on acquisition	-
Total cost of acquisition, representing net cash outflow on date of acquisition	4,822
The net cash outflows on acquisitions were as follows:	
Purchase consideration satisfied by cash	(4,822)
Cash and cash equivalents of a subsidiary company acquired	969
Net cash outflow on acquisition of a subsidiary company	(3,853)

(ii) The financial effects of the acquisition of Informatics which qualified as a business combination were as follows:

The cost of acquisition comprised the following:

Group	2020 RM'000
Purchase consideration satisfied by cash	15,127
Carrying value of investment as an associated company	1,015
Fair value gain on re-measurement of the associated company prior to reclassification to investment in subsidiary company	1,953
	18,095

The fair values of the assets and liabilities of Informatics as at the date of acquisition are as follows:

Group	2020 RM'000
Property, plant and equipment	234
Right-of-use assets	2,161
Intangible assets	21
Cash and cash equivalents acquired	16,947
Other assets acquired, excluding cash and cash equivalents	3,836
Current liabilities	(15,625)
Lease liabilities	(5,084)
Non-current liabilities	(2)
Total net assets acquired carried forward	2,488

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the financial year ended 30 June 2020 (Cont'd)

(ii) The financial effects of the acquisition of Informatics which qualified as a business combination were as follows (cont'd):

Group	2020 RM'000
Total net assets acquired brought forward	2,488
Less: Non-controlling interests	(811)
Net assets acquired	1,677
Goodwill on acquisition	16,418
Total cost of acquisition, representing fair value of the consideration	18,095
The net cash inflows on acquisitions were as follows:	
Purchase consideration satisfied by cash	(15,127)
Cash and cash equivalents of a subsidiary company acquired	16,947
Net cash inflow on acquisition of a subsidiary company	1,820

(iii) The financial effects of the acquisition of Icelandair Hotels ehf which qualified as a business combination were as follows:

Group	2020 RM'000
Property, plant and equipment	374,224
Right-of-use assets	710,530
Other assets acquired, excluding cash and cash equivalents	30,585
Cash and cash equivalents acquired	21,716
Lease liabilities	(555,702)
Other borrowings and loans	(272,123)
Other liabilities	(100,071)
Non-controlling interests	(1,082)
Total net assets acquired	208,077
Deferred purchase consideration classified as derivative liabilities	(28,239)
Goodwill on acquisition	-
Total cost of acquisition, representing net cash outflow on date of acquisition	179,838
Purchase consideration satisfied by cash	(179,838)
Cash and cash equivalents of a subsidiary company acquired	21,716
Net cash outflow on acquisition of a subsidiary company	(158,122)

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the financial year ended 30 June 2020 (Cont'd)

(iv) The financial effects of the acquisition of GE11 which qualified as a business combination were as follows:

Group	2020 RM'000
Inventories - land held for property development	61,117
Current assets	3,280
Current liabilities	(3,135)
Total net assets acquired	61,262
Goodwill on acquisition	-
Total cost of acquisition, representing net cash outflow on date of acquisition	61,262
Purchase consideration satisfied by cash	(61,262)
Cash and cash equivalents of a subsidiary company acquired	-
Net cash outflow on acquisition of a subsidiary company	(61,262)

The above fair value of assets and liabilities and the goodwill arising on acquisition of all the business combinations are provisional as the Group is undertaking purchase price allocation exercises to determine the final fair values of identifiable assets (including intangible assets) and liabilities at acquisition. Any adjustments arising therefrom will be adjusted accordingly on a retrospective basis when the purchase price allocation exercises are completed.

During the current financial year, the revenue and profit/(loss) after tax of the acquired subsidiary companies are as follows:

	Revenue RM'000	Profit/(Loss) after tax RM'000
BESB	21,280	4,286
Informatics	21,237	(1,872)
Icelandair Hotels ehf	9,967	(33,711)
GE11	72	(6,725)

b) Acquisition of a subsidiary company subsequent to the financial year end

(i) On 17 July 2020, the Company acquired 51% equity interest in Mantra Design Sdn Bhd ("MDSB"), comprising 510,000 ordinary shares for a cash consideration of RM250,000.

The provisional financial effects of the acquisition of MDSB which qualified as a business combination were as follows:

Group	2020 RM'000
Property, plant and equipment	215
Current assets	11,189
Current liabilities	(5,259)
Total net assets acquired	6,145
Negative goodwill on acquisition	(5,895)
Total cost of acquisition, representing net cash outflow on date of acquisition	250

7 SUBSIDIARY COMPANIES (CONT'D)

c) Disposal of subsidiary companies

For the current financial year ended 30 June 2020

(i) Berjaya Philippines Inc. ("BPI")'s equity interest in its previously wholly-owned subsidiary company, Philippine Gaming Management Corporation ("PGMC"), had been diluted to 39.99% arising from the disposal of 20% equity interest in PGMC by BPI, as well as, the waiver of BPI's right to subscribe for additional new shares issued by PGMC. Consequently, PGMC ceased to be a subsidiary company and became an associated company of BPI. BPI, in turn, is a subsidiary of BToto.

(ii) The Company's equity interest in Aces Property Management Sdn Bhd ("APMSB") was diluted from 100% to 25%. Consequently, the Company has reclassified its investment in APMSB as investment in associated company.

The effects of the deemed disposal of APMSB on cash flows were as follows:

Group	2020 RM'000
Property, plant and equipment	21
Current assets	603
Current liabilities	(227)
Less: Reclassification to associated company at fair value	(99)
	298
Excluding: Cash and cash equivalents of a subsidiary company deemed disposed	(314)
Less: Loss on deemed disposal (Note 33)	(298)
Net cash outflow from deemed disposal of a subsidiary company	(314)

For the previous financial period ended 30 June 2019

Berjaya Leisure (Cayman) Limited ("BLCL") completed the disposal of its entire 70.0% equity interest in Berjaya Long Beach Limited Liability Company ("BLong Beach") for a cash consideration of about VND333.25 billion (equivalent to approximately RM65.32 million), including the waiver of all amounts owing by BLong Beach to BLCL which was about VND87.50 billion (or about RM17.15 million) as at 31 January 2017.

As a result of the disposal, BLCL received net proceeds of VND278.83 billion (equivalent to approximately RM52.44 million) after deducting related taxes and incidental costs.

The effects of the disposal of BLong Beach on cash flows were as follows:

Group	2019 RM'000
Assets and liabilities previously classified as disposal group	38,457
Non-controlling interests disposed	(5,451)
	33,006
Excluding: Cash and cash equivalents of disposed subsidiary company	(44)
Gain on disposal recognised in profit or loss	19,480
Part of disposal proceeds received in the previous financial years	(45,594)
Net cash inflow from disposal of a subsidiary company	6,848

7 SUBSIDIARY COMPANIES (CONT'D)

d) Disposal of a subsidiary company subsequent to the financial year end

As disclosed in Note 42(a), following the resolution of JDC Lawsuit, BLCL has transferred its entire equity interest in Berjaya Jeju Resort Limited ("BJeju") to Jeju Free International City Development Center ("JDC") pursuant to the Settlement Agreement and the estimated gain on disposal is approximately RM62 million. As such, the assets and liabilities of BJeju are disclosed as disposal group classified as held for sale at 30 June 2020.

e) Subsidiary companies with material non-controlling interests

Set out below are the non-controlling interests of the subsidiary companies which the Group regards as material. The equity interests held by non-controlling interests are as follows:

Name	Equity interest held by non-controlling interests 2020 %	2019 %
BToto (on a consolidated basis)	59.64	59.17
Berjaya (China) Great Mall Co Ltd ("GMOC")	49.00	49.00

Summarised financial information in respect of material subsidiary companies of the Group is set out below. These financial information are the amounts before inter-company elimination and after fair value adjustments arising from business combination, where applicable.

Group At 30 June 2020	BToto RM'000	GMOC RM'000
Non-current assets	4,508,606	145
Current assets	1,324,787	589,951
Non-current liabilities	(1,864,353)	-
Current liabilities	(1,081,493)	(116,325)
Net assets	2,887,547	473,771
Equity attributable to:		
- owners of the Parent	1,144,646	241,609
- non-controlling interests	1,742,901	232,162
Total equity	2,887,547	473,771
At 30 June 2019		
Non-current assets	4,162,725	507,764
Current assets	1,425,002	1,219
Non-current liabilities	(1,599,898)	-
Current liabilities	(1,115,314)	(107,536)
Net assets	2,872,515	401,447
Equity attributable to:		
- owners of the Parent	1,150,853	204,738
- non-controlling interests	1,721,662	196,709
Total equity	2,872,515	401,447

7 SUBSIDIARY COMPANIES (CONT'D)

e) Subsidiary companies with material non-controlling interests (Cont'd)

Group	BToto RM'000	GMOC RM'000
Year ended 30 June 2020		
Revenue	4,635,664	-
Profit for the financial year	133,704	69,506
Other comprehensive income	8,998	3,642
Total comprehensive income	142,702	73,148
Profit for the financial year attributable to:		
- owners of the Parent	53,398	35,448
- non-controlling interests	80,306	34,058
	133,704	69,506
Total comprehensive income attributable to:		
- owners of the Parent	58,246	37,305
- non-controlling interests	84,456	35,843
	142,702	73,148
Net cash generated from/(used in):		
- operating activities	154,717	(30,080)
- investing activities	(91,842)	5
- financing activities	(195,258)	29,369
Net change in cash and cash equivalents	(132,383)	(706)
Dividends paid to non-controlling interests	64,606	-
Period ended 30 June 2019		
Revenue	6,693,389	-
Profit for the financial period	285,971	41,192
Other comprehensive income	(309,742)	(10,274)
Total comprehensive income	(23,771)	30,918
Profit for the financial period attributable to:		
- owners of the Parent	104,157	21,008
- non-controlling interests	181,814	20,184
	285,971	41,192

7 SUBSIDIARY COMPANIES (CONT'D)

e) Subsidiary companies with material non-controlling interests (Cont'd)

Group	BToto RM'000	GMOC RM'000
Period ended 30 June 2019		
Total comprehensive income attributable to:		
- owners of the Parent	(16,637)	15,768
- non-controlling interests	(7,134)	15,150
	(23,771)	30,918
Net cash generated from/(used in):		
- operating activities	362,800	(5,454)
- investing activities	(4,662)	8
- financing activities	(352,190)	2,727
Net change in cash and cash equivalents	5,948	(2,719)
Dividends paid to non-controlling interests	160,658	-

8 ASSOCIATED COMPANIES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Quoted shares in Malaysia, at cost	127,602	124,855	43,339	40,591
Quoted shares outside Malaysia, at cost	-	101,490	-	-
Unquoted shares, at cost	331,514	283,920	-	-
Exchange differences	20,272	12,088	-	-
	479,388	522,353	43,339	40,591
Share of post-acquisition reserves	34,717	93,431	-	-
	514,105	615,784	43,339	40,591
Less: Accumulated impairment losses				
- quoted shares outside Malaysia	-	(47,395)	-	-
- unquoted shares	(46,038)	(46,038)	-	-
	(46,038)	(93,433)	-	-
Total investments in associated companies	468,067	522,351	43,339	40,591
Represented by:				
Carrying amount of:				
- quoted shares in Malaysia	187,775	196,277	43,339	40,591
- quoted shares outside Malaysia	-	1,497	-	-
- unquoted shares	280,292	324,577	-	-
	468,067	522,351	43,339	40,591
Fair value of quoted shares:				
- in Malaysia	71,561	68,620	22,568	19,625
- outside Malaysia	-	1,497	-	-

8 ASSOCIATED COMPANIES (CONT'D)

Details of the associated companies are set out in Note 51.

In the previous financial period, the Group recognised:

(i) a full impairment loss amounting to RM5,356,000 in respect of one of its unquoted associated company which had ceased operations; and

(ii) a reversal of impairment loss amounting to RM2,207,000 in respect of one of its quoted associated companies with recoverable amount of RM2,207,000 (based on observable market prices).

During the current financial year, the significant changes to associated companies of the Group were:

(i) the increase of the Group's equity interest in an associated company, Berjaya Assets Berhad ("BAssets") to 9.48% following the acquisition of 9.97 million BAssets shares by the Group;

(ii) the dilution of BPI's equity interest in its previously wholly-owned subsidiary company, PGMC, to 39.99% arising from the disposal of 20% equity interest in PGMC by BPI, as well as, the waiver of BPI's right to subscribe for additional new shares issued by PGMC.

(iii) the accretion of Berjaya Leisure (Cayman) Limited's ("BLCL") equity interest in Singapore Institute of Advance Medicine Holdings Pte Ltd ("SIAMH") from 22.51% to 23.73.% as SIAMH undertook a share buyback exercise which has resulted in the reduction of its shares with voting rights; and

(iv) the accretion of BLCC equity interest in Informatics from 27.09% to 67.42% as BLCC subscribed for its entitlement and the excess of rights shares cum free warrants, totalling 100,000,000 new ordinary shares and 33,333,333 free warrants in Informatics for a total cash consideration of SGD5.0 million (equivalent to approximately RM15.305 million), thus making Informatics a subsidiary company of the Group.

During the previous financial period, the significant changes to associated companies of the Group were:

(i) the increase of the Group's equity interest in an associated company, BAssets to 9.09% following the acquisition of 12.85 million BAssets shares by the Group; and

(ii) the dilution of BLCL's equity interest in SIAMH from 34.27% to 22.51% as BLCL did not subscribe for its entitlement to SIAMH's renounceable rights issue of 17,500,000 new ordinary shares in SIAMH on the basis of one (1) rights share for every 2 existing ordinary SIAMH shares held at an issue price of SGD1.20 per right share.

The Group and the Company did not recognise any impairment in the value of an associated company, BAssets of which its shares are quoted in Malaysia, as the Directors have determined its recoverable amount to approximate its carrying value. The recoverable amount of BAssets is based on the Group's share of its net assets after accounting for the fair values less costs to sell of BAssets' investment properties, which are its principal assets.

Certain quoted shares of the Group and of the Company with carrying amounts of RM52,840,000 and RM19,975,000 (2019 : RM68,813,000 and RM17,284,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

8 ASSOCIATED COMPANIES (CONT'D)

The Group regards Berjaya Kyoto Development (S) Pte Ltd ("BKDS") and BAssets as its material associated companies.

Summarised financial information in respect of material associated companies of the Group is set out below. These financial information represent the amounts in the financial statements of the associated companies after fair value adjustments and not the Group's share of those amounts.

Group At 30 June 2020	BKDS RM'000	BAssets RM'000
Non-current assets	209,742	2,971,006
Current assets	928,425	304,711
Non-current liabilities	(531,350)	(987,257)
Current liabilities	(275,529)	(275,920)
Capital contribution of fellow shareholder not proportionate of its equity interest	(106,545)	-
Net assets	224,743	2,012,540
Equity attributable to:		
Owners of the associated companies	224,743	2,012,474
Non-controlling interests of the associated companies	-	66
	224,743	2,012,540
At 30 June 2019		
Non-current assets	1,111,103	3,147,684
Current assets	522,504	366,332
Non-current liabilities	(948,295)	(994,332)
Current liabilities	(179,972)	(326,560)
Capital contribution of fellow shareholder not proportionate of its equity interest	(106,094)	-
Net assets	399,246	2,193,124
Equity attributable to:		
Owners of the associated companies	399,246	2,183,608
Non-controlling interests of the associated companies	-	9,516
	399,246	2,193,124
Financial Year ended 30 June 2020		
Revenue	140,211	246,702
Profit/(Loss) for the financial year	344,107	(130,518)
Other comprehensive income	2,278	(47,336)
Total comprehensive income	346,385	(177,854)

8 ASSOCIATED COMPANIES (CONT'D)

Group **Financial Year ended 30 June 2020**	**BKDS** **RM'000**	**BAssets** **RM'000**
Profit/(Loss) for the financial year attributable to:		
- owners of the associated companies	344,107	(123,762)
- non-controlling interests of the associated companies	-	(6,756)
	344,107	(130,518)
Total comprehensive income attributable to:		
- owners of the associated companies	346,385	(171,134)
- non-controlling interests of the associated companies	-	(6,720)
	346,385	(177,854)
Group's share of profit/(loss) for the financial year attributable to owners of the associated companies	172,054	(11,733)
Dividends received during the financial year	261,133	-
Financial Period ended 30 June 2019		
Revenue	394,186	379,223
Profit/(Loss) for the financial period	8,454	(88,643)
Other comprehensive income	9,896	(21,867)
Total comprehensive income	18,350	(110,510)
Profit/(Loss) for the financial period attributable to:		
- owners of the associated companies	8,454	(91,041)
- non-controlling interests of the associated companies	-	2,398
	8,454	(88,643)
Total comprehensive income attributable to:		
- owners of the associated companies	18,350	(112,154)
- non-controlling interests of the associated companies	-	1,644
	18,350	(110,510)
Group's share of profit/(loss) for the financial period attributable to owners of the associated companies	4,227	(8,276)
Dividends received during the financial period	-	-

8 ASSOCIATED COMPANIES (CONT'D)

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in associated companies

Group **30 June 2020**	**BKDS** **RM'000**	**BAssets** **RM'000**
Attributable to owners of the associated companies:		
Net assets at 1 July 2019	399,246	2,183,608
Profit/(Loss) for the financial year	344,107	(123,762)
Other comprehensive income	2,278	(47,372)
Dividend paid during the financial year	(522,266)	-
Exchange differences	1,378	-
Net assets at 30 June 2020	224,743	2,012,474
Group's equity interest	50%	9.48%
Interest in net assets of the associated companies	112,372	190,783
Less: Intragroup adjustments	1,008	(3,007)
Carrying amount of Group's interest in the associated companies	113,380	187,776

Group **30 June 2019**		
Attributable to owners of the associated companies:		
Net assets at 1 May 2018	368,303	2,295,762
Profit/(Loss) for the financial period	8,454	(91,041)
Other comprehensive income	9,896	(21,113)
Exchange differences	12,593	-
Net assets at 30 June 2019	399,246	2,183,608
Group's equity interest	50%	9.09%
Interest in net assets of the associated companies	199,623	198,490
Less: Intragroup adjustments	922	(2,213)
Carrying amount of Group's interest in the associated companies	200,545	196,277

8 ASSOCIATED COMPANIES (CONT'D)

Aggregate information of associated companies that are not individually material

Group	2020 RM'000	2019 RM'000
The Group's share of loss for the financial year/period, representing total comprehensive income	(12,508)	(25,469)
Aggregate carrying amount of the Group's interests in these associated companies	166,911	125,529

The Group has discontinued recognition of its share of losses of certain associated companies because the share of losses of these associated companies has exceeded the Group's interests in these associated companies. As such, during the current financial year, the Group did not recognise its share of the current financial year losses of these associated companies amounting to RM1,726,000 (2019 : RM6,528,000) and the Group's cumulative share of unrecognised losses of these associated companies amounted to RM33,121,000 (2019 : RM31,395,000).

9 JOINT VENTURES

	Group 2020 RM'000	Group 2019 RM'000
Contributed legal capital/cost of investment	158,711	158,211
Share of post-acquisition reserves	(102,331)	(98,826)
Exchange differences	5,158	3,641
	61,538	63,026
Less: Accumulated impairment losses	(7,849)	(6,849)
	53,689	56,177

Details of the joint ventures are as follows:

Name of Joint Ventures	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
Berjaya-Handico12 Co Ltd	Socialist Republic of Vietnam	Property investment and development	80	80
Berjaya Hotay Joint Venture Company Limited	Socialist Republic of Vietnam	Developer and operator of an international standard five star hotel and provision of related services	50	50
Asia Jet Partners Malaysia Sdn Bhd	Malaysia	Aircraft charter services and related business	51	51
Pasdec Cempaka Sdn Bhd	Malaysia	Property development and investment	51	51

During the previous financial period, T.P.C. Development Ltd, a wholly-owned subsidiary of BLCL, completed the disposal of its entire equity interest of 75% of the capital contribution in T.P.C. Nghi Tam Village Ltd, which resulted in a gain on disposal of RM195.7 million as dislcosed in Note 32.

The Group has discontinued recognition of its share of losses of certain joint ventures because the share of losses of these joint ventures have exceeded the Group's interest in these joint ventures. As such, during the current financial year, the Group did not recognise its share of the current financial year's net profit of these joint ventures amounting to RM26,310,000 (2019 : RM3,701,000) and the Group's cumulative share of unrecognised losses of these joint ventures amounted to RM2,153,000 (2019 : RM28,463,000).

9 JOINT VENTURES (CONT'D)

Summarised financial information in respect of Berjaya Hotay Joint Venture Company Limited ("BHotay"), a material joint venture of the Group is set out below. These financial information represents the amounts in the financial statements of the joint venture after fair value adjustments arising from business combination and not the Group's share of those amounts.

Group	BHotay	
	2020 RM'000	2019 RM'000
Non-current assets	206,349	202,628
Current assets	8,684	8,186
Non-current liabilities	(104,468)	(107,230)
Current liabilities	(33,643)	(22,289)
Net assets	76,922	81,295
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	6,403	5,378
Current financial liabilities (excluding trade and other payables and provision)	24,868	13,219
Non-current financial liabilities (excluding trade and other payables and provision)	94,719	97,575
Revenue	70,771	69,207
Loss for the financial year/period, representing total comprehensive income for the financial year/period	(7,407)	(3,202)
The above loss for the financial year/period include the following:		
Depreciation and amortisation	18,167	19,289
Finance costs	6,854	6,484
Dividends received from the joint venture during the financial year/period	-	-

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in the joint venture

Group	BHotay	
	2020 RM'000	2019 RM'000
Net assets at 1 July 2019/ May 2018	81,295	81,665
Loss for the financial year/period, representing total comprehensive income for the financial year/period	(7,407)	(3,202)
Exchange differences	3,034	2,832
Net assets at 30 June	76,922	81,295
Group's equity interest	50%	50%
Carrying amount of Group's interest in the joint venture	38,461	40,648

9 JOINT VENTURES (CONT'D)

Aggregate information of joint ventures that are not individually material

	Group	
	2020 RM'000	2019 RM'000
The Group's share of profit/(loss) for the financial year/period, representing total comprehensive income for the financial year/period	199	(1,043)
Aggregate carrying amount of the Group's interests in these joint ventures	15,228	15,529

10 INVESTMENTS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At fair value:				
Quoted shares:				
- in Malaysia	131,467	107,136	51,645	10,032
- outside Malaysia	914	1,687	-	-
	132,381	108,823	51,645	10,032
Quoted warrants in Malaysia	2,808	5,157	832	1,497
Quoted loan stocks in Malaysia	-	5,467	-	-
Malaysian Government Securities	3,374	3,186	-	-
	138,563	122,633	52,477	11,529
Unquoted shares:				
- in Malaysia	13,959	12,459	5,958	5,958
- outside Malaysia	34,175	39,063	-	-
	48,134	51,522	5,958	5,958
Unquoted non-redeemable convertible loans	3,687	-	-	-
Total investments	190,384	174,155	58,435	17,487

The investment in Malaysian Government Securities is deposited with the Malaysian Government in accordance with the Pool Betting Act, 1967 in connection with the issue of the pool betting licence and yields interest at 4.50% (2019 : 4.50%) per annum.

Further details on fair value hierarchy and classification of equity investments are disclosed in Notes 45 and 46 respectively.

Certain quoted shares of the Group and of the Company with carrying amount of RM9,022,000 (2019 : RM10,032,000) are pledged to a financial institution for credit facilities granted to the Company.

11 INTANGIBLE ASSETS

Group	Gaming rights RM'000	Dealerships RM'000	Goodwill RM'000	Customer relationships RM'000	Computer software RM'000	Total RM'000
2020						
Cost:						
At 1 July 2019	4,400,000	54,557	899,733	3,150	7,974	5,365,414
Addition during the financial year	-	-	-	-	2,262	2,262
Arising from acquisition of subsidiary companies (Note 7)	-	-	16,418	-	8,464	24,882
Transfer to disposal group classified as held for sale	-	-	-	-	(567)	(567)
Reversal of deferred tax liability	-	-	1,094	-	-	1,094
Exchange differences	-	155	821	8	(54)	930
At 30 June 2020	4,400,000	54,712	918,066	3,158	18,079	5,394,015
Accumulated amortisation/impairment:						
At 1 July 2019	(965,317)	-	(800,637)	(1,154)	(6,024)	(1,773,132)
Arising from acquisition of subsidiary companies (Note 7)	-	-	-	-	(7,508)	(7,508)
Transfer to disposal group classified as held for sale	-	-	-	-	567	567
Amortisation for the financial year	-	-	-	(314)	(761)	(1,075)
At 30 June 2020	(965,317)	-	(800,637)	(1,468)	(13,726)	(1,781,148)
Carrying amount at 30 June 2020	3,434,683	54,712	117,429	1,690	4,353	3,612,867
2019						
Cost:						
At 1 May 2018	4,676,411	56,220	971,602	3,217	7,568	5,715,018
Addition during the financial period	-	-	3,762	-	338	4,100
Deferred tax liability recognised	-	-	(1,091)	-	-	(1,091)
Write-off during the financial period	(278,626)	-	(73,469)	-	-	(352,095)
Exchange differences	2,215	(1,663)	(1,071)	(67)	68	(518)
At 30 June 2019	4,400,000	54,557	899,733	3,150	7,974	5,365,414
Accumulated amortisation/impairment:						
At 1 May 2018	(774,535)	-	(862,762)	(786)	(5,363)	(1,643,446)
Impairment for the financial period	(439,531)	-	(11,344)	-	-	(450,875)
Write-off during the financial period	278,626	-	73,469	-	-	352,095
Amortisation for the financial period	(29,877)	-	-	(368)	(661)	(30,906)
At 30 June 2019	(965,317)	-	(800,637)	(1,154)	(6,024)	(1,773,132)
Carrying amount at 30 June 2019	3,434,683	54,557	99,096	1,996	1,950	3,592,282

11 INTANGIBLE ASSETS (CONT'D)

Impairment test on Gaming Rights, Dealerships, Customer Relationships and Goodwill

Allocation of Gaming Rights

Gaming Rights are allocated to the Group's toto betting business segment in Malaysia ("Gaming Rights - Licence").

Allocation of Dealerships and Customer Relationships

Dealerships and Customer Relationships are allocated solely to the Group's motor vehicle dealerships business segment.

Allocation of goodwill

Goodwill has been allocated to the Group's CGUs identified according to business segments as follows:

	Group	
	2020 RM'000	2019 RM'000
Motor vehicle dealerships	73,378	71,571
Property development and property investment	4,102	4,102
Club, recreation and others		
(inclusive of facilitator and licensor for training and examination centres)	16,418	-
Hotels and resorts	23,531	23,423
	117,429	99,096

In the current financial year, the Group has assessed that its recoverable amounts of the CGUs of the Gaming Rights, Dealerships, Customer Relationships and goodwill are sufficiently above the carrying amounts of these CGUs.

During the previous financial period, the Group has assessed that the carrying amounts of the CGUs of Gaming Rights - Licence and gaming rights that was allocated to the leasing of online lottery equipment business segment in the Philippines ("Gaming Rights - ELA") were in excess of their recoverable amounts. Consequently, the Group recognised an impairment loss of RM417,406,000 in respect of Gaming Rights - Licence, whilst the Gaming Rights - ELA amounting to RM22,125,000 was fully impaired.

Key assumptions used in VIU calculations and fair values less costs to sell of CGUs

The recoverable amount of a CGU is determined based on the higher of VIU or fair value less costs to sell of the respective CGUs. VIU is calculated using cash flow projections based on financial budgets covering a five-year period. Fair value less costs to sell is estimated based on the best information available in an active market to reflect the amount obtainable in an arm's length transaction, less costs of disposal.

11 INTANGIBLE ASSETS (CONT'D)

Key assumptions used in VIU calculations and fair values less costs to sell of CGUs (Cont'd)

The following describes each key assumption on which management has based its cash flow projections for VIU calculations or fair value less costs to sell of the CGUs:

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the financial period/year before the budgeted year, adjusted for market and economic conditions, internal resource efficiency and the supply and demand factors, where applicable.

(ii) Discount rates

The discount rates used for identified CGUs are on a basis that reflect specific risks relating to the relevant business segments. The significant post-tax discount rates, applied to post-tax cash flows, used for identified CGUs are in the range of 6.3% to 11.8% (2019 : 6.3% to 11.8%), of which 9.0% (2019 : 9.0%) have been applied to the gaming business segment.

(iii) Terminal growth rates

The terminal growth rates used for identified CGUs are estimated with reference to published research and do not exceed the long term growth rate for the countries relevant to the CGUs. The applicable terminal growth rate is in the range of 1.0% to 1.5% (2019 : 1.0% to 1.5%), of which 1.5% (2019 : 1.5%) has been applied to the gaming business segment.

(iv) Fair value less costs to sell

The fair value is estimated based on observable market prices of similar CGUs/assets within the same industry and similar locations. This is applicable principally for the property development and investment, and hotels and resorts business segments.

Sensitivity to changes in assumptions

For the Malaysian toto betting business segment, which goodwill has been fully impaired, the recoverable amount of Gaming Rights - Licence based on VIU computation, remains sensitive towards possible negative changes in terminal and revenue growth rates due to the unanticipated regulatory and economic changes.

Should the discount rate decrease by 0.85% with all other variables held constant, the VIU of the gaming rights of the Malaysian toto betting business segment would equal to the carrying amount of the CGU.

Management believes that there are no reasonable possible change in any of the above key assumptions which would cause the carrying amounts of the CGUs allocated to Dealerships, Customer Relationships and goodwill to materially exceed their recoverable amounts.

12 CONTRACT COST ASSETS

	Group	
	2020 RM'000	2019 RM'000
Property development activities:		
Costs to obtain contracts with customers	6,430	4,510
Costs to fulfill contracts with customers	111,827	93,441
	118,257	97,951

(a) Costs to obtain contracts with customers

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	4,510	741
Additions during the financial year/period	2,412	4,289
Amortisation for the financial year/period	(648)	(520)
Exchange differences	156	-
At 30 June	6,430	4,510

(b) Costs to fulfill contracts with customers

	Group	
	2020 RM'000	2019 RM'000
At cost:		
At 1 July 2019/May 2018		
- freehold land	162,710	156,724
- leasehold land	-	68
- development costs	106,543	58,681
	269,253	215,473
Costs incurred during the financial year/period:		
- freehold land	2,312	-
- development costs	41,276	49,389
	43,588	49,389
Costs recognised in profit or loss:		
- at 1 July 2019/May 2018	(175,812)	(106,696)
- recognised during the financial year/period	(151,521)	(83,683)
- eliminated during the financial year/period due to completion of project	320,050	14,567
- at 30 June	(7,283)	(175,812)
Transferred during the financial year/period:		
- from property development costs	126,319	17,718
- from inventories	-	1,240
	126,319	18,958
Costs eliminated during the financial year/period due to completion of project:		
- freehold land	(165,829)	-
- leasehold land	-	(739)
- development costs	(154,221)	(13,828)
	(320,050)	(14,567)
Carrying amount as at 30 June	111,827	93,441

13 RECEIVABLES

	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
NON-CURRENT				
Other receivables				
Amount receivable from disposal of GMOC Project (Note b(i))	-	507,621	-	-
Compensation receivable for Jeju Project (Note b(ii))	-	584,467	-	-
Stakeholders' sum	-	621	-	-
Amounts owing by :				
- subsidiary companies	-	-	966,739	715,505
- joint ventures	211,807	265,476	-	-
	211,807	1,358,185	966,739	715,505
Less: Allowance for impairment				
- amounts owing by subsidiary companies	-	-	(137,599)	(39,105)
Total non-current receivables	211,807	1,358,185	829,140	676,400
CURRENT				
Trade receivables				
Amount owing by:				
- third parties	184,220	188,626	-	-
- related company	116,971	86,603	-	-
- joint venture	2,851	-	-	-
	304,042	275,229	-	-
Less: Allowance for impairment	(22,845)	(15,874)	-	-
	281,197	259,355	-	-
Other receivables				
Sundry receivables	234,291	100,866	307	329
Amount receivable from disposal of GMOC Project (Note b(i))	589,440	-	-	-
Refundable deposits	26,731	25,400	446	380
Amounts owing by :				
- subsidiary companies	-	-	1,004,608	1,250,304
- related companies	72,397	46,115	377	328
- associated companies	273,618	274,049	714	39,067
- joint ventures	88,710	60,783	-	-
	1,285,187	507,213	1,006,452	1,290,408
Less: Allowance for impairment:				
- Sundry receivables	(6,239)	(6,501)	(299)	(299)
- Amounts owing by:				
- subsidiary companies	-	-	(44,314)	(86,092)
- associated companies	(8,555)	(7,660)	(9)	(9)
- joint ventures	(353)	-	-	-
	1,270,040	493,052	961,830	1,204,008
Total receivables at amortised cost	1,763,044	2,110,592	1,790,970	1,880,408

13 RECEIVABLES (CONT'D)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Other current assets				
Sundry receivables	44,127	42,044	-	24
Prepayments	296,696	302,183	2,206	2,886
Deposits for acquisition of assets	4,496	40,741	-	-
Dividend receivable	159,399	1,000	159,399	1,000
	504,718	385,968	161,605	3,910
Total current receivables	2,055,955	1,138,375	1,123,435	1,207,918
Total receivables	2,267,762	2,496,560	1,952,575	1,884,318

(a) Trade receivables

The Group's trade receivables are non-interest bearing with credit terms ranging from 1 to 60 (2019 : 1 to 60) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition. As at 30 June 2020, the Group has no significant concentration of credit risk that may arise from exposure to a single trade receivable or to groups of trade receivables, except for an amount due from a related company amounting to RM116,971,000 (2019 : RM86,603,000).

Ageing analysis of trade receivables

The ageing analysis of trade receivables is as follows:

	Group	
	2020 RM'000	2019 RM'000
Current	77,969	99,061
1 to 30 days	9,958	12,830
31 to 60 days	5,563	13,342
61 to 90 days	6,294	5,410
Over 90 days	177,993	127,680
	199,808	159,262
Impaired	26,265	16,906
	304,042	275,229

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment track records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year/period.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM199,808,000 (2019 : RM159,262,000) that are past due at the reporting date but not impaired as there is no concern on the credit-worthiness of the counterparties and the recoverability of these debts.

13 RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Receivables that are impaired

The Group's trade receivables that are individually assessed and impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2020 RM'000	2019 RM'000
Trade receivables	26,265	16,906
Less: Allowance for impairment	(22,845)	(15,874)
	3,420	1,032

The Group measures allowance for impairment losses of trade receivables based on lifetime ECLs.

Impairment for trade receivables are recognised based on the simplified approach. Impairment is recognised against trade receivables over their credit period based on estimated amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. As for the property development activities, the Group has assessed that these debts should be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remains with the Group until the purchase consideration is fully settled/paid.

Movement in allowance accounts

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	15,874	12,378
Arising from acquisition of subsidiary companies	2,526	-
Charge for the financial year/period (Note 35)	5,326	4,381
Reversal of impairment loss (Note 31)	(711)	(772)
Written off	(189)	(64)
Exchange differences	19	(49)
At 30 June	22,845	15,874

(b) Other receivables: current and non-current

(i) This represents the Final Instalment claimed by GMOC from Beijing SkyOcean in respect of the GMOC Arbitration, details of which are disclosed in Notes 2.5(a)(ii) and 42(c). During the financial year, GMOC had obtained a favourable arbitration claim against Beijing SkyOcean and proceeded to seek recognition and enforcement of the arbitration award in all jurisdictions. As GMOC expects to complete the legal proceedings in the next 12 months, the Final Instalment of RM589,440,000 has been classified as current.

13 RECEIVABLES (CONT'D)

(b) Other receivables: current and non-current (cont'd)

(ii) Following the resolution of JDC Lawsuit as disclosed in Note 42(a) subsequent to the financial year end, BLCL has transferred its equity interest in BJeju to JDC pursuant to the Settlement Agreement. At the reporting date. this amount has been reclassified to disposal group held for sale as disclosed in Note 18.

(iii) Movement in allowance accounts

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	14,161	7,531	125,505	97,539
Charge for the financial year/ period (Notes 33, 35)	1,498	7,515	56,716	27,966
Reversal of impairment loss (Note 31)	-	(881)	-	-
Written off	(400)	(5)	-	-
Exchange differences	(112)	1	-	-
At 30 June	15,147	14,161	182,221	125,505

The Group has no significant concentration of credit risk that may arise for exposures to a single debtor or a group of debtors except for RM589,440,000 (2019 : RM507,621,000) being the Final Instalment of the disposal of the GMOC Project and the amounts owing by joint ventures and associated companies. The Company has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of receivables except for the amounts owing by subsidiary companies.

The amounts owing by subsidiary companies, associated companies and related companies of the Company are unsecured, repayable on demand and interest bearing except for a gross amount totalling RM754,081,000 (2019 : RM805,211,000) which are non interest bearing.

The amounts owing by certain subsidiary companies have been classified as non-current assets as the Company has reassessed that it does not intend to call for the payments of these amounts within the next 12 months.

The amounts owing by associated companies and related companies of the Group and of the Company are unsecured, repayable on demand and non-interest bearing except for a gross amount totalling RM265,182,000 (2019 : RM276,218,000) and RM389,000 (2019 : RM38,728,000) respectively, which are interest bearing.

The amounts owing by joint ventures are unsecured, non-interest bearing with schedule of repayments ranging from 2 to 20 (2019 : 2 to 20) years, except for a gross amount of RM280,145,000 (2019 : RM306,573,000) which is interest bearing.

(c) Other current assets

Included in sundry receivables of the Group are advance payments of RM42,074,000 (2019 : RM41,733,000) made in respect of property development project of the Group's foreign venture.

Included in the prepayments of the Group is:

(i) an amount of RM230,724,000 (2019 : RM230,724,000) which relates to a proposed project for the relocation of a turf club. The amount was prepaid to a related company as disclosed in Note 42(b).

13 RECEIVABLES (CONT'D)

(c) Other current assets (cont'd)

Included in the prepayments of the Group is (Cont'd):

(ii) an initial amount of RM7,931,000 (2019 : RMNil) paid by a foreign subsidiary company to purchase a limited edition vehicle for resale at arm's length basis and in its normal commercial trading terms from its director. The total consideration for the purchase is RM21,150,000 with a balance outstanding sum of RM13,219,000 to complete the transaction.

Included in deposit for acquisition of assets of the previous financial period was an amount of RM30,782,000 relating to the proposed acquisition of an investee. The proposed acquisition of this investee was completed in the current financial year.

14 CONTRACT ASSETS/(LIABILITIES)

	Group	
	2020 RM'000	2019 RM'000
NON-CURRENT		
Contract liabilities	(224,512)	(239,895)
CURRENT		
Contract assets	8,032	58,398
Contract liabilities	(326,330)	(309,705)
	(318,298)	(251,307)
Total	(542,810)	(491,202)

	Group	
	2020 RM'000	2019 RM'000
Contract assets by business segments:		
Property development activities (Note a)	1,401	49,799
Wagering and voting systems contracts (Note c)	6,631	8,599
	8,032	58,398
Contract liabilities by business segments:		
Property development activities (Note a)	(109,769)	(139,593)
Club and vacation time share memberships (Note b)	(233,250)	(252,000)
Wagering and voting systems contracts (Note c)	(917)	(1,197)
Deposits received from customers for sale of motor vehicles contracts (Note d)	(177,523)	(151,098)
Hotel operations activities (Note e)	(22,015)	(5,712)
Franchisor and licensor for computer and commercial training centres and examination facilitators activities (Note f)	(7,190)	-
Health and fitness operations activities	(178)	-
	(550,842)	(549,600)
Total	(542,810)	(491,202)

14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Contract assets and contract liabilities from property development activities

	Group	
	2020 RM'000	2019 RM'000
Contract assets	1,401	49,799
Contract liabilities	(109,769)	(139,593)
	(108,368)	(89,794)
At 1 July 2019/May 2018	(89,794)	(84,743)
Consideration payable to the customer	2,310	3,754
Revenue recognised during the financial year/period	179,989	152,223
Progress billings during the financial year/period	(200,873)	(161,028)
At 30 June	(108,368)	(89,794)

Revenue from property development activities in Malaysia are recognised over time using the input method, which is based on actual costs incurred to date on the property development project as compared to the total budgeted costs for the respective property development projects.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2020 is RM325,052,000 (2019 : RM487,790,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2020 RM'000	2019 RM'000
Within 1 year	252,019	460,456
More than 1 year	73,033	27,334
	325,052	487,790

(b) Contract liabilities from club and vacation time share memberships

	Group	
	2020 RM'000	2019 RM'000
Contract liabilities	(233,250)	(252,000)
At 1 July 2019/May 2018	(252,000)	(278,289)
Revenue recognised during the financial year/period	18,750	26,289
At 30 June	(233,250)	(252,000)

Revenue from club and vacation time share membership activities are recognised over time on a straight line basis over the tenure of each respective membership as services are provided in the form of usage of facilities of the clubs and time share operations.

14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(b) Contract liabilities from club and vacation time share memberships (Cont'd)

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2020 is RM233,250,000 (2019 : RM252,000,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2020 RM'000	2019 RM'000
Within 1 year	8,986	12,105
More than 1 year	224,264	239,895
	233,250	252,000

(c) Contract assets and contract liabilities from wagering and voting systems contracts

	Group	
	2020 RM'000	2019 RM'000
Contract assets	6,631	8,599
Contract liabilities	(917)	(1,197)
	5,714	7,402
At 1 July 2019/May 2018	7,402	1,469
Revenue recognised during the financial year/period	3,180	12,787
Progress billings during the financial year/period	(5,204)	(7,049)
Exchange differences	336	195
At 30 June	5,714	7,402

Revenue from wagering and voting systems contracts are recognised over time using the input method, which represent the milestones billings, which are either structured or negotiated with contract customers to reflect the physical stage of completion of the contracts.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2020 is RM917,000 (2019 : RM1,197,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2020 RM'000	2019 RM'000
Within 1 year	669	1,197
More than 1 year	248	-
	917	1,197

14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(d) Contract liabilities from deposits received from customers for sale of motor vehicles contracts

	Group	
	2020 RM'000	2019 RM'000
Contract liabilities	(177,523)	(151,098)
At 1 July 2019/May 2018	(151,098)	(124,399)
Revenue recognised during the financial year/period	152,328	122,332
Deferred during the financial year/period	(177,523)	(151,095)
Exchange differences	(1,230)	2,064
At 30 June	(177,523)	(151,098)

Contract liabilities represent the obligations to deliver the motor vehicles to the customers for which the Group has received the considerations (i.e. customer deposits received of which the motor vehicle production phase has commenced) from the customers.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2020 is RM177,523,000 (2019 : RM151,098,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2020 RM'000	2019 RM'000
Within 1 year	177,523	151,098

(e) Contract liabilities from hotels operation activities

	Group	
	2020 RM'000	2019 RM'000
Contract liabilities	(22,015)	(5,712)
At 1 July 2019/May 2018	(5,712)	(4,579)
Arising on acquisition of a subsidiary	(24,496)	-
Revenue recognised during the financial year/period	112,438	241,357
Progress billings during the financial year/period	(104,245)	(242,490)
At 30 June	(22,015)	(5,712)

Contract liabilities represent the obligations to provide services relating to hotel operations for which the Group has received the considerations from the customers.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2020 is RM22,015,000 (2019 : RM5,712,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2020 RM'000	2019 RM'000
Within 1 year	22,015	5,712

14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(f) Contract liabilities from franchisor and licensor for computer and commercial training centres and examination facilitators activities

	Group	
	2020 RM'000	2019 RM'000
Contract liabilities	(7,190)	-
At 1 July 2019/May 2018	-	-
Arising from acquisition of a subsidiary company	(9,960)	-
Revenue recognised during the financial year/period	21,457	-
Progress billings during the financial year/period	(18,687)	-
At 30 June	(7,190)	-

Contract liabilities represent the obligations to provide services relating to franchisor and licensor for computer and commercial training centres and examination facilitators operations for which the Group has received the considerations from the customers.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2020 is RM7,190,000 (2019 : RMNil). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2020 RM'000	2019 RM'000
Within 1 year	7,190	-

15 SHORT TERM INVESTMENTS

	Group	
	2020 RM'000	2019 RM'000
Unit trust funds in Malaysia, at fair value	8,727	9,691

16 DEPOSITS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Deposits with:				
- Licensed banks	239,517	430,281	66,423	62,062
- Other financial institutions	2,644	2,636	-	-
	242,161	432,917	66,423	62,062

Included in deposits are:

(a) amounts which are restricted in usage:
   (i) RM59,601,000 (2019 : RM66,266,000) and RM55,923,000 (2019 : RM56,463,000) held in debt service reserve accounts for the Group and the Company respectively;
   (ii) RM7,901,000 (2019 : RM7,322,000) pledged for credit and other facilities granted to certain subsidiary companies of the Group; and
   (iii) RM6,785,000 (2019 : RM5,512,000) being deposits with maturity more than 3 months held by the Group.

(b) RM16,389,000 (2019 : RM16,288,000) held in sinking funds and trust accounts of the Group, for the operations of recreational clubs and time share operations.

The weighted average effective interest rates of deposits as at reporting date are as follows:

	Group		Company	
	2020 %	2019 %	2020 %	2019 %
Licensed banks	2.32	2.98	2.09	3.10
Other financial institutions	0.78	0.90	-	-

The weighted average maturities of deposits as at the end of financial year/period are as follows:

	Group		Company	
	2020 Days	2019 Days	2020 Days	2019 Days
Licensed banks	16	24	27	29
Other financial institutions	365	365	-	-

17 CASH AND BANK BALANCES

Included in cash and bank balances are:

(a) amounts which are restricted in usage:
   (i) RM5,554,000 (2019 : RM899,000) and RM4,698,000 (2019 : RM49,000) held in debt service reserve accounts for the Group and the Company respectively; and
   (ii) RMNil (2019 : RM667,000) pledged for credit facilities granted to foreign subsidiary companies of the Group.

(b) amounts totalling RM106,550,000 (2019 : RM48,912,000) held by the Group pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966.

(c) monies held for the operations of recreational clubs and time share operations of the Group amounting to RM627,000 (2019 : RM356,000).

18 DISPOSAL GROUP/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the current financial year, the Group completed the deemed disposal of PGMC and the disposal of an investment property, both of which were classified as held for sale in the previous financial period.

The disposal group/non-current assets classified as held for sale of the current financial year comprises:

(a) the carrying amount of an associated company, Berjaya Vietnam Financial Center Limited ("BVFC") of RM145,373,000. BLCL had received a refundable deposit of USD15.0 million (equivalent to about RM58.734 million). Subsequently, BLCL entered into a Capital Transfer Agreement ("CTA") to dispose of its entire 32.5% equity interest in BVFC. Details of the proposed disposal are disclosed in Note 49(a).

(b) the net carrying amount of an investment in Berjaya Vietnam International University Town One Member Limited Liability Company (“BVIUT”). As disclosed in Note 49(a), BLCL intended to dispose of BVIUT to the buyers of BVFC or their affiliates. The investment with carrying amount of RM5,376,000 was fully impaired in the previous financial period due to uncertainties of its recoverability.

(c) the carrying amount of the assets and liabilities of BJeju. Following the resolution of JDC Lawsuit subsequent to the financial year end, BLCL transferred its entire equity interest in BJeju to JDC pursuant to the Settlement Agreement. Details of the JDC Lawsuit are disclosed in Note 42(a).

As of reporting date, the proposed disposals of items (a) and (b) are pending completion as certain conditions imposed by the authorities, which were beyond the control and anticipation of the Group and the prospective buyers. Both parties remained committed to the disposal plans and are taking necessary actions to address these conditions. The Group is of the view that this matter will be satisfactorily resolved in its favour.

18 DISPOSAL GROUP/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (CONT'D)

Details of disposal group/non-current assets classified held for sale are as follows:

	Group	
	2020 RM'000	**2019 RM'000**
Assets		
Property, plant and equipment (Note 3)	816	2,527
Associated company	145,373	145,373
Deferred tax assets (Note 26)	-	1,120
Inventories	-	1,956
Receivables	630,900	47,404
Cash and bank balances	967	9,955
Assets of disposal group classified as held for sale	778,056	208,335
Non-current asset classified as held for sale:		
Investment property (Note 5)	-	21,749
	778,056	230,084
Liabilities		
Payables	103,533	3,900
Tax payable	-	608
Provisions	-	5,182
Retirement benefit obligation (Note 24(a))	-	2,403
	103,533	12,093
Reserves		
Foreign currency translation	66,953	-
Fair value	-	877
Analysed as follows:		
Assets		
Relating to the disposal of BJeju	595,686	-
Investment in BVFC and BVIUT	145,373	145,373
Amounts due from BVFC and BVIUT	36,997	35,631
Relating to the disposal of PGMC	-	27,331
Investment property	-	21,749
	778,056	230,084
Liabilities		
Payables relating to the disposal of BJeju	103,533	-
Payables relating to the disposal of PGMC	-	12,093
Reserves		
Relating to the disposal of BJeju	66,953	-
Relating to the disposal of investment property	-	877

19 SHARE CAPITAL

	Group and Company			
	No. of ordinary shares		Amount	
	2020 '000	2019 '000	2020 RM'000	2019 RM'000
Issued and fully paid:				
At beginning and the end of the financial year/period	5,000,337	5,000,337	2,500,168	2,500,168

	Group and Company	
	2020 No. of shares '000	2019 No. of shares '000
Issued ordinary shares with voting rights:		
Total number of issued ordinary shares	5,000,337	5,000,337
Less: Number of ordinary shares held as treasury shares (Note 21)	(79,837)	(10,943)
	4,920,500	4,989,394

The holders of ordinary shares (other than treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All the ordinary shares (other than treasury shares) rank equally with regards to the Company's residual assets.

20 RESERVES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Non-distributable:				
Foreign currency translation reserve (Note a)	107,447	181,101	-	-
Fair value reserve (Note b)	1,054,940	1,054,940	-	-
Consolidation reserve (Note c)	85,664	80,064	-	-
Fair value through other comprehensive income reserve (Note d)	(62,049)	(44,994)	(9,043)	(7,276)
Capital reserve (Note e)	116,528	116,528	-	-
Reserve of non-current asset held for sale	-	877	-	-
Foreign currency translation reserve of disposal group classified as held for sale	66,953	-	-	-
Distributable:				
Retained earnings (Note f)	242,951	309,429	625,114	512,110
	1,612,434	1,697,945	616,071	504,834

20 RESERVES (CONT'D)

(a) This reserve represents the foreign currency translation arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

(b) This reserve represents mainly the Group's share of post acquisition fair value and other adjustments arising from the business combination of BToto Group in prior financial years.

(c) This reserve represents the effects arising from changes in the Group's ownership interest in a subsidiary company that does not result in loss of control.

(d) Fair value through other comprehensive income ("FVTOCI") reserve represents the cumulative fair value changes, net of tax, if applicable, of FVTOCI financial assets until they are disposed of.

(e) This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

(f) Subject to Section 131 of the Companies Act 2016, the retained earnings of the Company is available for distribution as single tier dividends.

21 TREASURY SHARES

	Group and Company			
	2020 No. of shares '000	2019 No. of shares '000	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	10,943	10,943	20,699	20,699
Shares bought back during the year	68,894	-	12,944	-
At 30 June	79,837	10,943	33,643	20,699

The renewal of the Company's plan and mandate relating to the share buyback was approved by the shareholders of the Company on 9 December 2019 granting the Directors of the Company the authority to buyback its own shares up to 10% of the existing total number of issued shares, inclusive of all treasury shares that have been bought back.

During the current financial year, the Company bought back 68,894,000 of its own shares from the open market at an average price of RM0.19 each amounting to RM12,944,000.

The shares bought back are held as treasury shares and none of these shares were cancelled or distributed during the current financial year.

22 LONG TERM BORROWINGS

	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Secured:				
Term loans	1,066,175	640,596	299,634	74,814
Amount repayable within 12 months included in short term borrowings (Note 28)	(217,068)	(203,319)	(72,132)	(25,730)
	849,107	437,277	227,502	49,084
Medium term notes (Note a)	1,197,658	1,298,385	399,832	499,519
Amount repayable within 12 months included in short term borrowings (Note 28)	(199,893)	(459,687)	(174,918)	(399,687)
	997,765	838,698	224,914	99,832
Other bank borrowings	439,184	408,078	390,245	351,582
	2,286,056	1,684,053	842,661	500,498
Unsecured:				
Other bank borrowings	264	-	-	-
Hire purchase and finance lease liabilities (Note b)	61,568	69,324	888	1,151
Amount repayable within 12 months included in short term borrowings (Note 28)	(9,577)	(10,607)	(273)	(355)
	51,991	58,717	615	796
	2,338,311	1,742,770	843,276	501,294

The long term borrowings of the Group and of the Company are secured by quoted shares, properties, deposits and cash and bank balances of the Group and of the Company as mentioned in Notes 3, 4, 5, 6, 7, 8, 10, 16 and 17. The term loans and other bank borrowings bear floating interest at rates ranging from 1.88% to 6.80% (2019 : 3.11% to 7.83%) per annum for the Group and from 4.17% to 6.80% (2019 : 4.82% to 6.80%) per annum for the Company.

Maturity analysis of long term borrowings (excluding hire purchase and finance lease liabilities) are as follows:

Long term borrowings	Group 2020 RM'000	Group 2019 RM'000	Company 2020 RM'000	Company 2019 RM'000
Amounts repayable within :				
More than 1 year but not later than 2 years	911,920	407,836	486,372	267,395
More than 2 years but not later than 5 years	783,040	749,400	356,289	233,103
More than 5 years	591,360	526,817	-	-
	2,286,320	1,684,053	842,661	500,498

22 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes

The facility amounts of the medium terms notes ("MTN") programme are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
STM MTN	800,000	800,000	-	-
BLB MTN	650,000	650,000	650,000	650,000
	1,450,000	1,450,000	650,000	650,000

(i) Sports Toto Malaysia Sdn Bhd ("STM"), a wholly-owned subsidiary company of BToto undertook a MTN programme of up to RM800,000,000 in nominal value ("STM MTN"). As at 30 June 2020, STM MTN totalling RM800,000,000 (2019 : RM800,000,000) in nominal value remains outstanding.

STM MTN is secured by a third party first equitable charge over the entire issued and paid-up share capital of STM which is the issuer and a corporate guarantee provided by BToto.

(ii) The Company undertook a MTN programme of up to RM650,000,000 in nominal value ("BLB MTN"). As at 30 June 2020, BLB MTN totalling RM400,000,000 (2019 : RM500,000,000) in nominal value remains outstanding.

BLB MTN is secured by a financial guarantee insurance facility granted by Danajamin Nasional Berhad to the Company for the principal redemption of up to RM500,000,000 in nominal value and a bank guarantee facility granted by OCBC Bank (Malaysia) Berhad to the Company for the principal redemption of up to RM150,000,000 in nominal value.

The maturities of the MTNs as at the reporting date are as follows:

CURRENT		Group		Company	
	Maturity	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Secured with fixed rate:					
4.95% p.a.	December 2019	-	199,844	-	199,844
4.85% p.a.	December 2019	-	74,941	-	74,941
4.55% p.a.	December 2019	-	124,902	-	124,902
4.65% p.a.	June 2020	-	60,000	-	-
3.89% p.a.	December 2020	149,930	-	149,930	-
3.47% p.a.	December 2020	24,988	-	24,988	-
4.75% p.a.	June 2021	24,975	-	-	-
Amount repayable within 12 months included in short term borrowings (Note 28)		199,893	459,687	174,918	399,687

22 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes (Cont'd)

The maturities of the MTNs as at the reporting date are as follows:

NON-CURRENT		Group		Company	
	Maturity	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Secured with fixed rate:					
4.75% p.a.	June 2021	-	25,000	-	-
4.90% p.a.	September 2021	30,000	-	-	-
5.35% p.a.	December 2021	99,962	-	99,962	-
3.97% p.a	December 2021	124,952	-	124,952	-
4.95% p.a.	June 2022	79,846	-	-	-
4.82% p.a.	June 2022	40,000	-	-	-
4.95% p.a.	June 2022	114,779	-	-	-
4.90% p.a.	June 2022	64,874	-	-	-
Amount repayable more than 1 year but not later than 2 years		554,413	25,000	224,914	-
4.90% p.a.	September 2021	-	30,000	-	-
5.35% p.a.	December 2021	-	99,832	-	99,832
4.90% p.a.	June 2022	-	65,000	-	-
4.95% p.a.	June 2022	-	80,000	-	-
4.82% p.a.	June 2022	-	40,000	-	-
4.95% p.a.	June 2022	-	114,678	-	-
5.14% p.a.	January 2024	25,000	25,000	-	-
5.05% p.a.	June 2024	39,855	40,000	-	-
Amount repayable more than 2 years but not later than 5 years		64,855	494,510	-	99,832
Amount repayable more than 5 years					
5.25% p.a.	June 2026	139,287	139,188	-	-
5.45% p.a.	June 2028	54,649	55,000	-	-
5.55% p.a.	June 2029	124,561	125,000	-	-
4.98% p.a.	June 2030	60,000	-	-	-
		378,497	319,188	-	-
Total non-current MTNs		997,765	838,698	224,914	99,832

(b) Hire purchase and finance lease liabilities

Approximately RM1,667,000 (2019 : RM2,085,000) and RM615,000 (2019 : RM796,000) included in the hire purchase and finance lease liabilities of the Group and of the Company respectively are owing to a related company.

The hire purchase and finance lease liabilities bear interest at rates ranging from 2.35% to 8.80% and 3.50% to 5.25% (2019 : 2.35% to 8.80% and 3.50% to 4.75%) per annum respectively for the Group and the Company.

22 LONG TERM BORROWINGS (CONT'D)

(b) Hire purchase and finance lease liabilities (Cont'd)

Maturity analysis of hire purchase and finance lease liabilities as at the reporting date are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
1 year after reporting date	9,577	10,607	273	355
More than 1 year but but not later than 2 years	9,317	8,982	232	251
More than 2 years but not later than 5 years	42,674	49,735	383	545
	61,568	69,324	888	1,151

23 LONG TERM LIABILITIES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Club members' deposits (Note a)	19,482	20,711	-	-
Retention sum - property development projects	-	2,457	-	-
Rental deposits	899	1,170	-	-
Payable for acquisition of an associated company (Note b)	1,235	4,143	-	-
Other payables (Note c)	1,322	1,318	-	-
Amount owing to subsidiary companies (Note d)	-	-	367,547	285,076
	22,938	29,799	367,547	285,076

(a) Club members' deposits represent amounts paid by members to certain subsidiary companies for membership licences issued to use and enjoy the facilities of the subsidiary companies' recreational clubs. The monies are refundable to the members upon expiry of prescribed terms from the dates of issuance of the licences.

(b) The payable for the acquisition of an associated company is in respect of subscription of additional shares in SIAMH to be settled on deferred payment terms.

(c) Other payables represents a loan granted by a related party to a foreign subsidiary company.

(d) The amounts owing to certain subsidiary companies which are interest bearing, have been classified as long term liabilities as these subsidiary companies have formally notified the Company that these amounts are not payable within the next 12 months.

24 RETIREMENT BENEFIT OBLIGATIONS

Retirement benefit obligations recognised by the Group is analysed into:

		Group	
		2020 RM'000	2019 RM'000
Current	- unfunded defined benefit plans	49	251
Non-current	- funded defined benefit plan	2,267	(2,254)
	- unfunded defined benefit plans	4,909	7,378
		7,176	5,124
		7,225	5,375

(a) Funded Defined Benefit Plan

A foreign subsidiary company of the Group maintains separate funded retirement plans for its eligible employees. Actuarial valuations are made regularly to update the retirement benefit costs.

The movements in the funded defined benefit obligation recognised are as follows:

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	(2,254)	(1,732)
Recognised in profit or loss	438	2,044
Recognised in other comprehensive income	5,223	1,002
Employer's contribution	(1,153)	(1,385)
Transfer to disposal group classified as held for sale (Note 18)	-	(2,403)
Exchange differences	13	220
At 30 June	2,267	(2,254)
Presented after appropriate offsetting as follows:		
Retirement benefit assets	-	(2,667)
Retirement benefit liabilities	2,267	413
	2,267	(2,254)

The amounts of funded defined benefit obligation recognised in the statement of financial position are determined as follows:

	Group	
	2020 RM'000	2019 RM'000
Present value of the obligation	75,177	72,563
Fair value of plan assets	(72,910)	(74,817)
Deficit/(surplus) over plan assets	2,267	(2,254)

24 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Funded Defined Benefit Plan (Cont'd)

The movements in present value of the funded defined benefit obligation recognised are as follows:

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/ May 2018	72,563	73,321
Current service cost and interest cost	2,166	3,101
Actuarial loss	2,075	5,069
Benefits paid by the plan	(1,840)	(4,167)
Past service costs	-	1,277
Transfer to disposal group classified as held for sale (Note 18)	-	(4,067)
Exchange differences	213	(1,971)
At 30 June	75,177	72,563

The movements in fair value of plan assets are presented below:

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	74,817	75,053
Interest income	1,728	2,334
(Deficit)/return on plan assets	(3,148)	4,067
Employer's contribution	1,153	1,385
Benefits paid by the plan	(1,840)	(4,167)
Transfer to disposal group classified as held for sale (Note 18)	-	(1,664)
Exchange differences	200	(2,191)
At 30 June	72,910	74,817

The plan assets consist of the following:

	Group	
	2020 RM'000	2019 RM'000
Fixed income assets	72,632	74,599
Cash in bank	278	218
	72,910	74,817

The components of amounts recognised in profit or loss and in other comprehensive income in respect of the funded defined benefit retirement plan are as follows:

Reported in profit or loss:

	Group	
	2020 RM'000	2019 RM'000
Current service costs recognised in directors' remuneration and employee benefit expenses (Notes 36 and 37)	485	2,025
Net interest costs (Note 34)	(47)	19
Retirement benefits recognised in profit or loss	438	2,044

24 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Funded Defined Benefit Plan (Cont'd)

Reported in other comprehensive income:

	Group 2020 RM'000	Group 2019 RM'000
Remeasurement losses arising from:		
Actuarial changes in financial assumptions	(8,744)	(5,569)
Actuarial changes in demographic assumptions	3,382	572
Return on plan assets	(3,148)	4,067
Experience adjustments arising from defined benefit obligations	3,287	(72)
	(5,223)	(1,002)
Deferred tax benefit	1,001	154
Retirement benefits recognised in other comprehensive income	(4,222)	(848)

The current service and net interest costs are charged to profit or loss and presented as part of the employee benefit expenses and finance costs respectively.

The amounts recognised in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

Presented below is the historical information related to the present value of the funded defined benefit obligation, fair value of the plan assets and deficit/(surplus) in the plan.

	30.6.2020 RM'000	30.6.2019 RM'000	30.4.2018 RM'000	30.4.2017 RM'000	30.4.2016 RM'000
Present value of the obligation	75,177	72,563	73,321	80,711	70,183
Fair value of the plan assets	(72,910)	(74,817)	(75,053)	(77,480)	(66,798)
Deficit/(Surplus) in the plan	2,267	(2,254)	(1,732)	3,231	3,385

For the determination of the funded defined benefit obligation, the following principal actuarial assumptions were used:

	Group 2020	Group 2019
Discount rate	1.60% - 4.10%	2.30% - 6.09%

Sensitivity analysis for retirement benefit obligation

The management is of the view that any reasonably possible changes to the principal actuarial assumptions will not have significant impact to the Group.

24 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Unfunded Defined Benefit Plans

Certain subsidiary companies of the Group operate unfunded, defined retirement benefit schemes and provision is made at contracted rates for benefits that would become payable on retirement of eligible employees. Under the scheme, eligible employees are entitled to retirement benefits varying between 15 days and 26 days per year of final salary on attainment of the retirement age of 60.

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	7,629	7,345
Recognised in profit or loss	409	996
Reversal of provision	(2,409)	-
Benefits paid by the plans	(156)	(420)
Actuarial gain recognised in other comprehensive income	(515)	(292)
At 30 June	4,958	7,629
Analysed as follows:		
Current	49	251
Non-current	4,909	7,378
	4,958	7,629

The amounts recognised in the statement of financial position are determined based on the present value of unfunded defined benefit obligations.

The amounts recognised in profit or loss are as follows:

	Group	
	2020 RM'000	2019 RM'000
Current service cost (Note 37)	408	521
Interest cost (Note 34)	1	475
Retirement benefits recognised in profit or loss	409	996

	Group	
	2020	2019
Principal actuarial assumptions to determine benefit obligations:		
Discount rate in Malaysia (%)	4.20	4.90
Expected rate of salary increases (%)	5.00	6.00

24 RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Unfunded Defined Benefit Plans (Cont'd)

A quantitative sensitivity analysis of the change in the rate is shown below:

	Increase / (decrease)		Impact on unfunded defined benefit obligations	
	2020 %	2019 %	2020 RM'000	2019 RM'000
Discount rate	1	1	(499)	(1,105)
Future salary increase	1	1	797	1,349
Discount rate	(1)	(1)	836	1,331
Future salary decrease	(1)	(1)	(671)	(1,140)

The duration of the unfunded defined benefit obligations as at 30 June 2020 is between 10 and 17 (2019 : 11 and 17) years.

25 DERIVATIVE ASSETS/(LIABILITIES)

	Group 2020 RM'000	Company 2020 RM'000
Non-hedging derivatives		
(a) Derivative asset		
Current		
Call Option (Note i)	343	343
At 1 July 2019	-	-
Initial recognition during the financial year	679	679
Fair value loss on call option (Note 33)	(336)	(336)
At 30 June	343	343
(b) Derivative liabilities		
Current		
Put Option (Note i)	(763)	(763)
Non-current		
Option relating to deferred consideration of business combination (Note ii)	(28,239)	-
	(29,002)	(763)
At 1 July 2019	-	-
Initial recognition during the financial year	(28,918)	(679)
Fair value loss on options (Note 33)	(84)	(84)
At 30 June	(29,002)	(763)

25 DERIVATIVE ASSETS/(LIABILITIES) (CONT'D)

During the current financial year:

(i) a subsidiary of the Company had disposed of 3.50 million ordinary shares of 7-Eleven Malaysia Holdings Berhad ("Sale Shares") for a total cash consideration of RM4.90 million or at RM1.40 per Sale Share. At the same time, the Company has entered into a call and put option agreement with the purchaser to acquire the Sale Shares at RM1.48 per share. The call and put options are exercisable any time during the period of 12 months to 24 months after the first anniversary of the completion of the disposal.

(ii) a subsidiary company of the Company entered into a Share Purchase Agreement with Icelandair Group hf. ("Seller") for the proposed acquisition of 75% stake in Icelandair Hotels ehf for a total cash consideration of approximately USD53.63 million (equivalent to approximately RM222.22 million). Besides the SPA, the subsidiary company also entered into a put and call option agreement with the Seller for the remaining 25% stake in the Icelandair Hotels Group. The consideration for the put and call option is based on the terms stated in the put and call agreement and is exercisable after the third anniversary of the completion of the acquisition of Icelandair Hotels Group and expiring on the third year after the third anniversary of the completion of the acquisition.

26 DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2020 RM'000	2019 RM'000
At 1 July 2019/May 2018	888,648	992,482
Effects of changes in real property gains tax rates (Note 38)	-	14,356
Arising on acquisition of a subsidiary company	28,683	-
Recognised in profit or loss (Note 38)	14,058	(17,967)
Recognised in other comprehensive income	(1,001)	(100,331)
Recognised in intangible assets	1,094	(1,091)
Transfer to disposal group classified as held for sale	-	1,120
Exchange differences	(2,543)	79
At 30 June	928,939	888,648
Presented after appropriate offsetting as follows:		
Deferred tax assets	(77,103)	(70,963)
Deferred tax liabilities	1,006,042	959,611
	928,939	888,648

26 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial year/period are as follows:

Deferred Tax Liabilities of the Group:	Property, plant and equipment RM'000	Gaming rights/ Goodwill RM'000	Undistributed profits of an associated company RM'000	Land held for property development RM'000	Receivables/ Payables/ Others RM'000	Development properties and contract cost assets RM'000	Investment properties RM'000	Property inventories RM'000	Total RM'000
At 1 July 2019	100,648	834,168	2,100	8,045	3,189	7,144	47,731	8,223	1,011,248
Recognised in profit or loss	(5,066)	-	15,692	2,184	(452)	(51)	(1,009)	(196)	11,102
Recognised in intangible assets	-	1,094	-	-	-	-	-	-	1,094
Arising on acquisition of a subsidiary company	32,836	-	-	-	-	-	-	-	32,836
Exchange differences	(1,756)	-	-	(193)	183	38	-	-	(1,728)
	126,662	835,262	17,792	10,036	2,920	7,131	46,722	8,027	1,054,552
Less: Set-off of deferred tax assets									(48,510)
At 30 June 2020									1,006,042
At 1 May 2018	110,702	952,903	2,754	8,233	1,142	7,299	31,727	8,491	1,123,251
Effect of changes in real property gains tax rates	-	-	-	-	-	-	14,356	-	14,356
Recognised in profit or loss	(10,184)	(17,467)	(654)	(189)	1,599	(55)	2,151	(268)	(25,067)
Recognised in intangible assets	-	(1,091)	-	-	-	-	-	-	(1,091)
Recognised in other comprehensive income	-	(100,177)	-	-	-	-	-	-	(100,177)
Exchange differences	130	-	-	1	448	(100)	(503)	-	(24)
	100,648	834,168	2,100	8,045	3,189	7,144	47,731	8,223	1,011,248
Less: Set-off of deferred tax assets									(51,637)
At 30 June 2019									959,611

26 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial year/period are as follows (Cont'd):

Deferred Tax Assets of the Group:	Other payables RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Unabsorbed investment tax allowances RM'000	Contract liabilities RM'000	Others RM'000	Total RM'000
At 1 July 2019	(37,041)	(36,962)	(348)	(45,419)	(2,830)	(122,600)
Recognised in profit or loss	(4,880)	8,492	(105)	2,606	(3,157)	2,956
Recognised in other comprehensive income	-	-	-	-	(1,001)	(1,001)
Arising on acquisition of a subsidiary company	(4,153)	-	-	-	-	(4,153)
Exchange differences	(269)	201	(1)	-	(746)	(815)
	(46,343)	(28,269)	(454)	(42,813)	(7,734)	(125,613)
Less: Set-off of deferred tax liabilities						48,510
At 30 June 2020						(77,103)
At 1 May 2018	(41,475)	(35,397)	(293)	(49,911)	(3,693)	(130,769)
Recognised in profit or loss	4,929	(1,244)	(64)	4,492	(1,013)	7,100
Recognised in other comprehensive income	-	-	-	-	(154)	(154)
Transferred to disposal group classified as held for sale	-	(3)	-	-	1,123	1,120
Exchange differences	(495)	(318)	9	-	907	103
	(37,041)	(36,962)	(348)	(45,419)	(2,830)	(122,600)
Less: Set-off of deferred tax liabilities						51,637
At 30 June 2019						(70,963)

26 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unutilised tax losses	560,907	421,448	-	-
Unabsorbed capital allowances	266,478	247,657	-	-
Investment tax allowances	93,597	105,998	-	-
Others	159,615	184,187	-	-
	1,080,597	959,290	-	-

Deferred tax assets have not been recognised in respect of the unutilised tax losses, unabsorbed capital allowances, investment tax allowances and other deductible temporary differences as it is not probable that future taxable profits from a business source as defined by the Malaysian tax legislature will be available against which the unutilised tax losses, unabsorbed capital allowances, investment tax allowances and other deductible temporary differences can be utilised.

The Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limit to restrict the carry forward of the unutilised tax losses. The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 7 consecutive years of assessment (i.e. from years of assessment 2019 to 2025) and any balance of the unutilised losses thereafter shall be disregarded.

However, for any unutilised tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 7 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

The foreign unutilised losses and unabsorbed capital allowances applicable to foreign incorporated subsidiary companies are pre-determined by and subject to the tax legislations of the respective countries.

27 PAYABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Trade payables	202,089	280,790	-	-
Other payables				
Other payables	212,832	131,444	4,788	2,000
Accruals	285,870	307,060	3,929	4,118
Payable for acquisition of assets	136,939	161,929	-	-
Agency deposits	37,580	37,373	-	-
Payable for acquisition of associated company	2,934	3,086	-	-
Refundable deposits received for disposal of investments	63,173	60,782	-	-
Refundable deposits	83,805	77,480	-	-
Amounts owing to:				
- subsidiary companies	-	-	570,689	688,022
- related companies	73,652	12,420	392	1,102
- associated companies	58,980	2	-	2
	955,765	791,576	579,798	695,244
Total payables at amortised cost	1,157,854	1,072,366	579,798	695,244
Other current liabilities				
Deposits	76	26,914	-	
Deferred income	1,099	5,985	-	
Pool betting duty payables	5,569	25,604	-	
Other duties and taxes payable	60,207	81,340	-	
Dividend payable to non-controlling interests	168	36,048	- -	
	67,119	175,891	-	-
Total payables	1,224,973	1,248,257	579,798	695,244

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit terms granted to the Group range from 1 to 184 (2019 : 1 to 183) days.

27 PAYABLES (CONT'D)

(b) Other payables

Included in other payables are advances from certain directors of subsidiary companies amounting to RM2,103,000 (2019 : RM2,306,000) which are non-interest bearing and repayable on demand.

Included in accruals of the Group are accrued contribution to the National Sports Council and accrual for gaming tax payable to the Ministry of Finance.

Payable for acquisition of assets relates to the balance purchase price of several parcels of freehold land acquired by a subsidiary company.

Agency deposits represent deposits obtained from agents for operating toto betting outlets. These deposits are refundable upon termination of operation contracts.

Payable for the acquisition of an associated company is in respect of subscription of additional shares in SIAMH to be settled on deferred payment terms.

Refundable deposits received for the disposal of investments are in relation to the proposed disposals of several foreign ventures as disclosed in Note 18.

The amounts owing to subsidiary, related and associated companies are unsecured, repayable on demand and interest bearing except for amounts totalling RM132,632,000 and RM82,631,000 (2019 : RM11,757,000 and RM86,431,000) which are non-interest bearing in respect of the Group and the Company respectively.

28 SHORT TERM BORROWINGS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Secured:				
Amount repayable within 12 months:				
- Term loans (Note 22)	217,068	203,319	72,132	25,730
- Medium term notes (Note 22)	199,893	459,687	174,918	399,687
Other short term borrowings	488,853	269,279	348,118	157,260
Vehicle stocking loans	359,932	286,401	-	-
Bank overdrafts	10,224	9,190	1,174	-
	1,275,970	1,227,876	596,342	582,677
Unsecured:				
Bank overdraft	-	143	-	-
	1,275,970	1,228,019	596,342	582,677
Secured:				
Hire purchase and finance lease liabilities (Note 22)	9,577	10,607	273	355
	1,285,547	1,238,626	596,615	583,032

The secured borrowings are secured by certain quoted shares, properties, vehicles, deposits and cash and bank balances of the Company and its subsidiary companies as mentioned in Notes 3, 4, 5, 6, 7, 8, 10, 16 and 17.

28 SHORT TERM BORROWINGS (CONT'D)

The short term borrowings bear floating interest at rates ranging from 1.40% to 9.06% (2019 : 1.88% to 9.31%) per annum for the Group and from 4.17% to 8.90% (2019 : 4.82% to 8.90%) per annum for the Company.

The vehicle stocking loans obtained by foreign subsidiary companies bear interest at the rate of 2.74% to 6.95% (2019 : 2.80% to 4.75%) per annum.

Approximately RM908,000 (2019 : RM1,104,000) and RM273,000 (2019 : RM355,000) included in the hire purchase and finance lease liabilities of the Group and of the Company respectively represent amounts owing to a related company.

29 PROVISIONS

Group	**Sales warranty**	**Restoration costs**	**Total**
2020	**RM'000**	**RM'000**	**RM'000**
At 1 July 2019	800	971	1,771
Additional provision during the financial year	398	803	1,201
Arising from acquisition of subsidiary companies (Note 7)	-	252	252
Reversal during the financial year	-	(36)	(36)
Utilised during the financial year	(197)	-	(197)
Exchange differences	40	-	40
At 30 June 2020	1,041	1,990	3,031
Analysed as follows:			
Current	1,041	1,990	3,031
2019			
At 1 May 2018	1,712	971	2,683
Reversal of provision during the financial period	(864)	-	(864)
Utilised during the financial period	(66)	-	(66)
Exchange differences	18	-	18
At 30 June 2019	800	971	1,771
Analysed as follows:			
Current	800	971	1,771

(a) Sales warranty

A foreign subsidiary company provides 3 to 12 (2019 : 3 to 12) months warranties on certain products and undertakes to provide repairs or replacement of items that fail to perform satisfactorily. Provision for warranties is recognised for all products under warranty at the reporting date based on past experience on the level of repairs and returns.

(b) Restoration costs

Provision for restoration costs is the estimated cost of dismantlement, removal or restoration of property, plant and equipment arising from the acquisition and use of such assets, which are capitalised and included in the cost of property, plant and equipment and right-of-use assets.

30 REVENUE

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Revenue from contracts with customers	5,125,393	7,158,851	940	1,176
Revenue from other sources:				
- Lease income from:				
- investment properties	28,697	34,636	-	-
- right-of-use assets	6,219	-	-	-
- lottery equipment	-	113,734	-	-
- Gross dividends				
- from unquoted subsidiary companies	-	-	261,133	-
- from a quoted subsidiary company	-	-	25,975	28,300
- from quoted investments	-	-	476	675
- from unquoted investments	-	-	1,250	1,750
	5,160,309	7,307,221	289,774	31,901
Disaggregation of the revenue from contracts with customers:				
By major goods and services:				
Toto betting income	2,466,573	3,643,071	-	-
Sales of motor vehicles, charges for aftersales services, repairs and maintenance services rendered	2,065,903	2,841,502	-	-
Income from supply of goods and services from hotels, resorts and casino operations	229,932	349,663	-	-
Sale of property inventories	185,321	152,223	-	-
Income from chartered flights	1,341	604	-	-
Membership fees and subscriptions	67,223	94,418	-	-
Sale of wagering and voting systems, spare parts and licensing fees	84,792	73,914	-	-
Revenue from training course, examination and related fees	21,237	-	-	-
Management fees income	3,071	3,456	940	1,176
	5,125,393	7,158,851	940	1,176
By geographical location:				
Malaysia	2,890,078	4,163,753	940	1,176
Outside Malaysia	2,235,315	2,995,098	-	-
	5,125,393	7,158,851	940	1,176
Timing of revenue recognition:				
At a point in time	4,984,708	6,835,077	940	1,176
Over time	140,685	323,774	-	-
	5,125,393	7,158,851	940	1,176

31 OTHER INCOME

Included in other income are the following:

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Operating lease income, other than those relating to investment properties	10,195	18,976	-	-
Reversal of impairment loss on receivables	711	1,653	-	-
Bad debts recovered	66	299	-	-
Finance income - loans and receivables and other liabilities at amortised costs	79,195	53,954	-	-
Government grant subsidies	8,846	-	-	-
Gain on disposal of property, plant and equipment	216	1,466	-	77
Gain on foreign exchange - realised	7,899	7,925	304	231
- unrealised	24,545	40,439	157	-

32 INVESTMENT RELATED INCOME

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Interest income on loans and receivables:				
- fixed and other deposits	14,203	21,011	2,341	3,364
- inter-company				
- subsidiary companies	-	-	64,612	66,358
- related companies	2,908	9,852	20	23
- joint ventures	20,094	26,450	-	-
- others	1,052	689	-	8,011
	38,257	58,002	66,973	77,756
Dividend income (gross) from fair value through other comprehensive income investments				
- quoted in Malaysia	2,616	4,062	-	-
- quoted outside Malaysia	-	244	-	-
- unquoted in Malaysia	1,250	1,750	-	-
Fair value gains of fair value through profit or loss investments quoted in Malaysia	-	4,654	-	1,497
Gain on disposal of a subsidiary company	-	19,480	-	-
Net gain on disposal and remeasurement loss of retained equity interest in a former subsidiary company	2,000	-	-	-
Balance carried forward	44,123	88,192	66,973	79,253

32 INVESTMENT RELATED INCOME (CONT'D)

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Balance brought forward	44,123	88,192	66,973	79,253
Gain on disposal of:				
- investment properties	8,578	-	-	-
- a joint venture	-	195,743	-	-
Fair value gain on re-measurement of associated company prior to reclassification to investment in a subsidiary company	1,953	-	-	-
Award of fire insurance claim	26,000	-	-	-
Reversal of impairment of an associated company	-	2,207	-	-
	80,654	286,142	66,973	79,253

33 INVESTMENT RELATED EXPENSES

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Impairment losses of:				
- gaming rights	-	5,605	-	-
- goodwill	-	11,344	-	-
- assets of disposal group classified as held for sale	-	5,376	-	-
- investment in a joint venture	1,000	-	-	-
- investment in an associated company	-	5,356	-	-
- property, plant and equipment	3,163	9,083	-	-
- investments in subsidiary companies	-	-	17,134	5,305
Loss on deemed disposal of interest in a subsidiary company	298	-	-	-
Fair value loss of fair value through profit or loss investments quoted in Malaysia	2,431	-	665	-
Fair value loss on derivatives	420	-	420	-
Balance carried forward	7,312	36,764	18,219	5,305

33 INVESTMENT RELATED EXPENSES (CONT'D)

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Balance brought forward	7,312	36,764	18,219	5,305
Fair value adjustment on investment properties	16,723	11,516	-	-
Impairment loss on amounts owing by:				
- associated companies	836	7,204	-	-
- subsidiary companies	-	-	56,716	27,833
- a joint venture	353	-	-	-
Write-off of unquoted investments	42	811	-	-
	25,266	56,295	74,935	33,138

34 FINANCE COSTS

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Interest expense on financial liabilities at amortised cost:				
- bank and other borrowings	90,433	102,319	49,088	50,271
- hire purchase and finance lease	4,136	5,891	88	74
- inter-companies				
- subsidiary companies	-	-	38,217	44,672
- related companies	394	87		7
- medium term notes	61,527	75,091	20,623	31,607
- lease liabilities (Note 4)	21,367	-	-	-
- loan related expenses	2,016	1,556	481	604
- manufacturers' vehicle stocking loans	11,728	12,821	-	-
- defined benefit plans (Note 24)	(46)	494	-	-
- unwinding of discount and charge out of deferred transaction costs	7,449	7,107	4,807	4,123
	199,004	205,366	113,304	131,358

35 PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Profit/(Loss) before tax is stated after charging/(crediting):				
Depreciation of:				
- property, plant and equipment	84,805	105,128	662	803
- right-of-use assets	58,913	-	-	-
Auditors' remuneration				
- auditors of the Company				
- statutory audit	1,523	1,484	170	153
- underprovision in previous financial period	200	81	48	4
- other services	891	519	812	418
- other auditors other than Ernst & Young PLT				
- statutory audit	2,145	1,715	-	-
- under/(over) provision in previous financial period	60	(34)	-	-
Directors' remuneration (Note 36)				
- fees	1,819	1,846	420	266
- salaries, bonus and other emoluments	46,635	43,480	674	1,560
- defined contribution/benefit plans	5,560	4,982	49	102
Impairment loss on receivables	5,635	4,692	-	133
Receivables written off	1,190	87	-	-
Minimum operating lease payments:				
- premises	-	49,950	-	81
- plant and machinery	-	3,387	-	-
Expenses relating to leases of:				
- short-term	2,826	-	-	-
- low-value assets	1,192	-	76	-
Contribution to National Sports Council	28,692	50,366	-	-
Property, plant and equipment written off	6,516	1,524	-	-
Inventories written down	4,356	4,078	-	-
Land held for property development written down	436	1,514	-	-
Amortisation of:				
- gaming rights	-	29,877	-	-
- customer relationships	314	368	-	-
- computer software	761	661	-	-
- contract cost assets	648	520	-	-
Provision for/(reversal of) sales warranty	398	(864)	-	-
Management fees payable to ultimate holding company	1,188	1,326	424	487
Loss on foreign exchange - realised	3,537	4,130	302	-
- unrealised	13,891	10,319	-	-

35 PROFIT/(LOSS) BEFORE TAX (CONT'D)

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Profit/(Loss) before tax is stated after charging/(crediting) (Cont'd):				
Loss on disposal of property, plant and equipment	450	665	-	-
Direct operating expenses of investment properties *	8,019	6,702	-	-
Employee benefit expenses (Note 37)	441,835	497,238	18,896	19,151
Management fees receivable from an associated company	98	80	-	-

* It is not practicable to segregate the direct operating expenses of investment properties in respect of revenue and non-revenue generating properties due to periodic changes in the occupancy rates during the financial year/period.

36 DIRECTORS' REMUNERATION

The aggregate Directors' remuneration paid or payable to all Directors of the Company and of the Group, categorised into appropriate components for the financial year/period are as follows:

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Directors of the Company:				
Executive Directors				
Salaries, bonuses and other emoluments	4,369	5,005	562	1,477
Defined contribution plan	562	604	49	102
Benefits-in-kind	61	63	48	49
Non-Executive Directors				
Fees	500	319	420	266
Salaries, bonuses and other emoluments	550	402	112	83
Defined contribution plan	15	10	-	-
Benefits-in-kind	39	48	25	21
	6,096	6,451	1,216	1,998
Other Directors of the Group:				
Fees	1,319	1,527	-	-
Salaries, bonuses and other emoluments	41,716	38,073	-	-
Retirement benefits				
- defined benefit plan (Note 24)	49	304	-	-
- defined contribution plan	4,934	4,064	-	-
Benefits-in-kind	687	598	-	-
	48,705	44,566	-	-

37 EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Wages, salaries, bonuses and allowances (excluding directors' remuneration)	381,819	420,821	16,254	16,476
Social security costs and employee insurance	19,841	23,143	364	309
Retirement benefits				
- defined benefit plans (Note 24)	844	2,242	-	-
- defined contribution plan	27,361	27,687	1,873	1,880
Short term accumulating compensated absences	121	(190)	(29)	(27)
Other staff related expenses	11,849	23,535	434	513
	441,835	497,238	18,896	19,151

38 TAXATION

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Income tax:				
Malaysian income tax	104,261	163,124	8,161	4,900
Foreign tax	10,939	31,765	-	-
Under/(Over)provision in prior financial years:				
- Malaysian income tax	12,908	2,500	10,537	(83)
- Foreign tax	(319)	147	-	-
	127,789	197,536	18,698	4,817
Deferred tax (Note 26):				
Relating to origination and reversal of temporary differences	12,682	(23,020)	-	-
Effects of real property gains tax	2,341	1,859	-	-
Effects of changes in real property gains tax rates	-	14,356	-	-
(Over)/Under provision in prior financial years	(965)	3,194	-	-
	14,058	(3,611)	-	-
	141,847	193,925	18,698	4,817

Malaysian income tax is calculated at the Malaysian statutory income tax rate of 24% (2019: 24%) of the estimated assessable profit for the financial year/period. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

38 TAXATION (CONT'D)

A reconciliation of income tax expense applicable to profit/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax of the Group and of the Company is as follows:

Group	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Profit before tax	185,382	546,397
Tax at Malaysian statutory tax rate of 24% (2019 : 24%)	44,492	131,135
Effect of different tax rates in other countries/tax regimes	3,176	(6,187)
Effect of changes in real property gains tax rates	-	14,356
Effect of income not subject to tax	(36,290)	(74,558)
Effect of income subject to real property gains tax	2,341	1,859
Effect of expenses not deductible for tax purposes	107,421	87,094
Effect of utilisation of previously unrecognised tax losses, unabsorbed capital allowances and unabsorbed investment tax allowances	-	(981)
Effect of share of associated companies' and joint ventures' results	(35,723)	7,193
Deferred tax assets not recognised in respect of current financial year/period tax losses, unabsorbed capital allowances and other deductible temporary differences	29,114	29,282
Deferred tax assets recognised on previously unrecognised tax losses, unabsorbed capital allowances, unabsorbed investment tax allowances and other deductible temporary differences	-	(455)
Deferred tax liability recognised/(reversed) on undistributed profits of an associated company	15,692	(654)
(Over)/Underprovision of deferred tax in prior financial years	(965)	3,194
Underprovision of income tax expense in prior financial years	12,589	2,647
Taxation for the financial year/period	141,847	193,925

Company	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Profit/(Loss) before tax	131,702	(93,035)
Tax at Malaysian statutory tax rate of 24% (2019 : 24%)	31,608	(22,328)
Effect of expenses not deductible for tax purposes	47,687	39,398
Effect of income not subject to tax	(71,134)	(12,170)
Under/(Over)provision of income tax in prior financial years	10,537	(83)
Taxation for the financial year/period	18,698	4,817

39 (LOSS)/EARNINGS PER SHARE

The (loss)/earnings per share is calculated as follows:

	Group	
	1.7.2019 to 30.6.2020	1.5.2018 to 30.6.2019
(Loss)/Profit attributable to the equity holders of the Parent (RM'000)	(65,072)	154,083
Weighted average number of ordinary shares with voting rights in issue (excluding treasury shares) ('000)	4,975,266	4,989,394
Basic (loss)/earnings per share (sen)	(1.31)	3.09

There are no potential ordinary shares outstanding as at 30 June 2020 and at 30 June 2019. As such, the fully diluted (loss)/earnings per share of the Group is equivalent to the basic (loss)/earnings per share.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

40 FINANCIAL GUARANTEES

The Company provided corporate guarantees to certain financial institutions for credit facilities granted to its subsidiary companies. The Company has assessed and regarded that the credit enhancements provided by these guarantees are minimal as the borrowing are secured by certain assets. As such, the Company did not ascribe any values to these corporate guarantees.

41 COMMITMENTS

(a) Other Commitments

	Group	
	2020 RM'000	2019 RM'000
Capital expenditure:		
- approved and contracted for	334,133	274,162
Group's share of a joint venture's land use rights fees	30,126	19,270
Investment in a joint venture	8,000	8,000
Investment in several foreign investees	-	67,476
	372,259	368,908

41 COMMITMENTS (CONT'D)

(b) Non-Cancellable Operating Lease Commitments - Group and Company as Lessees

The Group and the Company entered into operating leases which represent rental payable for the use of land and buildings, vehicles and plant and equipment. Leases are negotiated for a period of between 1 and 70 years and rentals fixed for between 1 and 70 years.

A foreign subsidiary company has entered into land lease contracts for operating lease terms of 100 years. These leases are non-cancellable upon the foreign subsidiary company obtaining property development approval from the foreign authorities.

The future aggregate minimum lease payments under operating leases contracted for as at the previous financial period reporting date but not recognised as liabilities, are as follows:

	Group 2019 RM'000	Company 2019 RM'000
Future minimum rental payable:		
Not later than 1 year	43,613	1,098
Later than 1 year and not later than 5 years	131,150	546
More than 5 years	403,249	-
	578,012	1,644

Upon adoption of MFRS 16, the present value of future minimum lease payments for operating leases have been accounted for as part of the lease liabilities as disclosed in Note 4(b).

(c) Non-Cancellable Operating Lease Commitments - Group as Lessor

	Group	
	2020 RM'000	2019 RM'000
Future minimum rental receivable:		
Not later than 1 year	16,041	16,592
Later than 1 year and not later than 5 years	15,603	13,879
	31,644	30,471

The Group entered into commercial property leases on its investment properties portfolio consisting of commercial and office space.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS

(a) JDC Lawsuit

On 6 November 2015, the Company announced that its 72.6% subsidiary, Berjaya Jeju Resort Limited ("BJeju"), has instituted legal proceedings at the Seoul Central District Court ("Court") in the Republic of Korea against Jeju Free International City Development Center ("JDC") for breach of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 ("Land SPA") entered into between BJeju and JDC in relation to the proposed mixed development of an international themed village known as "Jeju Airest City" in Jeju Island, Republic of Korea and to claim for incurred losses and damages as a result thereof ("JDC Lawsuit"). JDC holds a 19% stake in BJeju.

Pursuant to the Land SPA, JDC is obligated to transfer the land acquired thereunder to BJeju, free from all liens, security interests and encumbrances. However, on 20 March 2015 the Supreme Court of the Republic of Korea ("Korean Supreme Court") ruled that the expropriation by JDC of certain parcels of lands which were then subsequently sold to BJeju pursuant to the Land SPA was invalid. Hence JDC was deemed to have breached the terms of the Land SPA as it had failed to transfer good and unencumbered title to the said lands to BJeju. Under the circumstances, the on-going development works on the Jeju Project were suspended pending the resolutions of the lawsuits. A consequence of the Korean Supreme Court decision is that certain other former owners of the said lands had filed lawsuits against JDC and BJeju, seeking the cancellation of registration of land titles ("Landowners Lawsuits").

Pursuant to the financing arrangement for Phase 1 of the Jeju Project and following the suspension of the development work thereon, JDC had repurchased part of the lands (under Phases 2 to 9) for KRW107.0 billion (about RM374.5 million) and the cash proceeds were used to fully settle the loan outstanding with the financiers, and to partially settle the Phase 1 construction costs due and owing to the main contractor.

On completion of the land repurchased by JDC, BJeju gave notice to terminate the Land SPA in respect of the remaining land under Phase 1 of the Jeju Project. BJeju has grounds to terminate the Land SPA following court decisions rendered in certain of the Landowner Lawsuits to cancel the registration of land titles.

At the sixth Court hearing on 14 October 2016, the presiding judge had agreed to BJeju's application to conduct a land price appraisal of the Jeju Project to quantify the amount of damages. The presiding judge had also made an inspection of the Jeju Project site on 25 November 2016. The land price appraisal report of the Jeju Project has been completed by the court-appointed land appraisal company and the land price appraisal report has been submitted directly to the Court.

On 13 September 2017, Jeju District Court rendered a judgement against JDC and Seogwipo City in the Administrative Lawsuit. The judgement rendered all of the development approvals issued in connection with the Jeju Project null and void. JDC and Seogwipo City have filed an appeal against the Administrative Lawsuit judgement. On 1 February 2019, the Korean Supreme Court dismissed JDC and Seogwipo City's appeal.

In view of the nullification of all the development approvals issued in connection with the Jeju Project, BJR made an application to the Court in the JDC Lawsuit for a supplementary land price appraisal report, to be prepared with respect to the Jeju Project site subject to a revised assumption that no development approval had been issued on the Jeju Project site. In February 2018, the presiding judge in the JDC Lawsuit was re-assigned to another court, and another judge was appointed as the new presiding judge in the JDC Lawsuit.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(a) JDC Lawsuit (Cont'd)

In July 2018, BJeju made an application to the Court in the JDC Lawsuit to conduct a second supplementary land price appraisal report, as BJeju was dissatisfied with the first supplementary land appraisal report which was based on disputable land reference. The Court in the JDC Lawsuit granted BJeju's application to conduct a second supplementary appraisal, to be undertaken by a different appraiser. The second supplementary land price appraisal report has been completed and a preparatory hearing was held on 20 June 2019. The presiding judge closed the preparatory proceedings for pleading and stated that the formal hearing will commence on 25 July 2019.

At the formal hearing held on 25 July 2019, the presiding judge requested BJeju to submit evidentiary evidence with respect to the total claims by BJeju and fixed 19 September 2019 as the next hearing date. On 19 September 2019, the presiding judge fixed 31 October 2019 as the final hearing before the Court decides on the JDC Lawsuit. The final hearing was subsequently re-set to 25 November 2019. The Court has fixed 9 January 2020 for delivery of the judgment. On 9 January 2020, the delivery of the Court's judgment was postponed to 6 February 2020. On 6 February 2020, the Court further postponed the delivery of its judgment to 23 June 2020.

On 30 June 2020, the Company announced that the Court has on 23 June 2020, rendered a mediation decision at the request of the parties to the JDC Lawsuit based upon the principal terms of their settlement negotiations (“Mediation Decision”). Pursuant to the Mediation Decision, the Company and its subsidiaries namely Berjaya Leisure (Cayman) Limited (“BLCL”) and BJeju, together with Swan Street Partners LLC (“SSP”), an investor in BJeju, have on 30 June 2020 entered into a Settlement Agreement with JDC to fully, comprehensively and finally settle and resolve any and all potential disputes arising out of and/or in connection with the Jeju Project and the JDC Lawsuit (“Settlement”).

Pursuant to the Settlement, all parties agree to resolve all disputes arising from the Jeju Project via payment by JDC of:

(i) KRW125.00 billion (equivalent to approximately RM443.88 million) to BLCL and SSP as compensation for damages incurred as joint venture partners of JDC in BJeju (“JVA Damages”);

(ii) a compensation sum to BJeju due to damages incurred by BJeju with regard to the Land SPA and the Jeju Project, where BJeju shall utilise such sum to repay its relevant liabilities, payables and expenses which includes the debt owing to POSCO Engineering & Construction Co., Ltd. (“POSCO”, the main contractor for the Jeju Project) and part of the inter-company loan amount owing by BJeju to BLCL (“Land SPA Damages”).

The estimated total settlement sum to be received by BLCL from the JVA Damages and Land SPA Damages, net of relevant taxes and expenses, is estimated to be about KRW102.00 billion (equivalent to approximately RM362.19 million) ("Settlement Sum").

The payments of the JVA Damages and Land SPA Damages by JDC are subject to, among others, the following conditions:

(i) The Mediation Decision for the JDC Lawsuit shall have been lawfully and validly finalised and concluded;

(ii) a report to the Bank of Korea under the Foreign Exchange Transaction Regulations necessary for the execution and performance of the Settlement Agreement shall have been lawfully accepted;

(iii) BJeju shall, with the sum of the full amount of cash and cashable assets it owns and the Land SPA Damages, repay its relevant liabilities, payables and expenses (including the debt to POSCO and part of the inter-company loan amount owing to BLCL); and

(iv) BLCL and SSP shall transfer all of their shares in BJeju to JDC at no cost.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(a) JDC Lawsuit (Cont'd)

On 28 August 2020, the Company announced that the resolution of the JDC Lawsuit involving the Settlement has been completed with the receipt of the Settlement Sum by BLCL and accordingly, BJeju ceased as a subsidiary of the Group on even date.

(b) STC Proposals Proceedings

On 19 July 2004, the Company announced that Berjaya Tagar Sdn Bhd ("BTSB"), then a subsidiary company of Berjaya Land Development Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, had on even date entered into a conditional sale and purchase agreement with Selangor Turf Club ("STC") for the acquisition of 3 parcels of leasehold land measuring a total area of approximately 244.7926 acres located in Sungai Besi together with all existing buildings and fixtures erected thereon from STC ("Sungai Besi Land") for a total consideration of RM640.0 million to be settled by way of cash of RM35.0 million payable to STC and the balance of RM605.0 million to be satisfied with a transfer of 750 acres of land located in Sungai Tinggi ("Sungai Tinggi Land") with a newly built turf club thereon ("STC Proposals") ("SPA"). BTSB proposed to acquire Sungai Tinggi Land from BerjayaCity Sdn Bhd ("BCity"), a wholly-owned subsidiary company of BCorp and to appoint BCity as the turnkey contractor of the new turf club.

The Company had on 13 October 2004 and 14 November 2004 announced that the approvals from the Foreign Investment Committee ("FIC") and shareholders respectively have been obtained for the STC Proposals.

Subsequently, on 28 June 2010, the Company announced the status of the conditions precedent ("CP") of the STC Proposals as follows:

1. approval of the FIC for the STC Proposals was obtained on 12 October 2004;
2. approval of the FIC for the acquisition of the Sungai Tinggi Land by STC was obtained on 21 October 2004;
3. approvals of the shareholders of BTSB, the Company, BCity and Berjaya Group Berhad for the STC Proposals was obtained in 4 November 2004;
4. approvals of the State Authority Consent for the transfer of the portion of Sungai Besi Land in favour of BTSB was obtained on 11 January 2005. However, the consent had lapsed and application will be re-submitted after item 6 of the CP below is fulfilled;
5. the agreement between STC and BTSB on the layout plans, building plans, designs, drawings and specifications for the new turf club is still pending the fulfillment of item 6 of the CP below;

6a. the approval for the master layout plan for Sungai Tinggi Land which was obtained on 11 February 2008 is to be re-tabled due to the change of the Selangor State government and BTSB is awaiting the decision from the Selangor State government;

6b. the approval for the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order, Earthworks and Infrastructure and Building Plan pertaining to the construction of the new turf club is pending as MDHS is unable to process the application until item 6a of the CP above is fulfilled; and

6c. the approval of the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land is pending as the application will only be tabled at the State Exco of Selangor after approvals for items 6a and 6b are obtained.

As announced on 16 August 2010, CP no. 4, 5, 6a, 6b and 6c above have yet to be fulfilled.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(b) STC Proposals Proceedings (Cont'd)

On 29 January 2010, the Company announced that STC and BTSB have mutually agreed to an extension of time to 18 January 2011 to fulfil the CP in the abovementioned conditional sale and purchase agreement. This extension of time was further extended by STC to 18 January 2012. Subsequently, on 22 December 2011, the Company announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

On 13 August 2012, the Company announced that BTSB and STC had entered into a supplemental agreement to mutually vary certain terms of the SPA ("Supplemental Agreement"), details of which are as follows:

- if there is any CP remaining outstanding, BTSB shall be entitled to request from STC further extension of time to fulfil the CPs pursuant to the proposed acquisition of Sungai Besi Land. STC shall grant an extension of one year subject to a cash payment of RM3.0 million by BTSB for such extension; and
- upon signing the Supplemental Agreement, BTSB shall pay STC an advance part payment of RM7.0 million which will be deducted from the cash portion of the consideration of RM35.0 million. The balance of the purchase consideration shall be paid within 33 months from the date of the last CP is fulfilled or such other date as mutually extended.

Pursuant to the aforesaid Supplemental Agreement, BTSB paid a sum of RM3.0 million to extend the period for another year to 18 January 2021 to fulfil the conditions precedent below:

1. renewal of consent by Land and Mines Department (Federal) for the transfer to BTSB of the portion of Sungai Besi Land (held under H.S.(D) 61790 No. P.T. 2872 in the Mukim of Petaling, District and State of Wilayah Persekutuan) that resides in Wilayah Persekutuan, Kuala Lumpur which had expired on 11 January 2006; and
2. the approvals, permits or consents of any other relevant authorities as may be required by applicable laws include inter-alia the following:
   (i) approval from the Town and Country Planning Department of the State of Selangor on the re-tabling of the amended master layout plan which was re-submitted on 19 August 2008;
   (ii) approval from the Majlis Daerah Hulu Selangor for the Development Order and building plan pertaining to the construction of the new turf club after approval under item 2(i) above is obtained; and
   (iii) approval from the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land after approvals under items 2(i) and (ii) above are obtained.

On 10 November 2017, the Company announced that further to the legal proceedings instituted by the Company, BTSB and BCity (the "Applicants") in March 2016 against the (1) Selangor State Government, (2) MDHS, (3) Majlis Daerah Kuala Selangor, (4) Pengarah Pejabat Tanah & Galian Negeri Selangor, (5) Pengarah Jabatan Perancangan Bandar dan Desa Negeri Selangor, (6) Pengarah Jabatan Kerja Raya Negeri Selangor, (7) Pengarah Jabatan Alam Sekitar Negeri Selangor and (8) Pengarah Jabatan Geosains Negeri Selangor (the "Respondents") by way of an application for judicial review in the Shah Alam High Court, the Shah Alam High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(b) STC Proposals Proceedings (Cont'd)

The judgement rendered on 9 November 2017 was as follows:

1. The Applicants' application against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents are dismissed with costs of RM2,000.00 awarded to the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents respectively.
2. The Applicants are allowed to proceed with the development.
3. The Applicants are required to submit the relevant documents to the relevant technical departments for comments.
4. The technical departments are directed to respond within 3 months from the receipt of these documents, and failing which it is deemed that they have no objection to these documents.
5. Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents are directed to re-table the Applicants' proposal papers to relocate and construct the Selangor Turf Club before the National Physical Planning Council within 3 months after the receipt of the proposal papers from the Applicants.
6. The Applicants are directed to submit the said proposal papers within 1 month upon receipt of the fair order, failing which the Applicants shall forfeit the benefit of the order of mandamus pursuant to paragraph 5.
7. The 1st and 5th Respondents are ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation will be assessed in subsequent proceedings.

Further to the above, on 14 December 2017, the Company announced that the Selangor State Government and several other respondents ("the Appellants") have filed a Notice of Appeal to the Court of Appeal to appeal against the decision of the Shah Alam High Court made on 9 November 2017 ("Main Appeal").

The 1st and 5th Respondents have also applied to stay the ongoing proceedings in the Shah Alam High Court and the execution of the Shah Alam High Court judgement in the judicial review proceedings ("Stay of Proceedings Application"). The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the the 1st and 5th respondents ("Extension of Time Application"). In addition, the Applicants have also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgement ("Assessment Proceedings").

The Court of Appeal has granted a stay of execution of the High Court judgement and the Assessment Proceedings pending the disposal of the Main Appeal at the Court of Appeal.

The hearing of the Selangor State Government's appeal at the Court of Appeal which was previously fixed on 24 October 2019 has been vacated by the Court of Appeal. The Court of Appeal will instead hear a motion by the Selangor State Government to adduce further evidence in this matter. The Court of Appeal has then fixed 22 November 2019 as case management date to fix the hearing date of the Main Appeal. On 22 November 2019, the Court of Appeal fixed the hearing date of the Main Appeal on 27 March 2020.

The hearing of the Selangor State Government's motion to adduce further evidence in the matter was dismissed by the Court of Appeal on 24 October 2019. The Appellants subsequently filed a motion for leave to appeal to the Federal Court against the decision of the Court of Appeal in dismissing the Appellants' motion to adduce further evidence (the "FC Leave Motion"). The Federal Court has fixed the hearing of the Appellants' application for leave to appeal on 13 April 2020.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(b) STC Proposals Proceedings (Cont'd)

The Appellants have also filed a stay application to stay the hearing of the Main Appeal pending disposal of the FC Leave Motion. This stay application is fixed for hearing on the same day as the hearing of the Main Appeal, that is on 27 March 2020. In the event that the stay is refused by the Court of Appeal, the hearing of the Main Appeal will proceed.

Due to the Movement Control Order ("MCO") coming into effect on 18 March 2020, the hearings of the FC Leave Motion and the application for stay as well as the Main Appeal were postponed to 6 July 2020 and 2 July 2020 respectively. A case management date for the Main Appeal was also fixed for 9 July 2020 by the Court of Appeal.

Subsequently, the Appellants have withdrawn both the FC Leave Motion and the stay application at the Court of Appeal. The hearing of the Main Appeal by the Court of Appeal has now been fixed on 14 December 2020.

The STC Proposals proceedings are still ongoing.

(c) GMOC Project Arbitration Proceedings

In the financial year ended 30 April 2017, the Company had announced that Berjaya (China) Great Mall Co. Ltd ("GMOC") had completed the disposal of the Berjaya (China) Great Mall Recreation Centre to Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") for a revised total cash consideration of RMB2.039 billion (equivalent to approximately RM1.23 billion). GMOC had received the first instalment of RMB1.065 billion (equivalent to approximately RM641.28 million) and the balance cash consideration of RMB974.07 million (equivalent to approximately RM586.53 million) ("Final Instalment") was to be received by November 2017. The Final Instalment is secured by a guarantee granted by SkyOcean Holdings Group Limited, the holding company of Beijing SkyOcean and its major shareholder, Mr. Zhou Zheng ("Guarantors").

On 8 December 2017, the Company announced Beijing SkyOcean had not remitted the Final Instalment to GMOC by the appointed time. Hence, GMOC after seeking legal advice, had on 7 December 2017, issued a notice of demand to Beijing SkyOcean and the Guarantors to pay to GMOC the Final Instalment and accrued late payment interest within 3 days upon receipt of the said notice, failing which GMOC will take all relevant legal measures, including commencing legal proceeding in Hong Kong against Beijing SkyOcean and the Guarantors to protect and enforce GMOC's legitimate rights.

On 19 January 2018, the Company announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre ("HKIAC") against Beijing SkyOcean and the Guarantors ("Respondents") to seek recovery of the Final Instalment and accrued late payment interests ("Outstanding Payment") as well as other reliefs ("GMOC Project Arbitration Proceedings").

The arbitral tribunal was constituted and the procedural timetable was determined by the tribunal for pre-trial preparations, including closing of pleadings, discovery of documents and exchange of witness statements, etc. The arbitration hearing which was originally scheduled to take place in the week of 14 October 2019 was subsequently held and concluded during the week of 16 December 2019.

42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(c) GMOC Project Arbitration Proceedings (Cont'd)

On 27 May 2020, the Company announced that GMOC has on 21 May 2020 obtained a favourable arbitration award from the HKIAC ("Final Award"), details of which are as follows:-

(i) Beijing SkyOcean shall pay to GMOC the outstanding balance amount of RMB974.07 million;
(ii) Beijing SkyOcean shall pay liquidated damages on the outstanding balance amount calculated at the People's Bank of China's lending rate of 4.75% per annum from the payment due date of 28 November 2017 until the date full payment is made;
(iii) The Guarantors shall be jointly and severally liable for the amounts payable by Beijing SkyOcean under the Final Award; and
(iv) The Respondents shall jointly pay legal costs of about RMB15.9 million (equivalent to approximately RM9.72 million) and arbitration costs of about HKD3.96 million (equivalent to approximately RM2.23 million) within 30 days after issuance of the Final Award, failing which late payment interest at 8% per annum shall be charged from the due date until the date of actual payment.

GMOC has proceeded to seek recognition and enforcement of the Final Award in all relevant jurisdictions upon the expiry of the 30 days' voluntary settlement period stated in the Final Award on 20 June 2020.

The abovementioned recognition and enforcement proceedings are still ongoing.

43 SIGNIFICANT RELATED PARTY DISCLOSURES

In addition to the related party information disclosed in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year/period.

		Group		Company	
	Note	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Rental of premises and related services receivable from:					
- Singer (Malaysia) Sdn Bhd	c	(485)	(566)	-	-
- Inter-Pacific Securities Sdn Bhd	a	(647)	(1,163)	-	-
- Berjaya Higher Education Sdn Bhd	a	(2,457)	(3,328)	-	-
Rental of premises and related services receivable from:					
- Sun Media Corporation Sdn Bhd	d	(399)	(544)	-	-
- 7-Eleven Malaysia Sdn Bhd	c	(2,253)	(2,330)	-	-
- Berjaya Starbucks Coffee Company Sdn Bhd	a	(1,551)	(1,744)	-	-
- U Mobile Sdn Bhd ("UMSB")	c	(1,604)	(1,721)	-	-
- BerjayaCity Sdn Bhd	a	(1,346)	(1,620)	-	-
- Berjaya Assets Food (BAF) Sdn Bhd ("BAF")	e	(657)	(835)	-	-

43 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

	Note	Group 1.7.2019 to 30.6.2020 RM'000	Group 1.5.2018 to 30.6.2019 RM'000	Company 1.7.2019 to 30.6.2020 RM'000	Company 1.5.2018 to 30.6.2019 RM'000
Provision of security guard services to:					
- subsidiary companies of BCorp	a	(508)	(567)	-	-
- subsidiary companies of Berjaya Food Berhad	a	(406)	(402)	-	-
- subsidiary companies of BAssets	e	(54)	(108)	-	-
- UMSB	c	-	(100)	-	-
- Singer (Malaysia) Sdn Bhd	c	(210)	(241)	-	-
Supply of computerised lottery systems and related services to:					
- Berjaya Gia Thinh Investment Technology Joint Stock Company	a	(35,188)	(25,030)	-	-
- Natural Avenue Sdn Bhd ("NASB")	e	(1,846)	(764)	-	-
Rental of premises payable to					
- Berjaya Times Square Sdn Bhd ("BTSSB")	e	95	158	-	-
- Ambilan Imej Sdn Bhd	a	3,626	4,231	-	-
- Berjaya Sompo Insurance Berhad	g	562	656	-	-
Purchase of consumables from Graphic Press Group Sdn Bhd	a	519	6,193	-	-
Share registration services rendered by Berjaya Registration Services Sdn Bhd	a	582	728	45	30
Advertising and publishing services charged by Sun Media Corporation Sdn Bhd	d	917	1,466	27	103
Information technology consultancy and management related services as well as purchase of hardware, software, network equipment from Qinetics Solutions Sdn Bhd and Qinetics Services Sdn Bhd	f	3,408	4,683	1,824	1,208

Nature of Relationships

(a) Related companies/member companies of BCorp Group other than subsidiary companies of the Company.
(b) Joint ventures of the Group as disclosed in Note 9.
(c) A company in which Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri Vincent Tan") has deemed interests.

43 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

Nature of Relationships (Cont'd)

(d) A subsidiary company of Berjaya Media Berhad ("BMedia"). The Group and related companies of BCorp Group have interests in BMedia. Tan Sri Vincent Tan is a substantial shareholder of BMedia. He is the father of Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling ("CTSL"), both who are Executive Directors of the Company.
(e) BTSSB and BAF are wholly owned subsidiary companies of BAssets whilst NASB is effectively 65%-owned by BAssets. Tan Sri Vincent Tan is a substantial shareholder of BAssets and CTSL is an Executive Director of BAssets.
(f) Subsidiary companies of MOL.com Sdn Bhd ("MOL"). Tan Sri Vincent Tan and BCorp are major shareholders of MOL.
(g) Associated company of BCorp Group.

In the previous financial year, certain professional fees amounting to RM4,790,000 were incurred by a foreign subsidiary company for management and consultancy services contracted with a corporate entity, of which the Chief Executive Officer of the foreign subsidiary company has an interest.

The compensation of the key management personnel of the Group and of the Company are as follows:

	Group		Company	
	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Short-term benefits	51,078	47,704	1,167	1,896
Post-employment benefits	5,801	5,203	49	102
	56,879	52,907	1,216	1,998

44 SEGMENTAL INFORMATION

For management purposes, the Group is organised into business segments based on their products and services, and has reportable operating segments as follows:

(i) toto betting and related activities - toto betting operations under Section 5 of the Pool Betting Act and leasing of online lottery equipment;
(ii) motor vehicle dealership - motor vehicle retailer, repairs and maintenance and provider of related aftersales services;
(iii) property development and property investment - development of residential and commercial properties and operations and letting of properties;
(iv) hotels and resorts - management and operations of hotels and resorts; and
(v) club, recreation and others - operations of recreational clubs vacation time share, air charter and franchisor and licensor for computer and commercial training centres and examination facilitators.

44 SEGMENTAL INFORMATION (CONT'D)

Management monitors the operating results of its business segments separately for performance assessment and makes strategic decisions based on the operating results. Segment performance is evaluated based on operating profit or loss which is measured similar to the operating profit or loss in the consolidated financial statements. Group financing (including finance costs) are managed on a group basis and not allocated to operating segments.

The geographical segment information is prepared based on the locations of assets. The segment revenue by geographical location of customers does not differ materially from segment revenue by geographical location of assets.

Unallocated assets/liabilities include items relating to investing and financing activities and items that cannot be reasonably allocated to individual segment. These include mainly corporate assets, tax recoverable/liabilities, borrowings, hire purchase and lease obligations.

Other non-cash expenses include mainly unrealised loss on foreign exchange, write-off of property, plant and equipment, write-down of inventories and impairment loss on receivables.

44 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments:

	1.7.2019 to 30.6.2020			1.5.2018 to 30.6.2019		
Revenue	**External RM'000**	**Inter-segment RM'000**	**Total RM'000**	**External RM'000**	**Inter-segment RM'000**	**Total RM'000**
Toto betting and related activities	2,551,365	-	2,551,365	3,830,719	-	3,830,719
Motor vehicle dealership	2,065,903	-	2,065,903	2,841,502	-	2,841,502
Property development and property investment	217,089	27,917	245,006	190,315	10,791	201,106
Hotels and resorts	235,324	3,465	238,789	347,313	2,664	349,977
Club, recreation and others	90,628	12,983	103,611	97,372	21,253	118,625
Inter-segment eliminations	-	(44,365)	(44,365)	-	(34,708)	(34,708)
	5,160,309	-	5,160,309	7,307,221	-	7,307,221

Inter-segment revenue are eliminated on consolidation.

Results	**1.7.2019 to 30.6.2020 RM'000**	**1.5.2018 to 30.6.2019 RM'000**
Toto betting and related activities	321,377	525,131
Motor vehicle dealership	(2,100)	61,258
Property development and property investment	19,103	22,705
Hotels and resorts	(86,114)	9,567
Club, recreation and others	(16,150)	(16,400)
Segment results	236,116	602,261
Unallocated corporate income	(55,965)	(50,374)
	180,151	551,887
Investment related income (Note 32)		
- toto betting and related activities	28,581	23,879
- property development and property investment	2,965	4,665
- hotels and resorts	26,623	967
- club, recreation and others	953	1,439
- unallocated	21,532	255,192
	80,654	286,142
Investment related expenses (Note 33)		
- toto betting and related activities	(474)	(20,784)
- property development and property investment	(16,673)	(25,181)
- hotels and resorts	(106)	-
- club, recreation and others	(5,633)	(10,330)
- unallocated	(2,380)	-
	(25,266)	(56,295)
	235,539	781,734
Finance costs	(199,004)	(205,366)
Share of results of associated companies	152,352	(27,327)
Share of results of joint ventures	(3,505)	(2,644)
Profit before tax	185,382	546,397
Taxation	(141,847)	(193,925)
Profit for the financial year/period	43,535	352,472
Non-controlling interests	(108,607)	(198,389)
(Loss)/Profit attributable to owners of the Parent	(65,072)	154,083

44 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

Assets and Liabilities	2020 Assets RM'000	2020 Liabilities RM'000	2019 Assets RM'000	2019 Liabilities RM'000
Toto betting and related activities	3,810,116	156,376	3,914,278	315,123
Motor vehicle dealership	1,224,150	568,310	911,699	336,648
Property development and property investment	3,653,342	843,015	3,919,014	750,748
Hotels and resorts	2,564,217	1,092,809	1,446,077	298,339
Club, recreation and others	900,762	879,786	783,870	840,418
Inter-segment eliminations	(886,199)	(848,900)	(822,396)	(811,658)
Segment assets/liabilities	11,266,388	2,691,396	10,152,542	1,729,618
Investment in associated companies	468,067	-	522,351	-
Investment in joint ventures	53,689	-	56,177	-
Assets classified as held for sale	778,056	103,533	230,084	12,093
Unallocated corporate assets/liabilities	1,252,793	4,810,975	1,103,998	4,065,120
Consolidated assets/liabilities	13,818,993	7,605,904	12,065,152	5,806,831

Inter-segment assets and liabilities are eliminated on consolidation.

Other Information	1.7.2019 to 30.6.2020 Capital expenditure RM'000	1.7.2019 to 30.6.2020 Depreciation/ Amortisation RM'000	1.7.2019 to 30.6.2020 Other non-cash expenses RM'000	1.5.2018 to 30.6.2019 Capital expenditure RM'000	1.5.2018 to 30.6.2019 Depreciation/ Amortisation RM'000	1.5.2018 to 30.6.2019 Other non-cash expenses RM'000
Toto betting and related activities	10,180	17,984	212	23,375	43,740	616
Motor vehicle dealership	104,135	41,803	4,755	29,028	17,873	6,278
Property development and property investment	39,215	9,966	7,628	21,403	6,787	3,951
Hotels and resorts	33,404	46,597	14,768	23,103	42,886	2,281
Club, recreation and others	2,865	24,177	3,639	9,544	21,708	8,328
Unallocated	42,918	4,914	1,022	4,446	3,560	760
	232,717	145,441	32,024	110,899	136,554	22,214

Capital expenditure consists of additions to property, plant and equipment and right-of-use assets as disclosed in Note 3 and 4 respectively.

Impairment Losses	1.7.2019 to 30.6.2020 RM'000	1.5.2018 to 30.6.2019 RM'000
Toto betting and related activities	432	18,457
Property development and property investment	230	15,953
Hotels and resorts	106	-
Club, recreation and others	5,352	9,850
Unallocated	1,663	-
	7,783	44,260

(b) Geographical Locations:

	2020 Revenue RM'000	2020 Segment assets RM'000	2020 Capital expenditure RM'000	2019 Revenue RM'000	2019 Segment assets RM'000	2019 Capital expenditure RM'000
Malaysia	2,916,465	7,502,222	203,351	4,198,389	7,277,819	92,691
Outside Malaysia	2,243,844	3,764,166	29,366	3,108,832	2,874,723	18,208
	5,160,309	11,266,388	232,717	7,307,221	10,152,542	110,899

The Group operates principally in Malaysia. Outside Malaysia mainly comprises the Republic of Seychelles, United Kingdom, the Republic of Korea, Iceland, Singapore, Sri Lanka, the Philippines, the Socialist Republic of Vietnam, Japan and United States of America.

45 FAIR VALUE MEASUREMENT

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(a) Non financial assets that are measured at fair value

(i) The table below analyses the Group's non financial assets measured at fair value at the reporting date, according to the level in the fair value hierarchy:

Investment Properties

Group 2020	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Commercial properties	-	-	636,536	636,536
Other properties	-	-	75,535	75,535
	-	-	712,071	712,071
2019				
Commercial properties	-	129,434	524,695	654,129
Other properties	-	43,697	30,940	74,637
	-	173,131	555,635	728,766

(ii) Description of valuation techniques used and key inputs to valuation on non financial assets

Comparison method

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

In the previous financial period, certain investment properties valued under the comparison method, with insignificant adjustments factors, were categorised as Level 2 in the fair value hierarchy.

Investment properties valued using the comparison method with significant adjustments made for differences such as location, size, condition, accessibility and design ("adjustment factors") are categorised as Level 3 in the fair value hierarchy. The significant unobservable inputs for this category of investment properties, which are the adjustment factors, range generally between -56% and 38% (2019 : -99% and 34%) of the respective properties' comparables.

45 FAIR VALUE MEASUREMENT (CONT'D)

(a) Non financial assets that are measured at fair value (Cont'd)

(ii) Description of valuation techniques used and key inputs to valuation on non financial assets (cont'd)

Sensitivity analysis

An increase in the price per square feet of comparable properties in the surrounding vicinity will result in an increase of fair value of these properties.

(iii) Fair value reconciliation of non financial assets measured at Level 3

Investment Properties	Group 2020 RM'000	Group 2019 RM'000
At 1 July 2019/May 2018	555,635	568,836
Transfer from Level 2 in the fair value hierarchy	173,131	-
Net fair value adjustments	(16,723)	(13,201)
Exchange differences	28	-
At 30 June	712,071	555,635

During the current financial year, an amount of RM173,131,000 was transferred from Level 2 in the fair value hierarchy to Level 3, as the Group has assessed the adjustment factors for this categories of investment properties became significant in the light of softer real estate market mainly due to the effect of COVID-19 pandemic.

(b) Assets that are disclosed at fair value

The table below analyses the Group's assets disclosed at fair value at the reporting date, according to the level in the fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2020				
Subsidiary companies				
Company	477,201	-	-	477,201
Associated companies				
Group	71,561	-	-	71,561
Company	22,568	-	-	22,568
2019				
Subsidiary companies				
Company	524,079	-	-	524,079

45 FAIR VALUE MEASUREMENT (CONT'D)

(b) Assets that are disclosed at fair value (Cont'd)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2019				
Associated companies				
Group	70,117	-	-	70,117
Company	19,625	-	-	19,625

(c) Financial instruments that are measured at fair value

The table below analyses the financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2020				
Financial assets - Investments				
Group	138,563	-	51,821	190,384
Company	52,477	-	5,958	58,435
Financial assets - Short term investments				
Group	-	8,727	-	8,727
Financial assets - Derivative asset				
Group	-	343	-	343
Company	-	343	-	343
Financial liabilities - Derivative liabilities				
Group	-	763	28,239	29,002
Company	-	763	-	763
2019				
Financial assets - Investments				
Group	122,633	-	51,522	174,155
Company	11,529	-	5,958	17,487
Financial assets - Short term investments				
Group	-	9,691	-	9,691

45 FAIR VALUE MEASUREMENT (CONT'D)

(c) Financial instruments that are measured at fair value (Cont'd)

The Level 3 investments consist certain equity and debt securities inside and outside Malaysia of which their market values are not quoted in an active market. The fair values of unquoted equity securities inside Malaysia are determined to be the Group's and the Company's share of the net assets of the respective investees.

The Level 3 derivative liability is determined by the terms in the call and put option agreement, which requires making assumptions on the future performance of an investee, such as discount rate and the expected growth rate in the DCF of the investee.

Fair value reconciliation of financial assets - investments measured at Level 3

2020	Group RM'000	Company RM'000
At 1 July 2019	51,522	5,958
Additions during the financial year	7,699	-
Net fair value changes through other comprehensive income	(10,539)	-
Exchange differences	3,139	-
At 30 June	51,821	5,958

2019	Group RM'000	Company RM'000
At 1 May 2018	24,933	5,958
Additions during the financial period	29,230	-
Net fair value changes through other comprehensive income	(4,420)	-
Exchange differences	1,779	-
At 30 June	51,522	5,958

Fair value reconciliation of financial liabilities - derivative liabilities measured at Level 3

2020	Group RM'000
At 1 July 2019	-
Initial recognition during the financial year	28,257
Fair value loss on the option	(18)
At 30 June	28,239

46 FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured either at fair value or at amortised cost. The principal accounting policies in Note 2.2 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

		Group		Company	
	Note	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Financial assets					
Fair value through other comprehensive income					
Investments	10	183,889	168,998	57,603	15,990
Fair value through profit or loss					
Investments	10	6,495	5,157	832	1,497
Short term investments	15	8,727	9,691	-	-
Derivative asset	25	343	-	343	-
		15,565	14,848	1,175	1,497
At amortised cost					
Receivables	13	1,763,044	2,110,592	1,790,970	1,880,408
Deposits	16	242,161	432,917	66,423	62,062
Cash and bank balances	17	402,048	327,861	5,486	11,654
		2,407,253	2,871,370	1,862,879	1,954,124
Total financial assets		2,606,707	3,055,216	1,921,657	1,971,611
Financial liabilities					
Fair value through profit or loss					
Derivative liabilities	25	29,002	-	763	-
At amortised cost					
Long term borrowings	22	2,338,311	1,742,770	843,276	501,294
Long term liabilities	23	4,692	10,371	367,547	285,076
Lease liabilities	4	1,020,813	-	-	-
Payables	27	1,157,854	1,072,366	579,798	695,244
Short term borrowings	28	1,285,547	1,238,626	596,615	583,032
		5,807,217	4,064,133	2,387,236	2,064,646
Total financial liabilities		5,836,219	4,064,133	2,387,999	2,064,646

46 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values

(i) Financial instruments that are measured at fair value

Information of financial instruments of the Group and of the Company that are measured at fair values are as disclosed in Note 45.

(ii) Financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value

Included in these classes of financial instruments are certain financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Receivables	13
Deposits	16
Cash and bank balances	17
Payables	27
Short term borrowings	28
Long term borrowings	22
Long term liabilities	23
Lease liabilities	4

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due either to the insignificant impact of discounting or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's financial risk management policy seek to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its market risk (including interest rate risk, foreign currency risk and market price risk), liquidity risk and credit risk. The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market prices.

(i) Interest Rate Risk

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

Interest rate exposure of the Group arises mainly from the Group's interest-bearing borrowings and deposits. Deposits are generally short term in nature and are mostly short term deposits with licensed banks and other financial institutions.

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(i) Interest Rate Risk (Cont'd)

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio to mitigate the impact of interest rate risk. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculation purposes.

All of the Group's and the Company's financial assets and liabilities at floating rates are contractually re-priced at intervals of less than 6 months (2019 : less than 6 months) from the reporting date.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

At the reporting date, the interest rate profile of the interest-bearing financial instruments is as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Fixed rate instruments				
Financial assets	610,945	715,056	66,423	62,062
Financial liabilities	1,466,660	1,579,146	400,720	500,670
Floating rate instruments				
Financial assets	168,263	234,398	1,218,376	1,200,019
Financial liabilities	2,156,934	1,402,913	1,895,165	1,471,430

Fair value sensitivity analysis for fixed rate instruments

The Group does not measure any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for floating rate instruments

A change of 25 basis points in interest rates at the reporting date would result in the profit before tax of the Group to be lower/higher by RM4,972,000 (2019 : RM2,921,000), and the profit/(loss) before tax of the Company to be lower/higher by RM1,692,000 (2019 : RM679,000) respectively, assuming that all other variables remain constant.

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates.

The Group operates internationally and is exposed to various currencies, mainly United States Dollar, Euro, Seychelles Rupees, Singapore Dollar, Chinese Renminbi, Vietnam Dong, Thai Baht, Great Britain Pound, Korean Won, Philippine Peso, Hong Kong Dollar, Icelandair Króna and Japanese Yen.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located.

The significant unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

Financial Assets/Liabilities Held in Non-Functional Currencies

Functional Currency of Group Companies	Thai Baht RM'000	Euro RM'000	United States Dollar RM'000	Singapore Dollar RM'000	Japanese Yen RM'000	Vietnam Dong RM'000	Total RM'000
Receivables							
Ringgit Malaysia	91,341	-	215,772	220	-	63,172	370,505
Singapore Dollar	-	-	-	-	80	-	80
Seychelles Rupees	-	3,697	366	-	-	-	4,063
Icelandic Króna	-	499	-	-	-	-	499
At 30 June 2020	91,341	4,196	216,138	220	80	63,172	375,147
Ringgit Malaysia	84,585	-	245,790	38,401	-	60,783	429,559
Seychelles Rupees	-	2,288	323	-	-	-	2,611
At 30 June 2019	84,585	2,288	246,113	38,401	-	60,783	432,170
Cash and bank balances and deposits							
Chinese Renminbi	-	-	-	-	-	-	-
Singapore Dollar	-	-	8	-	7,408	-	7,416
Seychelles Rupees	-	8,469	1,291	-	-	-	9,760
Ringgit Malaysia	-	-	21,469	29,715	-	-	51,184
Icelandic Króna	-	379	423	-	-	-	802
At 30 June 2020	-	8,848	23,191	29,715	7,408	-	69,162
Chinese Renminbi	-	-	141	-	-	-	141
Seychelles Rupees	-	9,328	7,157	-	-	-	16,485
Vietnam Dong	-	-	286	-	-	-	286
Ringgit Malaysia	-	-	11,501	125	-	-	11,626
At 30 June 2019	-	9,328	19,085	125	-	-	28,538
Payables							
Ringgit Malaysia	-	-	1,804	4,172	-	63,173	69,149
Singapore Dollar	-	-	3	-	8,515	-	8,518
Seychelles Rupees	-	6	81	-	-	-	87
Icelandic Króna	-	237	-	-	-	-	237
At 30 June 2020	-	243	1,888	4,172	8,515	63,173	77,991
Ringgit Malaysia	-	-	1,994	7,229	577	60,783	70,583
Singapore Dollar	-	-	-	-	18	-	18
Seychelles Rupees	-	26	137	-	-	-	163
At 30 June 2019	-	26	2,131	7,229	595	60,783	70,764

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk (Cont'd)

Financial Assets/Liabilities Held in Non-Functional Currencies

Functional Currency of Group Companies	Thai Baht RM'000	Euro RM'000	United States Dollar RM'000	Singapore Dollar RM'000	Japanese Yen RM'000	Vietnam Dong RM'000	Total RM'000
Borrowings							
Seychelles Rupees	-	16,427	-	-	-	-	16,427
Singapore Dollar	-	-	-	-	90,406	-	90,406
Ringgit Malaysia	-	-	86,399	10,661	-	-	97,060
Icelandic Króna	-	242,975	-	-	-	-	242,975
At 30 June 2020	-	259,402	86,399	10,661	90,406	-	446,868
Seychelles Rupees	-	21,975	-	-	-	-	21,975
Ringgit Malaysia	-	-	82,379	15,165	-	-	97,544
At 30 June 2019	-	21,975	82,379	15,165	-	-	119,519

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, EUR, SCR, SGD, THB and JPY exchange rates against the respective major functional currencies of the Group entities, with all other variables remaining constant:

Group Increase/(decrease) to profit before tax		2020 RM'000	2019 RM'000
USD/RM	- strengthened 4% (2019 : 7%)	5,962	12,104
	- weakened 4% (2019 : 7%)	(5,962)	(12,104)
USD/SCR	- strengthened 1% (2019 : 1%)	16	73
	- weakened 1% (2019 : 1%)	(16)	(73)
EUR/SCR	- strengthened 4% (2019 : 7%)	(171)	(727)
	- weakened 4% (2019 : 7%)	171	727
SGD/RM	- strengthened 1% (2019 : 3%)	151	484
	- weakened 1% (2019 : 3%)	(151)	(484)
THB/RM	- strengthened 3% (2019 : 8%)	2,740	6,767
	- weakened 3% (2019 : 8%)	(2,740)	(6,767)
JPY/SGD	- strengthened 1% (2019 : 1%)	(914)	-
	- weakened 1% (2019 : 1%)	914	-
JPY/RM	- strengthened 4% (2019 :7%)	-	(40)
	- weakened 4% (2019 : 7%)	-	40

The impact of sensitivity analysis of the rest of the foreign currencies is not material to the Group.

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(iii) Market Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of quoted investments.

The Group is exposed to market price risk arising from its investments in quoted instruments. The quoted instruments in Malaysia are listed on Bursa Malaysia and other foreign stock exchanges. These instruments are designated as fair value through other comprehensive income or fair value through profit or loss financial assets. The Group does not have exposure to commodity price risk. To manage its market price risk arising from investments in quoted instruments, the Group diversifies and manages its portfolio in accordance with established guidelines and policies.

Sensitivity analysis for market price risk

At the reporting date, if the prices of the investments quoted on the stock exchanges had been 1% higher/lower, with all other variables held constant, the Group's profit before tax would have been RM28,000 (2019 : RM52,000) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through profit or loss. The Group's equity would also have been RM1,324,000 (2019 : RM1,143,000) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through other comprehensive income.

(b) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to the shortage of funds.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funds so as to ensure that refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

Analysis of undiscounted financial instruments by remaining contractual maturities

Financial liabilities Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2020				
Trade and other payables	1,157,854	-	-	1,157,854
Hire purchase and finance lease liabilities	13,110	59,231	-	72,341
Long term liabilities	-	3,935	22,411	26,346
Lease liabilities	56,590	216,026	1,030,362	1,302,978
Derivative liabilities	763	36,120	-	36,883
Loans and borrowings	1,361,972	1,700,979	835,269	3,898,220
	2,590,289	2,016,291	1,888,042	6,494,622

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity Risk (Cont'd)

Analysis of undiscounted financial instruments by remaining contractual maturities (Cont'd)

Financial liabilities Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2019				
Trade and other payables	1,072,366	-	-	1,072,366
Hire purchase and finance lease liabilities	13,790	66,743	-	80,533
Long term liabilities	-	10,438	27,090	37,528
Loans and borrowings	1,390,148	1,384,532	603,819	3,378,499
	2,476,304	1,461,713	630,909	4,568,926
Company				
2020				
Other payables	579,798	-	-	579,798
Hire purchase and finance lease liabilities	339	763	-	1,102
Long term liabilities	-	384,803	-	384,803
Derivative liabilities	763	-	-	763
Loans and borrowings	600,950	761,975	87,021	1,449,946
	1,181,850	1,147,541	87,021	2,416,412
2019				
Other payables	695,244	-	-	695,244
Hire purchase and finance lease liabilities	438	985	-	1,423
Long term liabilities	-	307,276	-	307,276
Loans and borrowings	647,327	539,030	-	1,186,357
	1,343,009	847,291	-	2,190,300

(c) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

Credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by limiting the Group's association to business partners with high creditworthiness. Trade and other receivables are monitored on an ongoing basis via Group management reporting procedures to reduce the Group's exposure to bad debts.

47 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Credit Risk (Cont'd)

Exposure to credit risk

At reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets recorded on the statements of financial position. The major classes of the Group's and the Company's financial assets are trade and other receivables including amounts owing by joint ventures, associated, related and subsidiary companies. The Group and the Company do not have significant concentration of credit risks except as disclosed in Note 13.

At reporting date, the Company's maximum exposure to credit risk from guarantees is represented by a nominal amount of RM602,602,000 (2019: RM732,441,000) relating to corporate guarantees provided by the Company to the financial institutions on subsidiary companies' borrowings.

Credit risk concentration profile of trade receivables

The Group determines concentrations of credit risk by monitoring the business segment profile of its trade receivables as follows:

Group	2020 RM'000	2020 %	2019 RM'000	2019 %
Toto betting and related activities	127,826	45	135,849	52
Motor vehicle dealerships	58,039	21	61,815	24
Property development and property investment	64,921	23	40,453	16
Hotels and resorts	21,076	8	15,068	6
Club, recreation and others	9,335	3	6,170	2
	281,197	100	259,355	100

48 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The financial management function is carried out by the Group's Treasury Division. The Treasury Division manages the Group's funds and financial resources and all its loans and borrowings on a "pool basis". No changes were made in the objectives, policies or processes during the financial year ended 30 June 2020 and the financial period ended 30 June 2019.

The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group's total debt includes bank borrowings, medium term notes, vehicle stocking loans, hire purchase and finance lease obligations. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

48 CAPITAL MANAGEMENT (CONT'D)

The gearing ratios as at 30 June 2020 and 30 June 2019 were as follows:

		Group	
	Note	2020 RM'000	2019 RM'000
Short term borrowings	28	1,285,547	1,238,626
Long term borrowings	22	2,338,311	1,742,770
Total debt		3,623,858	2,981,396
Total equity		6,213,089	6,258,321
Gearing ratio (%)		58	48

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

49 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 4 June 2018, the Company announced that BLCL had entered into a Capital Transfer Agreement for the proposed disposal by BLCL of the entire remaining 32.5% of the capital contribution in Berjaya Vietnam Financial Center Limited (“BVFC”) to Vinhomes Joint Stock Company (“Vinhomes”) and Can Gio Tourist City Corporation for a cash consideration of VND884.93 billion (equivalent to approximately RM154.86 million) (“Proposed BVFC Disposal"). The Proposed BVFC Disposal is pending completion.

Initially, BLCL’s capital contribution of VND967.31 billion comprised and represented 100% of the charter capital of BVFC. However, following the conditions imposed by the Vietnamese authorities, BVFC was required to increase its charter capital and Vinhomes had in March 2018 injected fresh capital contribution amounting to VND2,008.69 billion (equivalent to approximately RM352 million) into BVFC to fulfill the above requirement which accordingly resulted in a dilution of BLCL's holding in the charter capital of BVFC to 32.5%.

In conjunction with the Proposed BVFC Disposal, Vinhomes and its affiliates are also being considered as potential purchasers of Berjaya Vietnam International University Town One Member Limited Liability Company (“BVIUT”) and have in December 2017 also injected a cash sum of VND11,904 billion (equivalent to approximately RM2.08 billion) as fresh capital contribution into BVIUT in order to meet certain similar conditions imposed by the Vietnamese authorities which require BVIUT to increase its charter capital to VND12,000 billion (RM2.10 billion). Accordingly, BLCL's initial stake in BVIUT has also been diluted from 100% to 0.8%. It is the intention of BLCL to dispose of its 0.8% stake in BVIUT in the near future (“Proposed BVIUT Disposal”).

(b) On 18 February 2019, the Company announced the incorporation of Berjaya Reykjavik Investment Limited ("BRIL") in the Republic of Ireland for a cash subscription of €1.00 (about RM4.69) comprising 1 ordinary share of €1.00 each. BRIL has entered into an agreement with Fiskitangi EHF ("FEHF") and Utgerdarfelag Reykjavikur HF ("ÜRHF") to undertake the following:

(i) BRIL to acquire 100% of the shares of Geirsgata 11 EHF ("GE11") for a cash consideration of USD1,399,000 (equivalent to approximately RM5.75 million) from FEHF ("Proposed Acquisition"); and

(ii) BRIL to repay the outstanding loan of USD12,591,000 (equivalent to approximately RM51.79 million) obtained by GE11 from URHF to purchase a piece of leasehold land in Iceland ("Proposed Settlement").

GE11 is a company incorporated in Reykjavik, Iceland and owns the leasehold real estate at Geirsgata 11, Reykjavik, Iceland, ("Land"). The lease of the Land expires on 31 December 2037, with remaining unexpired term of about 18 years subject to extension. The Land measures in area about 4,805 square meters (approximately 51,721 square feet or 1.19 acres).

On 14 October 2019, the Company announced the completion of The Proposed Acquisition and Proposed Settlement.

(c) On 8 July 2019, BToto announced that Berjaya Philippines Inc. ("BPI"), had on 1 July 2019, disposed of 1,000,000 ordinary shares, representing 20% equity interest, in its wholly-owned subsidiary, Philippine Gaming Management Corporation ("PGMC") for a consideration of Philippine Peso ("PHP") 117.15 million (equivalent to approximately RM9.49 million). Subsequently on 3 July 2019, PGMC issued additional 5,000,000 ordinary shares with par value of PHP100 each ("Share Subscription"). BPI waived its right to subscribe for the additional shares issued by PGMC. Upon completion of PGMC's Share Subscription, BPI's equity interest was further diluted to 39.99% from 79.99% and PGMC ceased as a subsidiary and became an associated company of BPI.

49 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(d) On 15 July 2019, the Company announced that its wholly-owned Irish incorporated subsidiary, Berjaya Property Ireland Limited ("BPIL") has on 13 July 2019 in Reykjavik, Iceland entered into a Share Purchase Agreement (“SPA”) with Icelandair Group hf. (“Seller”) for the proposed acquisition of 75% stake in Icelandair Hotels ehf, which will acquire 100% of Hljomalindarreitur ehf and certain hotels and real estate assets in Iceland ("New Icelandair Hotels Group") for a total cash consideration of approximately USD53.63 million (equivalent to approximately RM222.03 million). Besides the SPA, BPIL also entered into a Shareholders Agreement and a Put and Call Option Agreement with the Seller. The remaining 25% stake in the New Icelandair Hotels Group which will continue to be owned by the Seller will be subject to the Put and Call Option Agreement, whereby upon the exercise of the put or call option, BPIL will eventually own 100% stake in the New Icelandair Hotels Group.

On 24 December 2019, the Company announced that a total of USD15 million has been paid and the completion date of the proposed acquisition has been extended from 30 December 2019 to 28 February 2020. On 28 February 2020, the Company announced that the balance of the final payment has been determined at USD40,311,544 pursuant to the SPA. A cash payment of USD20 million has been made whilst the payment for the remaining balance of USD20.31 million is to be made by 31 May 2020.

On 3 April 2020, the Company announced that the Seller has granted a discount of USD10 million due to the temporary adverse economic effects of the COVID-19 outbreak which has been netted off against the outstanding balance of USD20.31 million. The final net balance due amounting to USD10.31 million was paid on 3 April 2020 and the said Acquisition was completed on even date.

(e) On 14 March 2019, Informatics Education Limited ("Informatics"), a 27.09% associated company of Berjaya Leisure Capital (Cayman) Limited ("BLCC") had announced on the Singapore Stock Exchange of its proposed renounceable non-underwritten rights issue of up to 216,646,401 new ordinary shares ("Right Shares") in the capital of Informatics with up to 72,215,467 free detachable and transferable warrants ("Warrants") at an issue price of S$0.05 per Rights Share ("Rights cum Warrants Issue"). BLCC, in turn, is a wholly owned subsidiary of the Company.

On 22 August 2019, BLCC subscribed to its entitlement of the Rights cum Warrants Issue and applied for the excess Right Shares with Warrants, amounting to 100,000,000 Rights Shares with 33,333,333 Warrants, for a total consideration of SGD5.0 million (equivalent to approximately RM15.30 million). As such, BLCC's equity interest in Informatics increased to 67.42%, and Informatics became a subsidiary company of BLCC.

(f) On 3 September 2019, the Company announced that it had on 30 August 2019, received a Certificate of Award from the Yangon Region Government for the proposed development of a public housing and mixed development project on a land measuring approximately 183 acres located along Myanandar Road and Shweli Road, Dagon Seikkan Township, Yangon Region, Myanmar (“Proposed Development”). The Proposed Development comprises 14 parcels of mixed development including inter alia affordable housing, mid to high end condominiums, shop houses, retail spaces, the farmer’s market, community hall, schools and infrastructure to be built over 3 phases. Based on the preliminary plan of the Proposed Development, the estimated gross development value is about USD624.00 million (equivalent to approximately RM2.63 billion).

Further announcement of the details of the Proposed Development will be made once the definitive agreements are entered into with the relevant parties.

49 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(g) On 7 February 2020, the Company announced that its 80%-owned subsidiary namely BDS Smart City Co. Ltd ("BDS") has entered into a concession agreement ("CA") with the Government of Yangon Region ("YRG"), the Republic of the Union of Myanmar to formalize a collaboration in undertaking a housing and mixed development project on 12 parcels of land ("Land") in Myanmar.

Pursuant to the CA, BDS will own the exclusive rights over the Land for a period of 50 years from the date on which the conditions precedent of the CA are fulfilled (or waived) and further extendable for 2 consecutive terms of 10 years each ("Concession Period"). The Land is expected to be developed over a period of 9 years and automatically extended for additional 1 year thereafter.

Based on the preliminary plan of the proposed development,
(i) the estimated gross development value is USD746.08 million (equivalent to approximately RM3.05 billion);
(ii) the gross development cost ("GDC") is estimated to be USD614.92 million (equivalent to approximately RM2.52 billion); and
(iii) the estimated profit before taxation is about USD131.16 million (equivalent to approximately RM536.44 million) to be recognised over the duration of the development up to completion.

In consideration of the rights granted by YRG to BDS under the CA, BDS shall pay and deliver to YRG a total consideration (in cash and in kind) comprising of:
(i) cash of USD3.0 million (equivalent to approximately RM12.27 million); and
(ii) the affordable housing with an estimated net floor area of 242,800 square meters valued at USD182.76 million (equivalent to approximately RM747.49 million).

(h) On 28 February 2020, the Company informed that BCorp had announced that Kyoto Higashiyama Hospitality Assets Tokutei Mokuteki Kaisha (“KHHA”), a subsidiary of BCorp has entered into a Real Property Trust Beneficial Interest Purchase and Sale Agreement with Godo Kaisha Tigre (“Purchaser”) for the proposed disposal by KHHA of the trust beneficial interest in the hotel component of the Four Seasons Residences & Hotel Kyoto, Japan ("Hotel") to the Purchaser for a cash consideration of JPY49.00 billion (equivalent to approximately RM1.87 billion) (“Proposed Disposal”). KHHA is an associated company of the Company with an effective 50% equity interest.

In addition, following the Proposed Disposal, Berjaya Kyoto Development Kabushiki Kaisha, another subsidiary of BCorp which is also an associated company of the Company shall enter into an Amended and Restated Fixed Term Building Lease Agreement with Mitsubishi UFJ Trust and Banking Corporation and the Purchaser for the leaseback of the Hotel.

(i) The COVID-19 pandemic has had a negative impact on the Group's performance for the financial year ended 30 June 2020 due to various unprecedented lockdown measures implemented by the governments in countries where the Group has business operations to control and curtail the spread of the COVID-19 pandemic. During the earlier phases of the lockdown in many countries, almost all businesses except for those involved in the provision of essential services and products are required to be closed.

The Malaysian Government, in response to the COVID-19 outbreak in the country, has imposed the Movement Control Order ("MCO") with effect from 18 March 2020. Subsequently, Conditional MCO was implemented from 4 May 2020 to 9 June 2020, and this was followed by Recovery MCO from 10 June until 31 August 2020 which was subsequently extended to 31 December 2020.

The Group's toto betting business segment operated by Sports Toto Malaysia Sdn Bhd, a wholly-owned subsidiary of BToto, was ordered to halt its operation from 18 March 2020 (the commencement of MCO) and only resumed operation on 17 June 2020. As a result of the aforesaid, Sports Toto cancelled forty (40) draws during the financial year.

49 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

In the United Kingdom ("UK"), the Group's motor vehicle dealership business segment operated by H.R. Owen had shut down its operations from 23 March to 31 May 2020, in compliance with the UK's lockdown order and only resumed business operation on 1 June 2020.

The global tourism industry are severely affected by the continued international borders closure in many countries. This has adversely impacted the financial performance Group's hotels, resorts, clubs and recreation business segments. In addition, these business segments also had cancellation of meetings, incentives, conventions and events ("MICE") bookings due to the implementation social distancing and other health guidelines. In order to mitigate the operating losses, austerity measures were taken after a review of the operations of the hotels, resorts, clubs and recreation business segments. Berjaya Tioman Resort ceased operations effective 15 June 2020 to undergo a much needed major re-development exercise, more so after the fire incident in September 2019.

The earlier phases of MCO has also hampered the progress of construction of the Group's ongoing projects. The Group has since caught up with the scheduled construction progress rate. The Group's shopping mall and complexes had granted rental relief during the earlier phase of MCO to eligible tenants.

Subsequent to the financial year end, the Group has resumed its business operations. However, as the COVID-19 pandemic continues to evolve, it may be challenging to ascertain the full extent and duration of its impact. Nevertheless, management will continue to monitor the development of the COVID-19 pandemic and its impact to the Group's operations and financial performance.

50 SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

(a) On 1 August 2020, BGRB Venture Sdn Bhd ("BVSB"), a wholly-owned subsidiary of Berjaya Golf Resort Berhad ("BGolf") has established an Islamic medium term notes programme under the Sukuk Wakalah structure with a limit of RM1.0 billion and a tenure of 10 years ("Sukuk Wakalah MTNs"). The Sukuk Wakalah MTNs are secured with a corporate guarantee from BGolf.

As at reporting date, 3 tranches of the Sukuk Wakalah MTNs amounting to RM21.13 million with maturity dates of 13 August 2021, 30 August 2021 and 4 October 2021, have been issued.

(b) On 28 August 2020, the Company announced that the resolution of the JDC Lawsuit involving the settlement of all claims and disputes in relation to the Jeju Project has been completed upon the receipt of the Settlement Sum and accordingly, BJeju ceased as a subsidiary of the Group. Further details on the JDC Lawsuit and its settlement are disclosed in Note 42(a) .

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
	Subsidiary Companies				
(a)	**Subsidiaries of Berjaya Land Berhad**				
*	Alam Baiduri Sdn Bhd	Malaysia	Property investment	100	100
	Amat Muhibah Sdn Bhd	Malaysia	Dormant	52.60	52.60
*	Amat Teguh Sdn Bhd	Malaysia	Property development	100	100
*	AM Prestige Sdn Bhd	Malaysia	Ceased operations	100	100
	Angsana Gemilang Sdn Bhd	Malaysia	Property investment	100	100
*	Awan Suria Sdn Bhd	Malaysia	Provision of landscaping service, selling and renting of ornament plants	100	100
	Bahan Cendana Sdn Bhd	Malaysia	Property investment	100	100
	Berjaya Air Capital (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Enamelware Sdn Bhd	Malaysia	Dormant	100	100
	Berjaya Engineering Construction Sdn Bhd	Malaysia	Provision of civil engineering contracting works	100	-
*	Berjaya Fukuoka Development (S) Pte Ltd	Singapore	Investment holding	100	100
	Berjaya Guard Services Sdn Bhd	Malaysia	Provision of security services	100	100
*	Berjaya Holiday Cruise Sdn Bhd	Malaysia	Investment holding	86.36	86.36
*	Berjaya Hotels and Resorts (Seychelles) Limited	Republic of Seychelles	Management and operation of hotel resorts in Seychelles	100	100
	Berjaya Hotels & Resorts Vietnam Sdn Bhd	Malaysia	Investment holding	100	100
	Berjaya Jet Charter Sdn Bhd	Malaysia	Jet charter	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
	Berjaya Kawat Industries Sdn Bhd	Malaysia	Property investment and rental of properties	100	100
	Berjaya Land (Labuan) Limited	Malaysia	Investment holding	100	100
	Berjaya Leasing (Labuan) Limited	Malaysia	Provision of aircraft leasing services and undertaking of offshore financial related business	100	100
	Berjaya Land Development Sdn Bhd	Malaysia	Property development and investment holding	100	100
	Berjaya Leisure Capital (Cayman) Limited	Cayman Islands	Investment holding	100	100
	Berjaya Leisure (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Megamall Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
	Berjaya Myanmar Holdings Sdn Bhd	Malaysia	Investment holding	100	100
*	Berjaya North Asia Holdings Pte Ltd	Singapore	Investment holding	100	100
*	Berjaya Okinawa Investment (S) Pte Ltd	Singapore	Investment holding	100	100
	Berjaya Project Management Sdn Bhd	Malaysia	Project management	100	100
	Berjaya Property Management Sdn Bhd	Malaysia	Investment holding	100	100
*	Berjaya Property Ireland Limited	Ireland	Investment holding	100	100
a *	Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	60	60

a *Additional 20% being held by Berjaya Sports Toto Berhad.*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
*	Berjaya Reykjavik Investment Limited	Ireland	Investment holding	100	100
	Berjaya Sports Toto Berhad	Malaysia	Investment holding	40.36	40.83
	Berjaya Tagar Sdn Bhd	Malaysia	Property development and investment holding	100	100
*	Berjaya Theme Park Management Sdn Bhd	Malaysia	Dormant	100	100
	Berjaya Vacation Club Berhad	Malaysia	Time sharing vacation operator, property investment and investment holding	100	100
	B.L. Capital Sdn Bhd	Malaysia	Investment holding	100	100
*	B.T. Properties Sdn Bhd	Malaysia	Property development and investment holding	100	100
	BTS Leaseback Management Sdn Bhd	Malaysia	Coordination of pool-profit sharing of owner-owned suites	100	100
*	Budi Impian Sdn Bhd	Malaysia	Hotel operator	100	100
	Cempaka Properties Sdn Bhd	Malaysia	Property development and investment	100	100
	Cerah Bakti Sdn Bhd	Malaysia	Property development	70	70
	Cerah Tropika Sdn Bhd	Malaysia	Investment holding	70	70
*	Cergas Jati Sdn Bhd	Malaysia	Property investment	100	100
*	Flexiwang Sdn Bhd	Malaysia	Dormant	100	100
	Gateway Benefit Sdn Bhd	Malaysia	Investment holding	100	100
*	Gemilang Cergas Sdn Bhd	Malaysia	Property investment	100	100
	Immediate Capital Sdn Bhd	Malaysia	Investment holding	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	2019 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
	Junjung Delima Sdn Bhd	Malaysia	Investment holding	100	100
	Klasik Mewah Sdn Bhd	Malaysia	Property investment	100	100
	Kota Raya Development Sdn Bhd	Malaysia	Investment and rental of property	100	100
*	Leisure World Sdn Bhd	Malaysia	Investment holding	100	100
	Marvel Fresh Sdn Bhd	Malaysia	Trading	100	100
	Nada Embun Sdn Bhd	Malaysia	Property investment	100	100
	Nural Enterprise Sdn Bhd	Malaysia	Investment and rental of property	100	100
	Noble Circle (M) Sdn Bhd	Malaysia	Investment and rental of property	100	100
	One Network Hotel Management Sdn Bhd	Malaysia	Hotel and charter flight operator	100	100
	Pakar Angsana Sdn Bhd	Malaysia	Property development	80	80
	Portal Access Sdn Bhd	Malaysia	Investment holding	100	100
*	Pembinaan Stepro Sdn Bhd	Malaysia	Dormant	100	100
	Punca Damai Sdn Bhd	Malaysia	Property investment	100	100
b	Regnis Industries (Malaysia) Sdn Bhd	Malaysia	Investment and rental of property	87.12	87.12
	Securiservices Sdn Bhd	Malaysia	Property development	100	100
*	Semakin Sinar Sdn Bhd	Malaysia	Dormant	51	51
	Semangat Cergas Sdn Bhd	Malaysia	Property development	100	100
*	Stephens Properties Plantations Sdn Bhd	Malaysia	Dormant	100	100

b *Inclusive of 30% being held by B.L. Capital Sdn Bhd.*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(a)	**Subsidiaries of Berjaya Land Berhad (Cont'd)**				
*	Taaras Spa Sdn Bhd	Malaysia	Spa management	100	100
c *	Aces Property Management Sdn Bhd	Malaysia	Property development	-	100
	Tioman Island Resort Berhad	Malaysia	Property development and operator of resort hotel	86.25	86.25
*	Tiram Jaya Sdn Bhd	Malaysia	Property development	100	100
*	Wangsa Sejati Sdn Bhd	Malaysia	Dormant	52.63	52.63
*	Wisma Stephens Management Co Sdn Bhd	Malaysia	Investment holding	100	100
(b)	**Subsidiaries of Berjaya Fukuoka Development (S) Pte Ltd**				
*	Berjaya Hakkoda Resort Development Godo Kaisha	Japan	Hotel and resort operation	100	100
*	Seikou Okinawa Construction Co. Ltd	Japan	Construction, interior design, electrical work, sales of building material and machinery, development and consultation of hotel business, food and beverage, tourism, retail and publicity	100	100
(c)	**Subsidiaries of Berjaya Land Development Sdn Bhd**				
	Indra Ehsan Sdn Bhd	Malaysia	Property development	100	100
*	Kim Rim Enterprise Sdn Bhd	Malaysia	Property development, temporarily ceased operations	100	100
	Sri Panglima Sdn Bhd	Malaysia	Property development	100	100
(d)	**Subsidiaries of Berjaya Leisure (Cayman) Limited**				
	Berjaya Asset (Cayman) Limited	Cayman Islands	Struck off during the financial year	-	100

c *Now regarded as an associated company following the dilution of the Company's equity interest to 25%.*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(d)	**Subsidiaries of Berjaya Leisure (Cayman) Limited (Cont'd)**				
*	Berjaya (China) Great Mall Co Ltd	People's Republic of China	Property investment and development, temporarily ceased operations	51	51
#	Berjaya-D2D Company Limited	Socialist Republic of Vietnam	Property investment and development	100	100
	Berjaya FC (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya International Casino Management (Seychelles) Limited	Republic of Seychelles	Casino operations	60	60
	Berjaya IUT (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Jeju Resort Limited	Republic of Korea	Property development and investment	72.60	72.60
#	Berjaya Mount Royal Beach Hotel Limited	Sri Lanka	Owner and operator of hotel	92.60	92.60
#	Berjaya Properties (HK) Limited	Hong Kong	Dormant, under striking off process	60	60
	BHR (Cayman) Limited	Cayman Islands	Property investment and investment holding	100	100
*	Mahameru Consultancy d.o.o. Visoko	Bosnia and Herzegovina	Property investment	100	100
#	Natural Gain Investments Limited	Hong Kong	Dormant	100	100
#	T.P.C Development Limited	Hong Kong	Investment holding	100	100
(e)	**Subsidiary of Berjaya Leisure Capital (Cayman) Limited**				
d #	Informatics Education Limited	Singapore	Investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators	67.42	-

d *Became a 67.42% subsidiary company during the financial year as disclosed in Note 49(e).*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(e)	**Subsidiary of Berjaya Leisure Capital (Cayman) Limited (Cont'd)**				
	(i) Subsidiaries of Informatics Education Limited				
#	Informatics Academy Pte Ltd	Singapore	Computer and business education and training, business management consultancy and child development	100	-
*	Informatics Computer Education Sdn Bhd	Malaysia	Dormant	100	-
*	Informatics Education (HK) Ltd	Hong Kong	Computer education and training	100	-
*	Informatics Education Malaysia Sdn Bhd	Malaysia	Dormant	100	-
*	Informatics Education UK Ltd	United Kingdom	Investment holding	100	-
#	Informatics Global Campus Pte Ltd	Singapore	Dormant	100	-
#	Informatics International Pte Ltd	Singapore	Dormant	100	-
*	Singapore Informatics Computer Institute (Pvt) Ltd	Sri Lanka	Dormant	100	-
	(ii) Subsidiaries of Informatics Education UK Ltd				
#	NCC Education Limited	United Kingdom	Educational and business management consultancy	100	-
*	NCC Education (Beijing) Consulting Co., Ltd	People's Republic of China	Consultancy	100	-
*	NCC Education (M) Sdn Bhd	Malaysia	Marketing and consultancy	100	-
(f)	**Subsidiaries of Berjaya Myanmar Holdings Sdn Bhd**				
*	Berjaya HT Eco Company Limited	Myanmar	Provision of consultation and technical services for property development projects	90	90

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	2019 %
(f)	**Subsidiaries of Berjaya Myanmar Holdings Sdn Bhd (Cont'd)**				
*	BDS Smart City Co. Ltd	Myanmar	Property development and other related activities	80	-
(g)	**Subsidiary of Berjaya North Asia Holdings Pte Ltd**				
*	Berjaya Okinawa Development Co Ltd	Japan	Resort hotel and residence development	100	100
(h)	**Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd**				
*	Berjaya Okinawa Hospitality Asset TMK	Japan	Property investment and development	100	100
*	Berjaya Okinawa Investment Godo Kaisha	Japan	Investment holding	100	100
*	Opportunity 24 TMK	Japan	Acquisition, management and disposition of asset	100	100
	(i) Subsidiary of Opportunity 24 TMK				
*	LAC ML2 GK	Japan	Sale and purchase, leasing and management of real estate	100	100
(i)	**Subsidiaries of Berjaya Property Ireland Limited**				
*	Icelandair Hotels ehf	Iceland	Lease and hotel operator	75	-
	(i) Subsidiaries of Icelandair Hotels ehf				
*	ALDA Hotel Reykjavik ehf	Iceland	Lease and hotel owner	100	-
*	Asgarour hf	Iceland	Hotel and real estate assets	80	-
*	Hljomalindarreitur ehf	Iceland	Hotel and real estate assets	100	-
(j)	**Subsidiary of Berjaya Reykjavik Investment Limited**				
*	Geirsgata 11 ehf	Iceland	Leasehold real estate	100	-

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	2019 %
(k)	**Subsidiary of Berjaya Property Management Sdn Bhd**				
	Taman TAR Development Sdn Bhd	Malaysia	Property development	100	100
	(i) Subsidiary of Taman TAR Development Sdn Bhd				
*	Aces Parking Sdn Bhd	Malaysia	Provision for operations of parking services for motor vehicles	100	100
(l)	**Subsidiaries of Berjaya Sports Toto Berhad**				
#	Berjaya-ILTS Limited	Hong Kong	Dormant, under striking off process	100	100
	FEAB Equities Sdn Bhd	Malaysia	Investment holding	100	100
	FEAB Land Sdn Bhd	Malaysia	Property development and property investment	100	100
	FEAB Properties Sdn Bhd	Malaysia	Property investment and investment holding	100	100
	Magna Mahsuri Sdn Bhd	Malaysia	Property investment and investment holding	100	100
	Sports Toto Malaysia Sdn Bhd	Malaysia	Toto betting operations	100	100
	STM Resort Sdn Bhd	Malaysia	Property investment	100	100
	Sports Toto Fitness Sdn Bhd	Malaysia	Operation of health and fitness centre	100	100
	(i) Subsidiary of FEAB Land Sdn Bhd				
	FEAB Realty Sdn Bhd	Malaysia	Dormant, under striking off process	100	100
	(ii) Subsidiaries of Magna Mahsuri Sdn Bhd				
	Berjaya Sports Toto (Cayman) Limited ("BSTC")	Cayman Islands	Investment holding	100	100
	Sports Toto Apparel Sdn Bhd	Malaysia	Dormant	100	100
	Sports Toto Computer Sdn Bhd	Malaysia	Computer consultancy services	100	100
	Sports Toto Products Sdn Bhd	Malaysia	Dormant	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(I)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	(iii) Subsidiary of Berjaya Sports Toto (Cayman) Limited				
#	Berjaya Lottery Management (HK) Limited	Hong Kong	Investment holding	100	100
	(iv) Subsidiaries of Berjaya Lottery Management (HK) Limited				
e *	Berjaya Philippines Inc.	Philippines	Investment holding	74.20	74.20
*	International Lottery & Totalizator Systems, Inc.	United States of America	Development, manufacturing, distribution of computerised wagering systems and provision of software licences and support	100	100
	(v) Subsidiaries of Berjaya Philippines Inc. ("BPI")				
*	eDoc Holdings Limited	United Kingdom	Investment holding	100	100
*	Floridablanco Enviro Corporation	Philippines	Service business of protecting and cleaning the environment	100	100
*	H.R. Owen Plc	United Kingdom	Investment holding	100	100
*	Perdana Hotel Philippines Inc.	Philippines	Operation of a hotel in the Philippines	100	100
f *	Philippine Gaming Management Corporation	Philippines	Leasing of on-line lottery equipment and provision of software support	-	100
	(vi) Subsidiaries of H.R. Owen Plc				
*	Bradshaw Webb (Chelsea) Limited	United Kingdom	Dormant	100	100
*	Bodytechnics Limited	United Kingdom	Maintenance and repair of motor vehicles	100	100

e *Additional 14.06% being held by BSTC.*
f *Now regarded as an associated company following the dilution of the Group's equity interest to 39.99%.*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(I)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	(vi) Subsidiaries of H.R. Owen Plc (Cont'd)				
*	Broughtons of Cheltenham Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
*	Heathrow Limited	United Kingdom	Dormant	100	100
*	Holland Park Limited	United Kingdom	Provision of aftersales services	100	100
*	H.R. Owen Dealerships Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
*	HR Owen Insurance Services Limited	United Kingdom	Provision of insurance agents and brokers services	60	60
*	H.R. Owen Investments Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Leasing Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Motor Dealerships Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Motor Properties Limited	United Kingdom	Dormant	100	100
*	H.R. Owen Vehicle Leasing Company Limited	United Kingdom	Dormant	100	100
*	Hatfield 6939 Limited	United Kingdom	Dormant	100	100
*	Jack Barclay Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
*	London Lotus Centre Limited	United Kingdom	Dormant	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(l)	**Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)**				
	(vi) Subsidiaries of H.R. Owen Plc (Cont'd)				
*	Malaya Dealerships Limited	United Kingdom	Dormant	100	100
g *	Netprofit.com Limited ("Netprofit")	United Kingdom	Dormant	100	100
*	Pangbourne 6939 Limited	United Kingdom	Dormant	100	100
*	Shepperton 6939 Limited	United Kingdom	Dormant	100	100
*	Upbrook Mews Limited	United Kingdom	Letting and operating of own or leased real estate	100	100
	(vii) Subsidiaries of International Lottery & Totalizator Systems, Inc.				
*	ILTS Vietnam Company Limited	Socialist Republic of Vietnam	Provision of lottery technical support services	100	100
*	Unisyn Voting Solutions, Inc.	United States of America	Development, manufacturing, distribution of voting systems and provision of software, licences and support	100	100
(m)	**Subsidiaries of Berjaya Vacation Club Berhad**				
*	ANSA Hotels & Resorts Sdn Bhd	Malaysia	Dormant	100	100
	Berjaya Air Sdn Bhd	Malaysia	Charter flight operator	100	100
	Berjaya Beau Vallon Bay (Cayman) Limited	Cayman Islands	Investment holding	100	100
	Berjaya Golf Resort Berhad	Malaysia	Property development and investment and operator of golf and recreation club	100	100

g *H.R. Owen Plc and Bradshaw Webb (Chelsea) Limited each holds 50% equity interest in Netprofit.*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(m)	**Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)**				
*	Berjaya Greenland Invest A/S	Greenland	Investment and operation of real estate activities	100	-
	Berjaya Hospitality Services Sdn Bhd	Malaysia	Hotel operator	100	100
*	Berjaya Hotel & Resorts A/S	Greenland	Hotel business	100	-
#	Berjaya Hotels and Resorts (HK) Limited	Hong Kong	Investment holding	60	60
	Berjaya Hotels & Resorts (M) Sdn Bhd	Malaysia	Resort management	100	100
#	Berjaya International Casino Management (HK) Limited	Hong Kong	Investment holding	100	100
	Berjaya Langkawi Beach Resort Sdn Bhd	Malaysia	Hotel and resort operation	100	100
	Berjaya Praslin Beach (Cayman) Limited	Cayman Islands	Investment holding	100	100
	Berjaya Vacation Club (Cayman) Limited	Cayman Islands	Investment holding	100	100
*	Berjaya Vacation Club (Philippines) Inc.	Philippines	Dormant	100	100
#	Berjaya Vacation Club (HK) Limited	Hong Kong	Dormant, under striking off process	100	100
*	Berjaya Vacation Club (S) Pte Ltd	Singapore	Vacation time sharing	100	100
	Bukit Kiara Resort Berhad	Malaysia	Developer and operator of equestrian and recreational club	100	100
	BTS Hotel Sdn Bhd	Malaysia	Owner of hotel	100	100
	Georgetown City Hotel Sdn Bhd	Malaysia	Hotel operator	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(m)	**Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)**				
*	Hotel Integrations Sdn Bhd	Malaysia	Provision of hotel consultancy and related services	70	70
	Indah Corporation Berhad	Malaysia	Developer and operator of golf resort and property development	100	100
	KDE Recreation Berhad	Malaysia	Developer and operator of golf and recreational club	100	100
*	Redang Village Resort Sdn Bhd	Malaysia	Dormant	51	51
*	Redang Development Sdn Bhd	Malaysia	Airport development, property development, hotel and resort operation	100	100
	Sinar Merdu Sdn Bhd	Malaysia	Investment and rental of property	100	100
	Staffield Country Resort Berhad	Malaysia	Developer and operator of golf resort	80	80
	The Taaras Beach & Spa Resort (Redang) Sdn Bhd	Malaysia	Hotel and resort operation	99.80	99.80
	The Taaras Luxury Group Sdn Bhd	Malaysia	Management of hotel operations	100	100
*	Tioman Pearl Sdn Bhd	Malaysia	Development of hotel and resort	70	70
	Tioman Travel & Tours Sdn Bhd	Malaysia	Property investment	100	100
	(i) Subsidiary of Berjaya Air Sdn Bhd				
	Berjaya Air Cargo Sdn Bhd	Malaysia	Dormant	100	100
	(ii) Subsidiary of Berjaya Beau Vallon Bay (Cayman) Limited				
*	Berjaya Beau Vallon Bay Beach Resort Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
(m)	**Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)**				
	(iii) Subsidiary of Berjaya Golf Resort Berhad				
	BGRB Venture Sdn Bhd	Malaysia	Investment holding	100	-
	(iv) Subsidiary of Berjaya Praslin Beach (Cayman) Limited				
*	Berjaya Praslin Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
	(v) Subsidiary of Berjaya Vacation Club (Cayman) Limited				
*	Berjaya Vacation Club (UK) Limited	United Kingdom	Hoteliers and hotel management	100	100
	(vi) Subsidiaries of Georgetown City Hotel Sdn Bhd				
	Berjaya Georgetown Sharksfin Restaurant Sdn Bhd	Malaysia	Dormant	100	100
	BG Karaoke Sdn Bhd	Malaysia	Dormant	68.97	68.97
	(vii) Subsidiary of KDE Recreation Berhad				
*	Infinity Worth Creation Sdn Bhd	Malaysia	Dormant	100	100
	(viii) Subsidiary of Redang Development Sdn Bhd				
*	Redang Infra Sdn Bhd	Malaysia	Infrastructure development	100	100
	(ix) Subsidiary of Sinar Merdu Sdn Bhd				
*	ANSA Hotel KL Sdn Bhd	Malaysia	Property investment and hoteliers	100	100
	(x) Subsidiary of The Taaras Beach & Spa Resort (Redang) Sdn Bhd				
*	Redang Island Golf and Country Club Berhad	Malaysia	Dormant	100	100
(n)	**Subsidiary of Cerah Tropika Sdn Bhd**				
	Penstate Corp. Sdn Bhd	Malaysia	Property development	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	2019 %
(o)	**Subsidiary of Kota Raya Development Sdn Bhd**				
*	Kota Raya Complex Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(p)	**Subsidiary of Noble Circle (M) Sdn Bhd**				
*	Noble Circle Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(q)	**Subsidiary of Nural Enterprise Sdn Bhd**				
*	Aras Klasik Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(r)	**Subsidiaries of Tioman Island Resort Berhad**				
*	Berjaya Hotels & Resorts (Singapore) Pte Ltd	Singapore	Hotel booking, marketing agent and investment holding	100	100
*	Ever Perpetual Growth Sdn Bhd	Malaysia	Dormant	100	100
*	Ever Revenue Sdn Bhd	Malaysia	Dormant	100	100
*	Tioman Golf Management Sdn Bhd	Malaysia	Dormant	100	100
	(i) Subsidiary of Berjaya Hotels & Resorts (Singapore) Pte Ltd				
*	BHR Okinawa Management Godo Kaisha	Japan	Hotel management	100	100
(s)	**Subsidiary of Wisma Stephens Management Co Sdn Bhd**				
*	Wujud Jaya Sdn Bhd	Malaysia	Dormant	100	100

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	2019 %
	Associated Companies				
*	Aces Property Management Sdn Bhd	Malaysia	Property development	25	-
*	Aces Architects Sdn Bhd	Malaysia	Architectural services	30	-
*	Asian Atlantic Holdings Limited	British Virgin Islands	Investment holding	24.46	24.46
*	AM Automotive (S) Pte Ltd	Singapore	Ceased to be dealer of "Aston Martin" vehicles	49.90	49.90
*	Bermaz Auto Philippines Inc.	Philippines	Selling and distribution of Mazda brand cars within the territory of the Philippines	28.28	28.28
*	Berjaya Auto Asia Inc.	Philippines	Selling and distribution of vehicles within the territory of the Philippines	30	-
i *	Berjaya Assets Berhad	Malaysia	Investment holding	9.48	9.09
*	Berjaya Kyoto Development (S) Pte Ltd	Singapore	Investment holding	50	50
*	Berjaya Land (Thailand) Company Ltd	Thailand	Property development and investment	40	40
	Berjaya Lottery Vietnam Limited	Malaysia	Investment holding	20	20
*	Berjaya Naza Sdn Bhd	Malaysia	Property development	50	50
*	Berjaya Property (Thailand) Company Ltd	Thailand	Dormant	40	40
*	Berjaya Pizza (Philippines) Inc.	Philippines	Development and operation of "Papa John's Pizza" chain of restaurants in the Philippines	48.38	48.38

i The Group regards Berjaya Assets Berhad as an associated company as disclosed in Note 2.5(a)(iii).

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	Equity Interest Held 2019 %
	Associated Companies (Cont'd)				
#	Berjaya Vietnam Financial Center Limited	Socialist Republic of Vietnam	Property development and investment	32.50	32.50
*	Cashsystems Asia Technology Sdn Bhd	Malaysia	Dormant, under liquidation	30	30
*	Centreplus Sdn Bhd	Malaysia	Dormant	30	30
*	Chailease Berjaya Finance Corporation	Philippines	Provision of hire purchase and loan financing services	25	25
*	Cosway Philippines Inc.	Philippines	Dormant	40	40
*	Focus Equity Sdn Bhd	Malaysia	Dormant, under liquidation	32.50	32.50
*	Gufa ehf	Iceland	Real estates and spa operations	31.50	-
j #	Informatics Education Limited	Singapore	Investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators	-	27.09
*	Inter-Capital Holdings Pte Ltd	Singapore	Investment holding	50	50
*	Nubaru Tochi Kanri Godo Kaisya	Japan	Investment holding	33	33
*	Neptune Properties, Incorporated	Philippines	Engage in real estate business	41.46	41.46
k *	Philippine Gaming Management Corporation	Philippines	Leasing of online lottery equipment and provision of software support	39.99	-
*	Perdana Land Philippines Inc.	Philippines	Acquire, develop and lease real estate	40	40
*	Resort Cruises (S) Pte Ltd	Singapore	Dormant	49	49

j *Became a 67.42% subsidiary company during the financial year as disclosed in Note 49(e).*
k *Became a 39.99% associated company during the financial year as disclosed in Note 49(c).*

51 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

	Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held 2020 %	2019 %
	Associated Companies (Cont'd)				
*	Singapore Institute of Advanced Medicine Holdings Pte Ltd	Singapore	Provision of medical laboratory services, clinic and other general medical services, sale of pharmaceuticals, surgical and consumables	23.73	22.51
*	Ssangyong Berjaya Motor Philippines Inc.	Philippines	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines	21.67	21.67
*	Tjarnir hf	Iceland	Real estates	22	-
*	Tioman Ferry Services Sdn Bhd	Malaysia	Dormant	20	20
*	VideoDoc Limited	United Kingdom	Provision of general and specialists medical practice services	20.15	20.15

Audited by member firms of Ernst & Young Global
* Not audited by Ernst & Young PLT or a member firm of Ernst & Young Global

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERJAYA LAND BERHAD

(INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Berjaya Land Berhad, which comprise the statements of financial position as at 30 June 2020 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 76 to 244.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2020, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Independence and other ethical responsibilities

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group

Impairment assessment of gaming rights with indefinite useful life

(Refer to summary of significant accounting policies in Note 2.2(6), significant judgements and accounting estimates in Note 2.5(b)(i), and the disclosure of gaming rights in Note 11 to the financial statements.)

Gaming rights with indefinite useful life amounting to RM3.43 billion is in respect of gaming rights held by the gaming segment in Malaysia. This represents 36% and 25% of the non-current assets and total assets of the Group as at 30 June 2020 respectively.

The Group's gaming rights are subject to annual impairment test. The Group estimates the recoverable amount of the cash generating unit ("CGU") based on value-in-use ("VIU"). Estimating the VIU involves management making estimates on the future cash inflows and outflows from the CGU, and discounting them at an appropriate rate.

The cash flow forecasts contain a number of significant judgements and estimates including estimates on revenue growth rate, payout ratio, discount rate and terminal growth rate.

We consider this to be an area of focus for our audit as the amounts involved are significant, the assessment process is complex and involved significant management's judgements about future market and economic conditions and changes in these assumptions may lead to a significant change in the recoverable amount of the CGU.

In addressing this area of focus, we involved the component auditor in performing the procedures below:

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amount of the CGU;
- evaluated, with the involvement of our internal valuation experts, the appropriateness of the methodology and approach applied, and considered whether they are commonly used in the industry;
- evaluated the basis of preparing the cash flow forecasts taking into consideration management's historical budgeting accuracy;
- evaluated whether key assumptions which comprise the revenue growth rate, payout ratio and terminal growth rate are reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth;
- assessed, with the involvement of our internal experts, whether the rate used in discounting the future cash flows to its present value was appropriate. This included an assessment of the specific inputs to the discount rate, including the risk-free rate, equity risk premium and beta, along with gearing and cost of debt. Such inputs were benchmarked either against risk rates or equivalent data for peer companies; and
- analysed the sensitivity of the key assumptions by assessing the impact of changes in the key assumptions to the recoverable amount.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Impairment assessment of gaming rights with indefinite useful life (Cont'd)

We have also evaluated the adequacy of the note disclosures concerning those key assumptions to which the outcome of the impairment test is most sensitive. The disclosures on key assumptions and sensitivities are included in Note 11 to the financial statements.

Recoverability of debts due from the purchaser of the Berjaya (China) Great Mall Co. Ltd. development project

(Refer to significant judgement and accounting estimates in Note 2.5(a)(ii), the disclosure of receivables in Note 13, and arbitration proceedings in Note 42(c) to the financial statements.)

As disclosed in Note 42(c) to the financial statements, the Group has previously initiated arbitration proceedings against Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") to recover a debt receivable from Beijing SkyOcean arising from the disposal of a property located in Beijing, China (the "Great Mall Property") (collectively, the "Arbitration Proceedings"). The Group disposed the Great Mall Property in October 2016 to Beijing SkyOcean for a total consideration of RMB2.039 billion (equivalent to RM1.228 billion) and has collected RMB1.065 billion (equivalent to RM0.641 billion) from Beijing SkyOcean. The holding company of Beijing SkyOcean and one of its shareholders have provided guarantees for the outstanding debt.

The Group has on 21 May 2020 obtained a favourable arbitration award and will proceed to seek recognition and enforcement of the final award, which includes the outstanding amount of RMB974.07 million (equivalent to RM589 million), liquidated damages on the outstanding balance and arbitration costs. As a result, the debt receivable has been written back to the nominal amount of RMB974.07 million and classified as a current asset.The directors, in consultation with their legal counsel, expects recovery of the amount within the next 12 months.

We consider this to be an area of focus for our audit as the process to seek the court's recognition and enforcement of the arbitration award is still ongoing and the eventual amount recoverable from Beijing SkyOcean is subject to the finalisation of this process. In addition, the amount involved is significant and judgment and estimates are involved in the estimation of the timing of expected recoverability of the debt.

In addressing this area of focus, we involved the component team in Beijing, People's Republic of China in performing the procedures included below:

- reviewed the arbitration report to verify the outcome of the Arbitration Proceedings;
- interviewed the directors and management to understand the basis of their conclusion in respect of the eventual outcome of the process of seeking the court's recognition and enforcement of the final arbitration award and their assessment of the quantum and timing of the recoverability of this debt;
- assessed the legal counsels' objectivity and independence; and reviewed their credentials, qualifications, experience and reputation; and
- evaluated the rationale and basis for the legal counsels' opinion by reviewing the legal confirmations and interviewing them to gain an understanding of the status of the process of seeking the court's recognition and enforcement of the final arbitration award, and the basis of their opinion on the outcome of this process.

We have also reviewed and assessed the completeness and accuracy of the Group's disclosures pertaining to the said Arbitration Proceedings as disclosed in Note 2.5(a)(ii) and Note 42(c) to the financial statements.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Toto betting revenue and related cost of sales

(Refer to summary of significant accounting policies in Note 2.2(22), and the disclosure of revenue in Note 30 to the financial statements.)

The Group is involved in the toto betting operations where revenue is derived from a large volume of individually insignificant transactions. The Group relies heavily on its information technology system ("IT System") to account for such revenue. During the financial year, the Group recognised revenue of approximately RM2.46 billion from Toto betting operations, which accounted for 48% of the Group's revenue. The related cost of sales from Toto betting operations was RM2.0 billion, which accounted for 50% of the Group's cost of sales for the financial year.

The amounts recognised for revenue and cost of sales from Toto betting operations is a key audit matter because the amounts recognised are significant to the financial statements of the Group and they involve large volume of transactions which are processed by the Group's IT System.

In addressing this area of focus, we involved the component auditor in performing the procedures below:

- obtained an understanding of the relevant internal controls over the process of recording of revenue and cost of sales;
- evaluated the operating effectiveness of the automated controls over revenue and cost of sales processes by involving our internal experts in testing the operating effectiveness of the automated controls over the revenue and cost of sales processes. We also tested the accuracy of interface between the sales terminal system and the betting operating system, and related calculation of prize payment in the financial information system;
- evaluated the effectiveness of the non-automated controls in place to ensure the accuracy of revenue and cost of sales recognised, including the timely posting of revenue and cost of sales to the general ledger in the financial information system;
- evaluated transactions recorded close to the financial year end, including draw sales after financial year end, to establish whether those transactions were recorded in the correct accounting period; and
- performed reconciliation of cash receipts to revenue recorded in the financial statements.

We have also reviewed and assessed the adequacy of the Group's disclosure relating to revenue and cost of sales.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Valuation of investment properties

(Refer to summary of significant accounting policies in Note 2.2(4), significant judgements and accounting estimates in Note 2.5(b)(v), the disclosure of investment properties in Note 5, and fair value measurement in Note 45(a) to the financial statements.)

As at 30 June 2020, the carrying amount of investment properties amounted to RM712 million representing 8% and 5% of the Group's total non-current assets and total assets respectively.

Investment properties are stated at fair value and any gain or loss arising from changes in the fair value are included in profit or loss in the financial period in which they arise. The Group has appointed independent professional valuers to perform valuation on its investment properties. The valuations are based on assumptions, amongst others, comparable historical transactions and adjustments factors to comparable transactions including location, size, condition, accessibility and market knowledge.

We consider the valuation of the investment properties as an area of audit focus as such valuation involves significant judgement and estimates that are highly subjective.

Our procedures to address this area of focus include, amongst others, the following:

- assessed the objectivity, independence, reputation, experience and expertise of the independent valuers;
- obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry; and
- evaluated the appropriateness of the data used by the independent valuers as input into their valuations. We interviewed the external valuers, discussed and challenged the significant estimates and assumptions applied in their valuation process.

We also reviewed and assessed the Group's disclosures relating to investment properties.

Acquisition of Icelandair Hotels ehf

(Refer to the disclosure of acquisition of subsidiary companies in Note 7(a), and significant events during the year in Note 49(d) to the financial statements.)

The Group acquired several subsidiaries during the year. We focused on the acquisition of Icelandair Hotels ehf ("Icelandair") for the reasons explained below.

The Group has yet to finalise the Purchase Price Allocation ("PPA") exercise in respect of its acquisition of 75% equity interest in Icelandair, which is expected to be completed during the financial year ending 30 June 2021. Based on the provisional PPA, the Group recorded, amongst others, property, plant and equipment and right-of-use assets for the hotels ("Hotel Assets") of RM1.08 billion, and derivative liability of RM28.2 million.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Acquisition of Icelandair Hotels ehf (cont'd)

The fair values of the Hotel Assets and derivative liabilities are based on assumptions that are highly judgmental. Accordingly, we consider this to be a key audit matter.

Our procedures to address this area of focus include, amongst others, the following:

- obtained an understanding of the methodology adopted by management in estimating the fair values of the Hotel Assets and the derivative liability, and assessed whether such methodology is consistent with those used in the industry;
- evaluated the appropriateness of the data used by the independent valuers as input into their valuation of the Hotel Assets. We interviewed the external valuers, discussed and challenged the significant estimates and assumptions applied in their valuation process; and
- reviewed the provisional amounts derived by the management and evaluated the assumptions adopted in arriving at such provisional amounts.

Key audit matters in respect of audit of the financial statements of the Company

Impairment assessment of investment in subsidiary companies

(Refer to summary of significant accounting policies in Note 2.2(1), significant judgement and accounting estimates in Note 2.5(b)(ii) and the disclosure of investment in subsidiary companies in Note 7 to the financial statements.)

As at 30 June 2020, the carrying amount of the investment in subsidiary companies of the Company amounted to RM3.35 billion, representing 78% and 61% of the Company's total non-current assets and total assets respectively.

At the reporting date, the Company reviewed its investment in subsidiary companies for indications of impairment and where such indications exist, the Company performed an impairment assessment to determine the recoverable amounts of such investments. The Company estimated the recoverable amount of the respective cash generating units ("CGUs") based on their fair value less cost to sell.

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Company (Cont'd)

Impairment assessment of investment in subsidiary companies (Cont'd)

We consider this to be an area of focus for our audit as the amounts involved are significant, the assessment process is complex and involves significant management's judgements about future market and economic conditions and changes in assumptions may lead to a significant change in the recoverable amount of the investment in subsidiary companies.

Our procedures to address this area of focus included, amongst others, the following:

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the CGUs;
- evaluated the appropriateness of the methodology and approach applied;
- evaluated whether the assumptions applied in determining the fair value less cost to sell of the respective investments and their underlying assets were reasonable, and to obtain an understanding of the related data used as input to the valuation models

We also reviewed and assessed the Company's disclosures relating to the impairment of assessment of investment in subsidiary companies in Note 2.5(b)(ii) and Note 7 to the financial statements.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control;

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 51 to the financial statements.

Other matters

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

ERNST & YOUNG PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

NG KIM LING
No. 03236/04/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
20 October 2020

LIST OF MAJOR PROPERTIES
AS AT 30 JUNE 2020

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Lot 28 (GRN 20366) Lot 403 (GRN 20428) Lot 728 (GRN 18054) Seksyen 2 Bandar Georgetown Daerah Timor Laut Pulau Pinang	Freehold	55.37 acres	Land for mixed development	N/A	31.03.2014	463,345
Lot 352 Seksyen 20 Bandar Kuantan District of Kuantan Pahang Darul Makmur	Freehold	5.46 acres	Shopping mall for rental	22 years	05.02.1991	244,110
14th, 15th Floors and Service Suites at Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	345,773 sq ft	327 units of service suite	17 years	06.01.1998	183,943
Service Suites at Towers A & B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	136,497 sq ft	181 units of service suite	17 years	13.03.2007	
Service Suites at Tower A Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	21,765 sq ft	32 units of service suite	17 years	01.07.2008	
B-35-013, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	624 sq ft	1 unit of service suite	17 years	01.07.2008	
Premises at Ground Floor 14th & 16th Floors Towers A & B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	30,957 sq ft	Hotel lobby, function rooms and storage area	17 years	10.02.2010	
B44-04, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	3,821 sq ft	Penthouse	17 years	08.05.2012	
363 parcels of land at Onna-Son Okinawa Island, Japan	Freehold	119,227 sq m	Land held for development	N/A	Since 15.07.2009	287,803
HS(D) 52466-68, 52474 PT 4625-27, 4633 HS(D) 52467, 52471-73, 52475 PT 4626, 4630-32, 4634 Mukim Sungai Tinggi Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	871.1 acres	Land for mixed development	N/A	31.03.2017	156,211

LIST OF MAJOR PROPERTIES
AS AT 30 JUNE 2020

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Plot 65, 267, 562 Thong Nhat Ward Bien Hoa City Dong Nai Province Vietnam	Plot 65 - Freehold Plot 267 - Leasehold expiring on 22.04.2058 Plot 562 - Leasehold expiring on 29.08.2058	22,885 sq m	Land for mixed development	N/A	01.09.2009	140,297
HS(D) 4/94, PT 278	Leasehold expiring on 30.04.2069	85.83 acres	Beach resort (424 guest rooms/ chalets)	27 years	27.05.1994	133,461
HS(D) 1017, PT 140	Leasehold expiring on 29.03.2070				30.03.2010	
HS(D) 1018, PT 141	Leasehold expiring on 29.03.2070				30.03.2010	
HS(D) 1734 Mukim Padang Matsirat Daerah Langkawi Pulau Langkawi Kedah Darul Aman	Leasehold expiring in 2110	35 acres	Seabed land	N/A	21.10.2019	
Smidjustigur 4 (Reg.No. 200-4476) Hverfisgata 26 (Reg.No. 200-4428) Hverfisgata 28 (Reg.No. 200-433) Hverfisgata 30 (Reg.No. 200-6423) Hverfisgata 32 (Reg.No. 200-4438) Hverfisgata 34 (Reg.No. 200-4446) Reykjavik, Iceland (Canopy by Hilton Reykjavik City Centre)	Freehold	6,909 sqm	Hotel (112 guest rooms)	4 years 81 years 115 years 4 years 4 years 4 years	03.04.2020	133,990
Lot 558	Freehold	613.68 acres	Beach resort (189 guest rooms and a villa)	>24 years	Year 1990	115,131
Lot 705 Lot 50000 Lot 50001 Lot 50002	Leasehold 60 years expiring in year 2070				Year 2010	
Lot 239, 240-242 PT 925, 926, 927 PT 928, 929 Teluk Dalam and Teluk Siang, Pulau Redang Terengganu Darul Iman	Leasehold 60 years expiring in year 2051				16.10.1993	
Geran No. 29726 Lot 1261, Seksyen 67 Daerah Kuala Lumpur (Plaza Berjaya, 12 Jalan Imbi Kuala Lumpur)	Freehold	158,154 sq ft	Land with office, residential block and shopping complex for rental	34 years	27.11.1989	102,045
10 parcels of land at Uruma-shi Okinawa Island, Japan	Freehold	57,479 sq m	Land with hotel building (123 guest rooms)	26 years	30.03.2017	98,232

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Lot 5001 to 5005 Lot 5007 to 5020 PN 14706 to 14710 PN 14712 to 14714 PN 14721 to 14731 Daerah Rompin Bandar Tioman Pulau Tioman Pahang Darul Makmur	Leasehold 99 years expiring on 02.05.2107	201.39 acres	Land for hotel and resort operations	33 years	30.12.1985	91,138
GM931 Lot 57 GM841 Lot 58. Geran 26066 Lot 1 Geran 26067 Lot 2 GM 1772 Lot 49 Seksyen 94B Mukim Kuala Lumpur	Freehold	387,920 sq ft	Vacant development land	N/A	03.05.2012	87,806
Lot PT 4805, 4806 HS(D) 81319, 81320 Mukim Petaling Kuala Lumpur	Freehold	7,129,260 sq ft	Club house and golf course	> 28 years	05.09.1991	81,602
11th Floor Berjaya Times Square No. 1, Jalan Imbi Kuala Lumpur	Freehold	104,844 sq ft	1 floor of office space of an integrated commercial development for rental	17 years	06.01.1998	65,556
Reykjahlid (Reg.No. 216-3143) Reykjahlid (Reg.No. 216-3499) Reykjahlid (Reg.No. 216-3458) Reykjahlid (Reg.No. 2163161-2) Reykjahlid (Reg.No. 216-3462) Reykjahlid (Reg.No. 216-3466) Reykjahlid (Reg.No. 216-3467) (Icelandair Hotel Myvatn)	Freehold	4,571 sqm	Hotel (59 guest rooms)	72 years 109 years 57 years 78 years 69 years 43 years 43 years	03.04.2020	60,824
Title Reg No 215-1892 Pingvallastraeti 23, Akureyri, (Icelandair Hotel Akureyri)	Freehold	3,566 sqm	Hotel (99 guest rooms)	51 years	03.04.2020	52,265
13th Floor Berjaya Times Square No. 1, Jalan Imbi Kuala Lumpur	Freehold	106,315 sq ft	1 floor of office space of an integrated commercial development for rental	17 years	06.01.1998	52,655
ANSA Kuala Lumpur No. 101 Jalan Bukit Bintang Kuala Lumpur	Leasehold 60 years expiring on 30.04.2062	22,853 sq ft	Hotel (167 guest rooms)	> 41 years	05.05.2008	52,727
HS(D) 11814, Lot 11527 Lots 1 to 8, Lots 49 to 55 Taman Tun Abdul Razak Ampang Selangor Darul Ehsan	Freehold	351,903 sq ft	Land held for development	N/A	22.12.1990	50,119
Lot 100080, Geirsgata 11 Reykjavik, Iceland	Leasehold 60 years expiring on 31.12.2037	4,805 sqm	Land with warehouse	N/A	14.11.2019	62,111

Note:
The Group does not adopt a policy of regular revaluation of its properties except for investment properties which are stated at fair value.

MATERIAL CONTRACTS

Other than as disclosed Notes 13,27,32,33,34,35,36,37,43,49 and 50 to the financial statements,there are no subsisting material contracts entered into by Berjaya Land Berhad and its subsidiaries involving Directors and major shareholders.

ADDITIONAL INFORMATION

The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 30 June 2020 amounted to RM1,140,000 (2019 : RM764,000).

The total number of employees of the Group at 30 June 2020 is 4,112 (30.6.2019 : 4,744)

BERJAYA HOTELS & RESORTS

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55100 Kuala Lumpur, Malaysia
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Website : www.berjayahotel.com

MALAYSIAN HOTELS & RESORTS

Berjaya Tioman Resort
P.O. Box 4, 86807 Mersing
Johor Darul Takzim
Tel : 609-419 1000
Fax : 609-419 1718
Email : tioman.rsvn@berjayahotel.com
Website : www.berjayahotel.com/tioman

Berjaya Langkawi Resort
Karong Berkunci 200
Burau Bay
07000 Langkawi
Kedah Darul Aman
Tel : 604-959 1888
Fax : 604-959 1886
Email : langkawi.rsvn@berjayahotel.com
Website : www.berjayahotel.com/langkawi

The Taaras Beach & Spa Resort
P.O. Box 126, Main Post Office
20928 Kuala Terengganu
Terengganu Darul Iman
Tel : 609-630 8888
Fax : 609-630 8880
Email : reservation@thetaaras.com
Website : www.thetaaras.com

Berjaya Penang Hotel
1-Stop Midlands Park
Jalan Burmah, Georgetown
10350 Pulau Pinang
Tel : 604-227 7111
Fax : 604-226 7111
Email : pg.reservation@berjayahotel.com
Website : www.berjayahotel.com/penang

Berjaya Times Square Hotel, Kuala Lumpur
No. 1, Jalan Imbi
55100 Kuala Lumpur
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Fax : 603-2143 3352
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Website : www.berjayahotel.com/kualalumpur

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101, Jalan Bukit Bintang
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Fax : 603-2146 5001
Email : reservation@ansahotels.com
Website : www.ansahotels.com/kualalumpur

Redang Island Resort
Teluk Siang, Redang Island
21090 Kuala Terengganu
Terengganu Darul Iman
Tel : 609-630 8787
Fax : 609-630 8788
Email : reservation@redangislandresort.com
Website : www.redangislandresort.com

OVERSEAS HOTELS & RESORTS

Berjaya Beau Vallon Bay Resort & Casino – Seychelles
P.O. Box 550, Victoria
Mahe, Seychelles
Tel : 248-4287-287
Fax : 248-4247-943
Email : mahe.inquiry@berjayahotel.com
Website : www.berjayahotel.com/mahe

Berjaya Praslin Resort – Seychelles
Anse Volbert, Praslin, Seychelles
Tel : 248-4286-286
Fax : 248-4232-244
Email : praslin.rsvn@berjayahotel.com
Website : www.berjayahotel.com/praslin

Berjaya Eden Park London Hotel – United Kingdom
35-39, Inverness Terrace
Bayswater, London W2 3JS
United Kingdom
Tel : 44-20-7221-2220
Fax : 44-20-7221-2286
Email : reservation.london@berjayahotel.com
Website : www.berjayahotel.com/london

Berjaya Hotel Colombo – Sri Lanka
36, College Avenue, Mount Lavinia
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Tel : 94-11-273 9610
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Email : colombo.rsvn@berjayahotel.com
Website : www.berjayahotel.com/colombo

Sheraton Hanoi Hotel – Vietnam
K5 Nghi Tam
11, Xuan Dieu Road
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Vietnam
Tel : 84-24-3719 9000
Fax : 84-24-3719 9001
Email : reservations.hanoi@sheraton.com
Website : www.sheratonhanoi.com

Four Seasons Hotel Kyoto - Japan
445-3 Myohoin Maekawa-Cho
Higashiyama-Ku
Kyoto 605-0932
Japan
Tel : 81-75 541 8288
Website : www.fourseasons.com/kyoto

Hakkoda Resort Hotel - Japan
1-58 Kansuizawa Arakawa
Aomori-Shi Aomori-ken
030-0111, Japan
Tel : 81-17-738-2233
Fax : 81-17-738-2531
Email : hakkouda-resort@adagio.ocn.ne.jp
Website : www.hakkouda-resort.jp

ANSA Okinawa Resort
1468 Yamashiro, Ishikawa
Uruma, Okinawa, Japan, 904-1113
Tel : 81 (0) 98 963 0123
Fax : 81 (0) 98 963 0111
Email : aor.rsvn@ansahotels.com

Berjaya Makati Hotel – Philippines
7835, Makati Avenue, Corner Eduque
Street Makati City, Philippines 1209
Tel : 632-7750 7500
Fax : 632-7750 6783
Email : manila.inquiry@berjayahotel.com
Website : www.berjayahotel.com/makati

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164-166 Sussex Gardens
London W2 1UD, England
Tel : 44-20-7706-4666
Fax : 44-20-7706-2288
Email : info@castletonhotel.com
Website : www.thecastletonhotel.com

Icelandair Hotels, Iceland

Canopy by Hilton Reykjavik City Centre
Smidjustigur 4
101 Reykjavik, Iceland
Tel : 354-528-7000
Website : www.icelandairhotels.com/en/hotels/reykjavik/canopy-reykjavik

Icelandair Hotel Herad
Midvangur 1-7
700 Egilsstadir, Iceland
Tel : 354-471-1500
Email : herad@icehotels.is
Website : www.icelandairhotels.com/en/hotels/east/icelandair-hotel-herad

Icelandair Hotels, Iceland (cont'd)

Icelandair Hotel Akureyri
Pingvallarstraeti 23
600 Akureyri, Iceland
Tel : 354-518-1000
Email : akureyri@icehotels.is
Website : www.icelandairhotels.com/en/hotels/north/icelandair-hotel-akureyri

Icelandair Hotel Myvatn
660 Reykjahlid - Myvatn
Iceland
Tel : 354-594-2000
Email : myvatn@icehotels.is
Website : www.icelandairhotels.com/en/hotels/north/icelandair-hotel-myvatn

Hilton Reykjavik Nordica
Sudurlandsbraut 2
108 Reykjavik, Iceland
Tel : 354-444-5000
Website : www.icelandairhotels.com/en/hotels/reykjavik/hilton-reykjavik-nordica

Icelandair Hotel Reykjavik Natura
Nautholsvegur 52
102 Reykjavik, Iceland
Tel : 354-444-4500
Email : natura@icehotels.is
Website : www.icelandairhotels.com/en/hotels/reykjavik/reykjavik-natura

Icelandair Hotel Reykjavik Marina
Myrargata 2
101 Reykjavik, Iceland
Tel : 354-560-8000
Email : marina@icehotels.is
Website : www.icelandairhotels.com/en/hotels/reykjavik/reykjavik-marina

Reykjavik Konsulat Hotel, Curio Collection by Hilton
Hafnarstraeti 17-19
101 Reykjavik, Iceland
Tel : 354-514-6800
Website : www.hilton.com/en/hotels/rekcuqq-reykjavik-konsulat-hotel/

Alda Hotel Reykjavik
Laugavegur 66-68
101 Reykjavik, Iceland
Tel : 354-553-9366
Email : reception@aldahotel.is
Website : www.icelandairhotels.com/en/hotels/reykjavik/hotel-alda-reykjavik

Iceland Parliament Hotel, Curio Collection by Hilton
Aoalstraeti 1 &11, Thorvaldsenstraeti 2-6, Vallarstraeti 2-4, Reykjavik, Iceland

CLUBS & RECREATION

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Johor Darul Takzim
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Email : banang@berjayaclubs.com

Staffield Country Resort, Negeri Sembilan
Batu 13, Jalan Seremban-Kuala Lumpur
71700 Mantin
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Bukit Kiara Equestrian & Country Resort, Kuala Lumpur
Jalan Bukit Kiara
Off Jalan Damansara
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Tel : 603-2093 1222
Email : kiara@berjayaclubs.com

Bukit Jalil Golf & Country Resort, Kuala Lumpur
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57000 Kuala Lumpur
Tel : 603-8994 1600
Email : jalil@berjayaclubs.com

Kelab Darul Ehsan, Selangor
Taman Tun Abdul Razak
Jalan Kerja Air Lama
68000 Ampang Jaya
Selangor Darul Ehsan
Tel : 603-4257 2333
Email : kde@berjayaclubs.com

VACATION TIMESHARE & TRAVEL

Berjaya Vacation Club Berhad – Kuala Lumpur
Lot 5-04, 5th Floor, Fahrenheit 88
179, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2116 9999
Fax : 603-2141 9288/2148 6879
Email : bvc@berjaya.com.my

Berjaya Air Sdn Bhd
Lot AM1, Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : 603-7847 1338
Fax : 603-7842 2038

Asia Jet Partners Malaysia Sdn Bhd
Lot M6 & M7, Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : 603-7845 1888
Email: admin@asiajet.com.my

PROPERTY INVESTMENT & DEVELOPMENT

Main Office:
Level 12 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2149 1999/2142 8028
Fax : 603-2143 2028/2145 2126
Email : property@berjaya.com.my

Vietnam Office:
Berjaya – D2D Co., Ltd
6th Floor, Bao Viet Tower
233 Dong Khoi Street
Ben Nghe Ward, District 1
Ho Chi Minh City
Socialist Republic of Vietnam
Tel : 84-28-3521 0038 (General)
84-28-3521 0001 (Marketing)
Fax : 84-28-3521 0039

PROPERTY INVESTMENT & DEVELOPMENT (CONT'D)

Berjaya – Handico12 Co., Ltd.
The Pavilion
Hanoi Garden City
Khu DTM Thach Ban
Phuong Thach Ban
Long Bien District, Hanoi
Socialist Republic of Vietnam
Tel : 84-24-3652 6666
Fax : 84-24-3652 6668

China Office:
Berjaya (China) Great Mall Co. Ltd.
38, Xinggong West Street
Yanjiao Development Zone
065201 Sanhe City
Hebei Province
People's Republic of China
Tel : 86-10-61597200/
86-316-3338022

Property Management:
Lot 1, 35 B,
1st Floor Podium Block
Plaza Berjaya
No.12 Jalan Imbi
55100 Kuala Lumpur
Tel: 03-2110 6858
Fax: 03- 2110 3272
Email : propmgmt@berjaya.com.my

Property Addresses:

Indah UPC Shops
3½ Miles, Jalan Klang Lama
58000 Kuala Lumpur

Kelang Lama New Business Centre
Gemilang Indah Apartments
Jalan 2/110A
Batu 3½, Jalan Klang Lama
58200 Kuala Lumpur

Pines Condominiums
Jalan 116, Jalan Sultan Abdul Samad
Brickfields, 50470 Kuala Lumpur

Ixora Apartments
Jalan Rusa, Off Jalan Tun Razak
50400 Kuala Lumpur

Robson Condominiums
Jalan 2/87D, Robson Heights
Persiaran Syed Putra 2
50470 Kuala Lumpur

1 Petaling Residences & Commerz @ Sg. Besi
Jalan 1C/149, Off Jalan Sungai Besi
57100 Kuala Lumpur

Petaling Indah Condominiums
Jalan 1C/149
Off Jalan Sungai Besi
57100 Kuala Lumpur

Sri Pelangi Condominiums
Sri Pelangi Shops & Apartments
Jalan Genting Kelang, Setapak
53300 Kuala Lumpur

Taman Cemerlang
Cemerlang Heights
Cemerlang Court
Cemerlang Apartment
Cemerlang Shop/Office/Apartment
Jalan TC 1/5
Taman Cemerlang Gombak
53100 Kuala Lumpur

Berjaya Park
Seksyen 32, 40460 Shah Alam
Selangor Darul Ehsan

Vasana 25
Seputeh Heights
Jalan Bukit Seputeh 3
Taman Seputeh Heights
58000 Kuala Lumpur

Subang Heights
Jalan SHT/SHB
Taman Subang Heights
47500 Subang Jaya
Selangor Darul Ehsan

The Peak @ Taman TAR
Off Jalan Sultan
Taman Tun Abdul Razak
68000 Ampang
Selangor Darul Ehsan

Greenfields Apartments
Green Avenue Condominiums
Jalan 1/155B, Bukit Jalil
57000 Kuala Lumpur

Arena Green Apartments
Residensi Lanai
Jalan 1/55A, Bukit Jalil
57000 Kuala Lumpur

Savanna Bukit Jalil Condominiums
Jalan 1/155A, Bukit Jalil
57000 Kuala Lumpur

Savanna 2 Bukit Jalil
Covillea Bukit Jalil
Jalan Jalil Perkasa 7, Bukit Jalil
57000 Kuala Lumpur

Jalil Link @ Bukit Jalil
Jalan 1/155B, Bukit Jalil
57000 Kuala Lumpur

The Link 2 @ Bukit Jalil
The Tropika
Jalan Jalil Perkasa 1, Bukit Jalil
57000 Kuala Lumpur

KM1 East & West Condominiums @ Bukit Jalil
Jalan Jalil Perkasa, Bukit Jalil
57000 Kuala Lumpur

Kinrara Ria Apartments
Jalan TK 4/11
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Putri Apartments
Jalan TK 4/12
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Low Cost Shops & Apartments
Jalan TK 4/13
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Mas Shops & Apartments
Jalan TK 4/14
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Mas Low Cost Shops
Jalan TK 4/13
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kinrara Shops, Offices & Apartments
Jalan TK 4/5
Taman Kinrara Seksyen IV
47100 Puchong
Selangor Darul Ehsan

Kuantan Perdana Shop Office
Jalan Tun Ismail
25000 Kuantan
Pahang Darul Makmur

PROPERTY INVESTMENT & DEVELOPMENT (CONT'D)

Batu Pahat Office:
Berjaya Land Development Sdn Bhd
74 & 75, Jalan Gemilang
Taman Banang Jaya
83000 Batu Pahat
Johor Darul Takzim
Tel : 607-428 8678

Penang Office:
88 Jalan Masjid Negeri
11600 Pulau Pinang
Tel : 604-658 2828

Singapore Office:
Berjaya Corporation (S) Pte. Ltd.
680 Upper Thomson Road
#01-13 Singapore 787103
Tel : 602-6227 3688
Fax : 602-6225 4966

COMPLEXES

Berjaya Megamall, Pahang
Lot 3-18, 3rd Floor
Sri Dagangan Kuantan
Business Centre, Jalan Tun Ismail
25000 Kuantan
Pahang Darul Makmur
Tel : 609-508 8188

Plaza Berjaya, Kuala Lumpur
Lot 2.05, 2nd Floor
Podium Block Plaza Berjaya
No. 12, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2141 2818

Kota Raya Complex, Kuala Lumpur
Lot 3.16A, Level 3
Kota Raya Complex
Jalan Tun Tan Cheng Lock
50000 Kuala Lumpur
Tel : 603-2072 2562

GAMING & LOTTERY MANAGEMENT

Sports Toto Malaysia Sdn Bhd
Lot 13-01, Level 13 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2148 9888
Fax : 603-2141 9581
Email : webmaster@sportstoto.com.my
Website : www.sportstoto.com.my

International Lottery & Totalizator Systems, Inc., USA
2310 Cousteau Court
Vista (San Diego)
California 92081 – 8346
USA
Tel : 1-760-598-1655
Fax : 1-760-598-0219
Email : mktg@ilts.com
Website : www.ilts.com

Berjaya Philippines Inc.
9th Floor, Rufino Pacific Tower
6784 Ayala Ave., cor V.A. Rufino Street
Makati City
Metro Manila, Philippines
Tel : 632-8811 0668
Fax : 632-8811 2293
Website : www.berjaya.com.ph

EDUCATION

Informatics Education Ltd
100 Victoria Street
#13-01/02 National Library Building
Singapore 188064
Tel : 65-6580 4555
Fax : 65-6565 1371
Website : www.informaticseducation.com

MOTOR RETAILER

H.R. Owen Plc
Melton Court
25-27 Old Brompton Road
London SW7 3TD
Tel : 44-20-7245 1122
Website : www.hrowen.co.uk

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2020

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial year ended 30 June 2020 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:-		
BCorp	Management fees payable by BLand for services rendered that include, inter-alia, the provision of finance, secretarial and general administrative services	400
Berjaya Registration Services Sdn Bhd	Receipt of share registration, printing and mailing services by BLand Group	45
Berjaya Education Sdn Bhd	Receipt of education and staff training services by BLand Group	26
Berjaya Higher Education Sdn Bhd	Rental receivable by Nural Enterprise Sdn Bhd ("NESB") for renting of Units 5.1, 5.2, 5.3, 5.6, 6.1, 6.6, 7.1, 7.2, 7.4, 7.5, 7.6, 8.1, 8.2, 8.6, 9.6, 10.2, 10.6, 11.2, 11.3, 11.4, 12.1, 12.2, 12.3, 13.1, 13.3 and 13.4 of Apartment Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	274
	Rental receivable by Tiram Jaya Sdn Bhd for renting of Unit 8.5, 8th Floor of Apartment Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	30
Changan Berjaya Auto Sdn Bhd	Rental income receivable by Klasik Mewah Sdn Bhd ("KMSB") for renting of premises at Lot 3, Jalan 225, Section 51A, Petaling Jaya, Selangor	144
Berjaya Krispy Kreme Doughnuts Sdn Bhd	Rental income receivable by Sri Panglima Sdn Bhd ("SPSB") for renting of shoplots at No. 1 & 9, Jalan Kinrara TK 4/13, Taman Kinrara, Seksyen 4, Puchong, Selangor	40
	Rental income receivable by SPSB for renting of shoplot at No. 3, Jalan Kinrara TK 4/13, Taman Kinrara, Seksyen 4, Puchong, Selangor	18
Inter-Pacific Trading Sdn Bhd	Purchase of stationery products by BLand Group	61
Inter-Pacific Securities Sdn Bhd	Provision of security guard services by BGSSB	91
	Rental income receivable by Nada Embun Sdn Bhd ("NEmbun") for renting of office at Lot 13-02, Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	647
Inter-Pacific Asset Management Sdn Bhd	Rental income receivable by NEmbun for renting of part of office at Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	84
Prime Credit Leasing Berhad	Receipt of leasing and hire purchase facilities by BLand Group	218
Ambilan Imej Sdn Bhd	Rental payable by BLand for renting of office at Level 12, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	1,092
Cosway (M) Sdn Bhd	Rental income receivable by NESB for renting of shoplots at Lots 2.03, 2.04 & 2.11, 2nd Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	90
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the various hotels and resorts in BLand Group	217
Berjaya Hills Berhad	General marketing charges payable to Berjaya Hotels & Resorts (Singapore) Pte Ltd	53
BLoyalty Sdn Bhd	Loyalty reward charges payable by BLand Group	4

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial year ended 30 June 2020 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:- (Cont'd)		
Stephens Properties Sdn Bhd	Rental payable by:	
	1. Berjaya Golf Resort Bhd ("BGolf") for renting of storage space at Lots 20F, 22C, 22D, 22E, 26B & 26C, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	14
	2. Berjaya Land Development Sdn Bhd for renting of storage space at Lot 20E, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	2
	3. Pakar Angsana Sdn Bhd for renting of storage space at Lots 20B, C & D, 21D, 22B, 23F & 26D, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	13
	4. BLand for renting of storage space at Lots 19D, E & F, 25B, D & E and shoplot at Lot 6.07, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur	14
	5. Berjaya Hotel & Resort (M) for renting of storage space at Lot 22F, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur Provision of security guard services by BGSSB	2
	Provision of security guard services by BGSSB	244
Graphic Press Sdn Bhd	Provision of security guard services by BGSSB	173
E.V.A Management Sdn Bhd	Human resources management service fees payable by BLand Group	98
BerjayaCity Sdn Bhd	Rental income or net estate income receivable by Alam Baiduri Sdn Bhd for renting of land at Lot 35,Sungai Tinggi, Ulu Selangor	1,326
	Rental income or net estate income receivable by Punca Damai Sdn Bhd for renting of land at GM406 Lot 60 and GM54 Lot 61, District of Selangor and GM52 Lot 62, Mukim Batang Berjuntai, District of Batang Berjuntai, Kuala Selangor	20
Berjaya Pharmacy Retail Sdn Bhd	Rental income receivable by NESB for renting of shop lots at Lots 1.01& 1.02, 1st Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	59
JL Morison (Malaya) Sdn Bhd	Purchase of consumer products by BLand Group	215
Roasters Asia Pacific (M) Sdn Bhd	Rental income receivable by KMSB for renting of shoplot at Lot 3.30, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	8
Total		**5,722**
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiary companies:-		
Berjaya Times Square Sdn Bhd	Rental payable by:	
	1. Marvel Fresh Sdn Bhd for renting of storage space at G-31, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	35
	2. Berjaya Hotel & Resort (M) Sdn Bhd for renting of office at Lot 15-04, 15th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	60
	Provision of security guard services by BGSSB	27

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial year ended 30 June 2020 (RM'000)
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiary companies:- (Cont'd)		
Berjaya Times Square Theme Park Sdn Bhd	Provision of security guard services by BGSSB	14
BTS Car Park Sdn Bhd	Parking charges paid by BLand Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur	148
Berjaya Assets Food (BAF) Sdn Bhd	Rental receivable by ANSA Hotel KL Sdn Bhd ("ANSA") for renting of premise at Lot No.0.2, Ground Floor, 101, Jalan Bukit Bintang, Kuala Lumpur	657
	Provision of security guard services by BGSSB	13
Total		**954**
Berjaya Media Berhad and/or its unlisted subsidiary company:-		
Sun Media Corporation Sdn Bhd	Rental income receivable by Regnis Industries (M) Sdn Bhd ("Regnis") for renting of office at part of Ground Floor, whole of 4th Floor and store room at basement level, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	399
	Provision of security guard services by Regnis	32
	Receipt of advertising and publishing services by BLand Group	27
Total		**458**
Berjaya Food Berhad and/or its unlisted subsidiary companies		
Berjaya Roasters (M) Sdn Bhd	Rental income receivable by:	
	Rental income receivable by CPSB for renting of shoplot at Lot G-83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	69
	Rental income receivable by CPSB for renting of shoplot at Lot G-29D, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	8
Berjaya Starbucks Coffee Company Sdn Bhd	Rental income receivable by:	
	1. Kota Raya Development Sdn Bhd ("KRaya") for renting of Kiosk G1 at Ground Floor, Kota Raya Complex, Jalan Tun Tan Cheng Lock, Kuala Lumpur	123
	2. NESB for renting of Kiosk I at Ground Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	35
	3. NESB for renting of shoplots at Lot 1.07 & 1.08, 1st Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	75
	4. CPSB for renting of shoplot at Lot G15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	185
	5. CPSB for renting of storage space at Lot S2.B, 2nd Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	3
	6. NESB for renting of shoplot at Lot 3.04, 3rd Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	29
	7. ANSA Hotel KL Sdn Bhd for renting of premise at Lot 03, Ground Floor, 101, Jalan Bukit Bintang, Kuala Lumpur	1,087
	8. Berjaya Golf Resort Berhad ("BGolf") for renting of shoplot at Lot 42, Upper Ground Floor, Jalil Link, 2, No.5, Jalan Jalil Perkasa 1, Bukit Jalil, Kuala Lumpur	14
	Provision of security guard services by BGSSB	406
Total		**2,034**

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2020

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial year ended 30 June 2020 (RM'000)
7-Eleven Malaysia Holdings Berhad ("SEM") and its unlisted subsidiary company:-		
7-Eleven Malaysia Sdn Bhd (a)	Rental income receivable by:	
	1. Angsana Gemilang Sdn Bhd ("AGSB") for renting of shoplot at No.32G, Jalan Sultan Ismail, Kuala Lumpur	190
	2. NESB for renting of shoplot at Kiosk II at Lower Ground Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	82
	3. NESB for renting of offices at Lots 3.05, 3.12, 3.35 & 3.36, 3rd Floor and Lot 4.01, 4th Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	723
	4. NESB for renting of office at Lot 1.05, 1st Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	100
	5. NESB for renting offices at Lots 5.01A&B, 5B, 5C, 5D & 5E, 5th Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	384
	6. CPSB for renting of shoplots at G21, G22 & G22A, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	201
	7. NESB for renting office at Lots 5A, 5th Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	22
	8. NESB for renting office at suite 5F, Office Tower, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	24
	9. BGolf for renting of shoplot at Lot 42, Upper Ground Floor, Jalil Link, 2, No.5, Jalan Jalil Perkasa 1, Bukit Jalil, Kuala Lumpur	25
	10. ANSA for renting of shoplot at Lot No. S.1. Sidewalk Island, 101, Jalan Bukit Bintang, Kuala Lumpur	502
Total		**2,253**
Other Related Parties:-		
Singer (Malaysia) Sdn Bhd ("Singer") *(b)*	Rental income receivable by Regnis for renting of:	
	1. offices at Part of G/F, 1/F and 2/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	404
	2. offices at Part of 3/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	81
	Provision of security guard services by BGSSB	210
	Purchase of products and services by the BLand Group	296

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial year ended 30 June 2020 (RM'000)
Other Related Parties:- (Cont'd)		
Berjaya Sompo Insurance Berhad *(c)*	Rental income payable by BHSSB for renting of service suites at A-18-18, 18th Floor, B-26-19, 26th Floor, B-30-12, 30th Floor and B-42-10, 42nd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	98
	Rental income payable by BHSSB for renting of service suites at A-22-04 & A-22-07, 22nd Floor, B-26-20, 26th Floor and B-27-10, 27th Floor, B-28-08 & B-28-10, 28th Floor, B-29-08, 29th Floor, B-32-18, 32nd Floor and B-39-18, 39th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	402
	Rental income payable by BHSSB for renting of service suites at A-17-08, 17th Floor and B-30-21, 30th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	62
U Mobile Sdn Bhd *(d)*	Rental income receivable by:	
	1. Regnis for renting of rooftop at Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	29
	2. BGolf for renting of watchtower at Bukit Jalil Golf & Country Resort, Jalan 3/155B, Kuala Lumpur	54
	3. Bukit Kiara Resort Bhd ("BKiara") for renting of broadcasting facility at Bukit Kiara Equestrian & Country Resort, Off Jalan Damansara, Kuala Lumpur	55
	4. Georgetown City Hotel Sdn Bhd for renting of rooftop at Georgetown City Hotel, Jalan Burmah, Pulau Pinang	84
	Parking charges received by NESB for leasing of parking at basement of Plaza Berjaya, Jalan Imbi, Kuala Lumpur	12
Qinetics Solutions Sdn Bhd *(e)*	Receipt of information technology consultancy and management related services and purchase of networking equipment by BLand Group	40

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2020

Berjaya Land Berhad ("BLand") Group with the following Related Parties	Nature of transactions undertaken by BLand and/or its unlisted subsidiaries	Amount transacted during the financial year ended 30 June 2020 (RM'000)
Other Related Parties:- (Cont'd)		
Qinetics Services Sdn Bhd *(e)*	Receipt of information technology consultancy and management related services and purchase of networking equipment by BLand Group	1,064
UPC Management Services Sdn Bhd *(f)*	Rental income receivable by NEmbun for renting of office at part of Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	101
Total		**2,992**
Grand Total		**14,413**

Notes:

a. A wholly-owned subsidiary of SEM. SEM is deemed a related party by virtue of Tan Sri Dato' Seri Vincent Tan Chee Yioun's ("TSVT") direct and indirect interests in SEM.
b. Singer (Malaysia) Sdn Bhd is 100% owned by Berjaya Retail Berhad, a wholly-owned subsidiary of Premier Merchandise which in turn is wholly-owned subsidiary of Intan Utilities Sdn Bhd. TSVT is a deemed major shareholder of Intan Utilities Sdn Bhd.
c. Associated company of BCorp.
d. TSVT, the Chairman of U Mobile Sdn Bhd ("UMSB") is a major shareholder of UMSB by virtue of his interest in UMSB.
e. Qinetics Services Sdn Bhd is wholly owned subsidiary of Qinetics Solution Sdn Bhd, which in turn is an 83.97% -owned subsidiary of MOL.com. TSVT and BCorp are major shareholders of MOL.com
f. UPC is wholly-owned subsidiary of B&B Enterprise Sdn Bhd ("B&B"). TSVT is deemed a major shareholder of UPC by virtue of his interest in B&B.

STATEMENT OF DIRECTORS' SHAREHOLDINGS

AS AT 1 OCTOBER 2020

THE COMPANY

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	224,000	0.01	-	-
Datuk Robert Yong Kuen Loke	360,808	0.01	-	-
Nerine Tan Sheik Ping	2,000,000	0.04	-	-
Chryseis Tan Sheik Ling	5,000,000	0.10	-	-

ULTIMATE HOLDING COMPANY
BERJAYA CORPORATION BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	136,681	0.00	-	-
Datuk Robert Yong Kuen Loke	1,051,545	0.02	-	-
Chryseis Tan Sheik Ling	202,910	0.00	-	-

	No. of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	2,516,508	0.39	-	-
Dato' Ng Sooi Lin	16,666	0.00	-	-
Nerine Tan Sheik Ping	132,000	0.02	-	-
Chryseis Tan Sheik Ling	275,000	0.04	-	-

	No. of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	1,000	0.00	-	-

	Number of Warrants 2012/2022			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	170,108	0.02	-	-
Dato' Ng Sooi Lin	16,666	0.00	-	-

	Number of Warrants 2016/2026			
	Direct Interest	%	Deemed Interest	%
Dato' Ng Sooi Lin	1,000	0.00	-	-

RELATED COMPANY
BERJAYA SPORTS TOTO BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	123,667	0.01	-	-

Save as disclosed, none of the other Directors of the Company has any interests in the shares, warrants and debentures of the Company or its related corporations as at 1 October 2020.

STATISTICS ON SHAREHOLDINGS

AS AT 1 OCTOBER 2020

ANALYSIS OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS		NO. OF SHAREHOLDERS	%	NO. OF ORDINARY SHARES	%
less than 100		375	5.37	7,503	-#
100 - 1,000		1,329	19.03	632,813	0.01
1,001 - 10,000		2,360	33.79	12,862,753	0.26
10,001 - 100,000		2,256	32.30	80,253,861	1.63
100,001 - 246,024,999		664	9.50	4,435,164,974	90.14
246,025,000* and above		1	0.01	391,578,096	7.96
	Total	6,985	100.00	4,920,500,000	100.00

Note: Each share entitles the holder to one vote.

Less than 0.01%.
* Denotes 5% of total number of issued shares with voting rights.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
1	**RHB Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd	391,578,096	7.96
2	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd	188,000,000	3.82
3	**Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd** IPM For Juara Sejati Sdn Bhd	180,000,000	3.66
4	**Bizurai Bijak (M) Sdn Bhd**	152,300,000	3.10
5	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd	151,870,000	3.09
6	**Amsec Nominees (Tempatan) Sdn Bhd** Pledged Securities Account - AmBank (M) Berhad For Teras Mewah Sdn.Bhd.	151,000,000	3.07
7	**MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd (MGN-BCB0001M)	132,522,904	2.69
8	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51401114879C)	125,980,000	2.56
9	**BBL Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd	120,000,000	2.44
10	**RHB Nominees (Tempatan) Sdn Bhd** Bank Of China (Malaysia) Berhad Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	108,500,000	2.21
11	**Juara Sejati Sdn Bhd**	96,020,000	1.95
12	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51401172844C)	95,900,000	1.95
13	**RHB Nominees (Tempatan) Sdn Bhd** OSK Capital Sdn Bhd For Bizurai Bijak (M) Sdn Bhd	95,000,000	1.93
14	**Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Juara Sejati Sdn Bhd (01408432026D)	87,900,000	1.79

NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
15 **Teras Mewah Sdn Bhd**	87,716,914	1.78
16 **CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (Berjaya Group)	86,200,000	1.75
17 **RHB Nominees (Tempatan) Sdn Bhd** Bank Of China (Malaysia) Berhad Pledged Securities Account For Juara Sejati Sdn Bhd	82,000,000	1.67
18 **Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Berjaya Bright Sdn. Bhd. (41408491163A)	78,000,000	1.59
19 **RHB Nominees (Tempatan) Sdn Bhd** Industrial And Commercial Bank Of China (Malaysia) Berhad Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	76,000,000	1.54
20 **RHB Nominees (Tempatan) Sdn Bhd** Bank Of China (Malaysia) Berhad Pledged Securites Account For Inter-Pacific Capital Sdn. Bhd.	75,000,000	1.52
21 **Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51435681347A)	72,000,000	1.46
22 **Affin Hwang Nominees (Tempatan) Sdn. Bhd.** Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	72,000,000	1.46
23 **Affin Hwang Nominees (Tempatan) Sdn. Bhd.** Pledged Securities Account For Berjaya Corporation Berhad	70,236,220	1.43
24 **Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (51408445822D)	68,500,000	1.39
25 **ABB Nominee (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (BGROUP OD Facility)	67,950,000	1.38
26 **CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (BCB CBM-C2-SBLC)	66,636,220	1.35
27 **RHB Nominees (Tempatan) Sdn Bh**d Industrial And Commercial Bank Of China (Malaysia) Berhad Pledged Securities Account For Berjaya Hills Resort Berhad	64,000,000	1.30
28 **HLIB Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Berjaya Corporation Berhad	62,000,000	1.26
29 **CIMB Group Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Teras Mewah Sdn Bhd (CBD-BERJAYABASB)	58,000,000	1.18
30 **Maybank Nominees (Tempatan) Sdn Bhd** Pledged Securities Account For Berjaya Times Square Sdn Bhd	55,881,000	1.14
	3,218,691,354	**65.42**

SUBSTANTIAL SHAREHOLDERS
AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS
AS AT 1 OCTOBER 2020

Names of Substantial Shareholder	No. of Shares Direct	%	Indirect	%	Notes
Teras Mewah Sdn Bhd	1,175,288,914	23.89	0	0.00	
Juara Sejati Sdn Bhd	1,424,341,000	28.95	279,652,612	5.68	(a)
Bizurai Bijak (M) Sdn Bhd	654,486,220	13.30	277,652,612	5.64	(b)
Berjaya Capital Berhad	0	0.00	277,652,612	5.64	(c)
Berjaya Group Berhad	64,286,400	1.31	3,533,768,746	71.82	(d)
Berjaya Corporation Berhad	223,700,000	4.55	3,662,374,996	74.43	(e)
Tan Sri Dato' Seri Vincent Tan Chee Yioun	95,532,000	1.94	4,163,722,872	84.62	(f)

Notes:

(a) Deemed interested by virtue of its interests in Berjaya Capital Berhad and Redtone International Berhad.

(b) Deemed interested by virtue of its interest in Berjaya Capital Berhad.

(c) Deemed interested by virtue of its interests in Berjaya Sompo Insurance Berhad, Prime Credit Leasing Berhad, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd and Rantau Embun Sdn Bhd.

(d) Deemed interested by virtue of its 100% interests in Teras Mewah Sdn Bhd, Juara Sejati Sdn Bhd, Bizurai Bijak (M) Sdn Bhd and its interests in the related companies, namely Prime Credit Leasing Berhad, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd, Rantau Embun Sdn Bhd and Redtone International Berhad as well as its interests in Berjaya Sompo Insurance Berhad.

(e) Deemed interested by virtue of its 100% interests in Berjaya Group Berhad and Berjaya Hills Resort Berhad.

(f) Deemed interested by virtue of his interests in Berjaya Corporation Berhad, Hotel Resort Enterprise Sdn Bhd, B & B Enterprise Sdn Bhd, Berjaya VTCY Sdn Bhd, MOL.com Sdn Bhd, Berjaya Assets Berhad (the holding company of Berjaya Times Square Sdn Bhd and Berjaya Bright Sdn Bhd), HQZ Credit Sdn Bhd (the ultimate holding company of Desiran Unggul Sdn Bhd and Berjaya Retail Sdn Bhd).

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirtieth Annual General Meeting of the Company will be conducted on a fully virtual basis from the broadcast venue ("Broadcast Venue") at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Friday, 11 December 2020 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2020 and the Directors' and Auditors' Reports thereon.

As Ordinary Business:-

2. To approve the payment of Directors' Fees of RM7,000.00 per month to each Non-Executive Director of the Company for the period from 12 December 2020 until the next Annual General Meeting of the Company to be held in 2021. Resolution 1

3. To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM473,100.00 for the period from 12 December 2020 until the next Annual General Meeting of the Company to be held in 2021. Resolution 2

4. To re-elect the following Directors retiring pursuant to Clause 117 of the Company's Constitution:-

   a) Dato' Ng Sooi Lin Resolution 3
   b) Kee Mustafa Resolution 4

5. To re-elect Tan Sri Datuk Seri Panglima Richard Malanjum who retires pursuant to Clause 107 of the Company's Constitution. Resolution 5

6. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. Resolution 6

As Special Business:-

7. To consider and, if thought fit, pass the following Ordinary Resolutions:-

   (i) Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

   "THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." Resolution 7

(ii) Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular to Shareholders dated 28 October 2020 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution." Resolution 8

(iii) Proposed Renewal of Authority for the Company to Purchase Its Own Shares

"THAT, subject always to the Companies Act 2016 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Exchange") and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company ("B-Land Shares") through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;

2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

3. the authority shall commence immediately upon passing of this ordinary resolution until:-

   (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or

   (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or

   (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

   whichever occurs first;

AND THAT upon completion of the purchase(s) of the B-Land Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any B-Land Shares so purchased by the Company in the following manner:-

(a) cancel all the B-Land Shares so purchased; or

(b) retain all the B-Land Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or

(c) retain part thereof as treasury shares and subsequently cancelling the balance; or

(d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force." Resolution 9

(iv) Proposed Retention of Independent Non-Executive Director

"THAT Datuk Robert Yong Kuen Loke be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that he has been an Independent Director on the Board of the Company for a cumulative term of more than nine years." Resolution 10

By Order of the Board
THAM LAI HENG MICHELLE
SSM PC No. 202008001622 (MAICSA 7013702)

Secretary

Kuala Lumpur
28 October 2020

NOTES:

1. **Audited Financial Statements**

   The Audited Financial Statements are meant for discussion only as it does not require shareholders' approval pursuant to the provisions of Section 340(1)(a) of the Companies Act 2016 ("CA 2016"). Hence, this item on the Agenda is not put forward for voting.

2. **Directors' Fees and Directors' Remuneration**

   Section 230(1) of the CA 2016 provides that "fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this Annual General Meeting ("AGM") for the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company under Resolutions 1 to 2.

   The quantum of the Directors' fees proposed for each of the Non-Executive Directors for the period from 12 December 2020 until the next AGM of the Company were the same as last year.

   The current Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises of meeting allowances, benefits-in-kind and other emoluments.

   The proposed Resolutions 1 and 2, if passed, is to facilitate the payment of Directors' fees and Directors' remuneration on a monthly basis and/or as and when incurred. The Board opined that it is just and equitable for the Non-Executive Directors to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company.

   In determining the estimated remuneration payable to the Non-Executive Directors, the Board considered various factors including the number of scheduled meetings for the Board of Directors ("Board"), Board Committees and general meetings of the Company, assuming full attendance by all of the Non-Executive Directors. The estimated amount of remuneration also caters for unforeseen circumstances, for example, the appointment of additional Directors and additional unscheduled Board meetings and/or Board Committees meetings as well as the provisions for an increase in meeting allowances.

   In the event, where the payment of Directors' fees and Directors' remuneration (excluding Directors' fees) payable during the above period exceeded the estimated amount sought at this AGM, a shareholders' approval will be sought at the next AGM.

3. **Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

   Resolution 7 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

   As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 9 December 2019 and which will lapse at the conclusion of the Thirtieth Annual General Meeting.

   The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

4. **Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

   Resolution 8, if passed, will allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Proposed Shareholders' Mandate"). Detailed information on the Proposed Shareholders' Mandate is set out under Part A of the Circular/Statement to Shareholders dated 28 October 2020 which can be viewed and downloaded from the website of the Company at www.berjaya.com/berjaya-land/ and/or Bursa Malaysia Securities Berhad at https://www.bursamalaysia.com.

5. Proposed Renewal of Authority for the Company to Purchase its Own Shares

Resolution 9, if passed, will provide the mandate for the Company to buy back its own shares up to a limit of 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back Renewal"). Detailed information on the Proposed Share Buy-Back Renewal is set out under Part B of the Circular/Statement to Shareholders dated 28 October 2020 which can be viewed and downloaded from the website of the Company at www.berjaya.com/berjaya-land/ and/or Bursa Malaysia Securities Berhad at https://www.bursamalaysia.com.

6. Proposed Retention of Independent Non-Executive Director

Resolution 10 is proposed pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance and if passed, will allow Datuk Robert Yong Kuen Loke to be retained and continue to act as an Independent Non-Executive Director. The full details of the Board's justifications for the retention of Datuk Robert Yong Kuen Loke is set out in the Corporate Governance Overview Statement in the Company's 2020 Annual Report.

7. Proxy and Entitlement of Attendance

(i) As part of the measures to curb the spread of Coronavirus Disease 2019, the Thirtieth Annual General Meeting ("AGM") of the Company will be conducted on a fully virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by SS E Solutions Sdn Bhd which are available on Securities Services e-Portal ("SSeP") at https://sshsb.net.my/login.aspx. **Please follow the procedures provided in the Administrative Guide for the AGM of the Company in order to register, participate and vote remotely via RPV facilities.**

(ii) The main and only venue of the AGM is the Broadcast Venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the AGM of the Company to be present at the main venue of the AGM of the Company in Malaysia.

(iii) Shareholders/proxy/corporate representatives from the public **WILL NOT BE ALLOWED TO BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the AGM of the Company.

(iv) A member of the Company who is entitled to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM of the Company via RPV facilities is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.

(v) A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.

(vi) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint one (1) proxy in respect of each securities account.

(vii) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), may appoint multiple proxies in respect of each of its omnibus account.

(viii) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.

(ix) The duly executed Form of Proxy must be deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting, **i.e. latest by Wednesday, 9 December 2020 at 10.00 a.m.**

(x) Only members whose names appear in the Record of Depositors as at 4 December 2020 shall be entitled to participate and/or vote at the AGM or appoint a proxy to participate and/or vote in his/her stead via RPV facilities.

8. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

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FORM OF PROXY

BERJAYA LAND BERHAD

[Registration No. 199001010193 (201765-A)]

I/We ____
(Name in full)

I.C. or Company No. ______________________ CDS Account No. ______________________
(New and Old I.C. Nos.)

of ____
(Address)

being a member/members of BERJAYA LAND BERHAD hereby appoint:

______________________ I.C. No.______________________
(Name in full) *(New and Old I.C. Nos.)*

of ____
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Thirtieth Annual General Meeting ("AGM") of the Company to be conducted on a fully virtual basis through live streaming from the broadcast venue held at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1, Jalan Imbi, 55100 Kuala Lumpur ("Broadcast Venue") on Friday, 11 December 2020 at 10.00 a.m. or any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

		FOR	AGAINST
RESOLUTION 1	- To approve payment of Directors' Fees to each Non-Executive Director for the period from 12 December 2020 until the next Annual General Meeting of the Company		
RESOLUTION 2	- To approve payment of Directors' remuneration (excluding Directors' fees) for the period from 12 December 2020 until the next Annual General Meeting of the Company		
RESOLUTION 3	- To re-elect Dato' Ng Sooi Lin as Director		
RESOLUTION 4	- To re-elect Kee Mustafa as Director		
RESOLUTION 5	- To re-elect Tan Sri Datuk Seri Panglima Richard Malanjum as Director		
RESOLUTION 6	- To re-appoint Auditors		
RESOLUTION 7	- To approve authority to issue and allot shares		
RESOLUTION 8	- To renew and to seek shareholders' mandate for Recurrent Related Party Transactions		
RESOLUTION 9	- To renew authority for the Company to purchase its own shares		
RESOLUTION 10	- To approve the proposed retention of Datuk Robert Yong Kuen Loke as an Independent Non-Executive Director		

No. of shares held

………………………………………………………..
Signature(s) /Common Seal of Member(s)

Dated this ………… day of ……………………, 2020.

Notes:

(1) As part of the measures to curb the spread of Coronavirus Disease 2019, the Annual General Meeting ("AGM") of the Company will be conducted on a fully virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by SS E Solutions Sdn Bhd which are available on Securities Services e-Portal ("SSeP") at https://sshsb.net.my/login.aspx. Please follow the procedures provided in the Administrative Guide for the AGM of the Company in order to register, participate and vote remotely via RPV facilities.

(2) The main and only venue of the AGM is the Broadcast Venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the AGM of the Company to be present at the main venue of the AGM of the Company in Malaysia.

(3) Shareholders/proxy/corporate representatives from the public WILL NOT BE ALLOWED TO BE PHYSICALLY PRESENT at the Broadcast Venue on the day of the AGM of the Company.

(4) A member of the Company who is entitled to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM of the Company via RPV facilities is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.

(5) A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.

(6) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint one (1) proxy in respect of each securities account.

(7) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), may appoint multiple proxies in respect of each of its omnibus account.

(8) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.

(9) The duly executed Form of Proxy must be deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting, i.e. latest by Wednesday, 9 December 2020 at 10.00 a.m.

(10) Only members whose names appear in the Record of Depositors as at 4 December 2020 shall be entitled to participate and/or vote at the AGM or appoint a proxy to participate and/or vote in his/her stead via RPV facilities.

(11) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by poll.

Fold this flap for sealing

Affix
Stamp

THE COMPANY SECRETARY
BERJAYA LAND BERHAD
LOT 13-01A, LEVEL 13 (EAST WING)
BERJAYA TIMES SQUARE
NO. 1, JALAN IMBI
55100 KUALA LUMPUR

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1st fold here

For further information, please contact:

The Company Secretary
Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur.
Tel: (6)03-2149 1999 Fax: (6)03-2143 1685

www.berjaya.com/berjaya-land/