

**BERJAYA**  
**BERJAYA LAND BERHAD**  
[Registration No. 199001010193 (201765-A)]



# GROWING POTENTIAL

ANNUAL REPORT 2022



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 maximizes 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

<b>1</b>	Corporate Profile	<b>48</b>	Corporate Governance Overview Statement	<b>258</b>	Group Addresses
<b>2</b>	Corporate Information	<b>66</b>	Statement on Risk Management and Internal Control	<b>262</b>	Recurrent Related Party Transactions of a Revenue or Trading Nature
<b>3</b>	Profile of Directors	<b>69</b>	Audit Committee Report	<b>267</b>	Statement of Directors’ Shareholdings
<b>8</b>	Key Senior Management	<b>74</b>	Statement of Directors’ Responsibility in Respect of the Audited Financial Statements	<b>268</b>	Statistics on Shareholdings
<b>10</b>	Chairman’s Statement	<b>75</b>	Financial Statements	<b>270</b>	Substantial Shareholders
<b>12</b>	Management Discussion & Analysis	<b>253</b>	List of Major Properties	<b>271</b>	Notice of Annual General Meeting
<b>22</b>	Corporate Structure	<b>257</b>	Material Contracts		Form of Proxy
<b>24</b>	Group Financial Summary	<b>257</b>	Additional Information		
<b>25</b>	Group Financial Highlights				
<b>26</b>	Sustainability Statement				

---

Berjaya Land Berhad (“BLand”) 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 BLand. Simultaneously, BLand 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.



*The Tropika at Bukit Jalil, Kuala Lumpur.*

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 BLand 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, BLand 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

**Tun Richard Malanjum**  
*Chairman*

**Syed Ali Shahul Hameed**  
*Deputy Executive Chairman*

**Datuk Abdul Rahim Bin Mohd Zin**  
*Chief Executive Officer*

*Executive Directors*

**Tan Tee Ming**  
**Chryseis Tan Sheik Ling**

*Independent Non-Executive Directors*

**Datuk Robert Yong Kuen Loke**  
**Datuk Kee Mustafa**

## AUDIT COMMITTEE

*Chairman/Independent Non-Executive Director*

**Datuk Robert Yong Kuen Loke**

*Independent Non-Executive Directors*

**Tun Richard Malanjum**  
**Datuk Kee Mustafa**

## AUDITORS

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

## SECRETARIES

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

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

## 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

## SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd  
09-27, Level 9  
Berjaya Times Square  
No. 1 Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03-2145 0533  
Fax: 03-2145 9702

## PRINCIPAL BANKERS

CIMB Bank Berhad  
Malayan Banking Berhad  
RHB Bank Berhad  
OCBC Bank (Malaysia) Berhad  
Affin Bank Berhad

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

## STOCK SHORT NAME

BJLAND (4219)

## PLACE OF INCORPORATION AND DOMICILE

Malaysia



**TUN RICHARD MALANJUM**

*Chairman (Independent/Non-Executive)*

70 years of age, Malaysian, Male

Tun Richard Malanjum was appointed as Director and Chairman to the Board on 9 December 2019. He graduated with (LLB) (Hons) (External) from the University of London, London in 1975 and upon passing the Bar-At-Law examination he was subsequently admitted to the English Bar as a Member of the Honourable Society of Gray's Inn in London. He is now a Bencher of that Inn.

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 (now the Sabah Law Society), 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 a High Court Judge and was later elevated to the Court of Appeal Judge and subsequently a 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. He is now 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.

Tun 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.

## PROFILE OF DIRECTORS



**SYED ALI SHAHUL HAMEED**  
*Deputy Executive Chairman (Non-Independent)*

51 years of age, Indian, Male

Mr Syed Ali was appointed to the Board on 20 March 2019 as an Executive Director. He was later appointed as Chief Executive Officer of the Company in August 2019. Subsequently on 1 April 2022, he relinquished his position as Chief Executive Officer and was re-designated as Deputy Executive Chairman of the Company. He holds a Bachelor of Engineering from the Institute of Road & Transport Technology, Bharathiar University at Coimbatore, India.

Mr Syed has over 25 years of experience with the Berjaya Corporation Berhad (“BCorp”) group of companies where he started his career as an Assistant Engineer at Berjaya Tioman Resort under Berjaya Land Berhad’s Group (“BLand Group”) in September 1997.

His outstanding operational and strategic capabilities saw him taking on senior roles in BLand Group from 2003 until today, including the role of Chief Engineer in 2003, Corporate Director of Engineering & Technical Services of Berjaya Hotels & Resorts Division in 2009, and Director of Property Development and Complexes, Property Division in 2019, where he spearheaded landmark projects and developments including the multi-award winning Four Seasons Hotel & Hotel Residences Kyoto in Japan, and The Ritz-Carlton Residences in Kuala Lumpur.

He is also responsible for overseeing the overall engineering and operational aspects of BLand Group’s property development and investment in Malaysia and overseas, including spearheading the on-going luxury development of Four Seasons Resort & Private Residences, Okinawa and Four Seasons Hotel & Hotel Residences, Yokohama in Japan.

Mr Syed’s wealth of experience in technical engineering, project management, business development and strategy are instrumental in the success and growth for both domestic and overseas investments and operations under Berjaya Hotels & Resorts, Berjaya Air Sdn Bhd, and Asia Jet Sdn Bhd (formerly known as Asia Jet Partners Malaysia Sdn Bhd).

Currently, he is the Executive Director and Joint Chief Executive Officer of Berjaya Corporation Berhad. He is also a Director of Berjaya Construction Berhad (formerly known as Berjaya Engineering Construction Sdn Bhd), Berjaya Hartanah Berhad, 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 BCorp group of companies.



Datuk Abdul Rahim was appointed as Director and Chief Executive Officer of the Company on 1 April 2022. He graduated with a Bachelor of Accounting degree from Universiti Kebangsaan Malaysia and a Master of Accountancy from the University of Glasgow Scotland. He is a Chartered Accountant and a Member of the Malaysian Institute of Accountants.

Datuk Abdul Rahim has 28 years of senior management experience in leading and growing businesses as well as drive transformation, in several industries that included property development, banking and finance, healthcare facility management, shipyard and shipbuilding, plantation management, telecommunication, information technology and power industry support services, liquefied petroleum gas (“LPG”) business and retail restaurant business.

He has extensive banking experience gained from serving in several banking groups from 1990 to 2007. He was President/Group Managing Director of Bank Pembangunan Malaysia Berhad, a Development Bank Group focused on Infrastructure, Maritime, High Technology and SMEs financing. He has commercial banking experience through the Southern Bank Group where he held positions as General Manager, Group Finance of Southern Bank Berhad and as Chief Executive Officer of Southern Finance Berhad. He also has investment banking experience where he held positions as Senior General Manager, Corporate Finance of Amanah Merchant Bank Berhad, an Investment Bank, affiliated to Schroders plc, a British multinational asset management company and as General Manager, Corporate Finance of Bumiputra Merchant Bankers Berhad, an Investment Bank, affiliated to N M Rothschild & Sons Limited, a British Merchant Bank.

Datuk Abdul Rahim was the Group Chief Executive Officer of Radimax Group Sdn Bhd and Executive Director of Labuan Shipyard & Engineering Sdn Bhd involved in engineering & shipbuilding, and healthcare facility management from 2010 to 2015.

Datuk Abdul Rahim was the President/Group Managing Director of KUB Malaysia Berhad, a conglomerate listed on the main market of Bursa Malaysia, operating a group of businesses in food and beverage, oil palm plantations, information and communications technology, LPG and power industries from 2015 to 2019.

Currently, he is also an Executive Director of Berjaya Group Berhad and the Chief Executive Officer of Landasan Lumayan Berjaya Sdn Bhd, a property development joint venture with a Selangor state-owned company.

## PROFILE OF DIRECTORS



**TAN TEE MING**

*(Non-Independent/Executive Director)*

46 years of age, Malaysian, Male

Mr Tan Tee Ming was appointed as an Executive Director of the Company on 1 April 2022. 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.

Mr Tan Tee Ming 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.

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

In addition, he was appointed as an Executive Director of Berjaya Times Square Sdn Bhd in November 2021. Currently, he oversees the tenancy of Berjaya Times Square shopping mall as well as Berjaya Waterfront, Johor Bahru.

His father-in-law, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company. His sister-in-law, Ms Chryseis Tan Sheik Ling is also a member of the Board.



**CHRYSEIS TAN SHEIK LING**

*(Non-Independent/Executive Director)*

33 years of age, Malaysian, Female

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

Presently, Ms Chryseis Tan is an Executive Director of Berjaya Assets Berhad and a Non-Executive Director of Berjaya Corporation Berhad and 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 father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company. Her brother-in-law, Mr Tan Tee Ming is a member of the Board.





**DATUK ROBERT YONG KUEN LOKE**  
*(Independent/Non-Executive Director)*

70 years of age, Malaysian, Male

Datuk Robert Yong Kuen Loke was appointed to the Board on 24 January 1995. He was 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, corporate finance, audit and assurance, 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 Eedaran Otomobil Nasional Bhd. He joined Berjaya Group of companies in 1987 and was appointed as Group Executive Director with responsibilities as overall head of Group Finance, Treasury, Tax and Internal Audit. He retired in 2007 as an Executive Director and is currently serving as an Independent Non-Executive Director of the Company.

He is also a Director of Berjaya Corporation Berhad, Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad) and Berjaya Assets Berhad.

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



**DATUK KEE MUSTAFA**  
*(Independent/Non-Executive Director)*

72 years of age, Malaysian, Male

Datuk Kee Mustafa 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.

Datuk 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.

Datuk Kee Mustafa is a member of the Audit Committee, Nomination Committee, Remuneration 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

*Corporate Director, Finance  
Berjaya Hotels & Resorts Division*

57 years of age, Malaysian, Male

He is a member of The Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He has over 30 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 Hartanah 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.

## NERINE TAN SHEIK PING

*Chief Executive Officer  
Sports Toto Berhad  
(formerly known as Berjaya  
Sports Toto Berhad)*

46 years of age, Malaysian, Female

Ms Nerine Tan graduated with a Bachelor of Science Degree in Management (Second Class Honours) from the London School of Economics, United Kingdom in 1998.

She has more than 20 years of experience in sales, marketing and business development in several operations. She started her career 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 the 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 Executive Director of Berjaya Hotels & Resorts (S) 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 STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd) and was subsequently promoted to Executive Director in April 2010.

Currently, she is the Chief Executive Officer of Sports Toto Berhad (formerly known as 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 father, Tan Sri Dato' Seri Vincent Tan Chee Yioun is a major shareholder of the Company. Her husband, Mr Tan Tee Ming and her sister, Ms Chryseis Tan Sheik Ling are members of the Board.

**TAN SRI DATO' SERI VINCENT  
TAN CHEE YIOUN**

*Managing Director/  
Chief Executive Officer  
STM Lottery Sdn Bhd  
(formerly known as Sports  
Toto Malaysia Sdn Bhd)*

70 years of age, Malaysian, Male

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 Non-Independent Non-Executive Chairman of Berjaya Corporation Berhad, the Executive Chairman of Berjaya Times Square Sdn Bhd and the Chairman of Berjaya Hills Resort Berhad and U Mobile Sdn Bhd. He is also the Managing Director/CEO of STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd). He also holds directorships in several other private limited companies and also in Berjaya Corporation group of companies.

His daughter Ms Chryseis Tan Sheik Ling, and his son-in-law, Mr Tan Tee Ming are also members of the Board. His daughter, Nerine Tan Sheik Ping is one of the Key Senior Management 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.

# CHAIRMAN'S STATEMENT

*Dear Shareholders,*

On behalf of the Board of Directors of Berjaya Land Berhad ("BLand"), I am pleased to present the annual report and financial statements for the financial year ended 30 June 2022.

The COVID-19 pandemic continued to adversely impact the global and Malaysian economic landscape as well as the Group's business operations in countries where we operate. The Group's operations and potential earnings from its various business segments were severely impacted under the different phases of the movement control orders, particularly during the early part of the financial year under review. As we reflect on the financial year under review, it was one with many valuable lessons learned in the face of disruption, changing consumer behaviour, and market trends. The Group is cognisant of the fact that uncertain times uncover opportunities and have remain agile in its approach and strategies to grow the Group's potential and withstand future challenges.



*Four Seasons Hotel and Hotel Residences, Kyoto, Japan.*

## FINANCIAL RESULTS

Despite the challenging operating environment, BLand registered higher revenue of RM6.04 billion during the financial year under review compared to revenue of RM5.41 billion in the previous financial year. The increase in the Group's revenue was due to the higher overall average occupancy and room rates reported by the hotel and resorts business segment in line with the resumption of domestic and international travel as well as the further relaxation of the COVID-19 standard operating procedures. Apart from that, H.R. Owen Plc ("H.R. Owen") also reported an increase in revenue of 19.6% resulting from strong demand of new and used cars and the gradual supply volume recovery post COVID-19 pandemic lockdowns.

The above has offset the lower overall property progress billings reported by the property development and investment business segment in the current financial year under review. In the previous financial year, the Group recorded higher revenue after the completion and handover of a mixed development project in Dong Nai, Vietnam. In addition, STM Lottery Sdn Bhd's (formerly known as Sports Toto Malaysia Sdn Bhd) ("STM Lottery") revenue decreased by 5.3% with the cancellation of 37 draws during the financial year under review due to the nationwide lockdown from 1 June 2021 to 13 September 2021.

The higher profit from operations in the current financial year under review was in line with the higher revenue reported by H.R. Owen and other business segments other than STM Lottery.



**Lamborghini Aventador LP 700-4 Roadster distributed by H.R. Owen.**

Nevertheless, the Group reported a higher pre-tax loss of RM100.3 million in the financial year under review compared to a pre-tax loss of RM42.23 million registered in the previous financial year mainly due to the provision of partial impairment on the balance of sale proceeds of the Great Mall Project amounting to RM197.8 million given the prolonged and arduous enforcement procedures of the arbitration award. The continued COVID-19 lockdowns in the People's Republic of China had certainly disrupted the enforcement process. Notwithstanding the partial impairment made, Berjaya (China) Great Mall Co Ltd ("GMOC") is vigorously pursuing enforcement in both jurisdictions in the People's Republic of China and Hong Kong. The Group had also accounted for an impairment of goodwill amounting to RM11.8 million as the recoverable amount of the cash-generating units of a business unit was assessed to be lower than its carrying value. This was mitigated by the lower share of losses from the Group's associated companies and joint ventures. With the exclusion of the partial impairment of RM197.8 million, the Group would have reported a pre-tax profit of about RM97.5 million.

### DIVIDEND

The Board did not recommend any dividend for the financial year ended 30 June 2022.

### SIGNIFICANT CORPORATE DEVELOPMENT

As announced on 18 December 2012 and pursuant to the Supplement Agreement dated 13 August 2012 entered between Selangor Turf Club ("STC") and Berjaya Tagar Sdn Bhd ("BTSSB"), STC has granted an extension of time to 18 January 2023 to fulfill the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi land by BTSSB.

### FUTURE OUTLOOK

As COVID-19 becomes endemic in most parts of the world, the pace of economic recovery is gaining momentum with the reopening of the economy and international borders. However, the recent uptick in global inflation rates driven by disruptions in supply chains as well as rising food and commodity prices caused by the ongoing Russia-Ukraine war and the COVID-19 lockdowns in the People's Republic of China have undoubtedly impacted the rate of economic recovery.

On the domestic front, the Malaysian economy registered a stronger growth of 8.9% in the second quarter of 2022. The higher growth was reflective of the economy returning to normal as the country moved towards endemicity. Nevertheless, the rising inflationary pressures have inevitably weighed on consumers' spending. Taking into account of the aforesaid and barring any unforeseen circumstances, the Directors anticipate that the Group's business performance and operations in the financial year ending 2023 to be satisfactorily going forward. The Group has put in place measures to mitigate the rising cost of doing business and tighten internal efficiencies with prudent cost optimisation.

Looking ahead, the current global landscape has ushered in a new era of innovation and change for businesses. To this end, the Group will continue to grow its potential by seeking opportunities in the domestic and global markets to fortify our presence and enhance profitability.

### NOTE OF APPRECIATION

The Board would like to congratulate Mr Syed Ali Shahul Hameed who was promoted to Deputy Executive Chairman on 1 April 2022. We would also like to extend our warm welcome to our new Chief Executive Officer, Datuk Abdul Rahim Bin Mohd Zin and Executive Director, Mr Tan Tee Ming, who were appointed to the Board on the same date.

The Board would also like to record its sincere thanks to Ms Nerine Tan Sheik Ping who resigned from her role as Executive Director for her contributions throughout her tenure on the Board.

Our sincere appreciation goes out to all our valued customers, business associates, financiers, and shareholders as well as the relevant government and regulatory bodies for placing your unswerving trust and confidence in the Group. To the management team and all our employees, we are grateful for your untiring commitment, resilience, and hard work throughout yet another challenging period.

Finally, I wish to express my heartfelt gratitude to all my fellow Directors for your wise counsel, leadership, and invaluable contributions as we move forward in growing the Group's potential.

I thank you all for your continued support in these unprecedented and exceptional times.

**Tun Richard Malanjum**

Chairman

21 October 2022

# MANAGEMENT DISCUSSION & ANALYSIS

## OVERVIEW

Berjaya Land Berhad and its subsidiaries (“BLand” 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.



*The Taaras Beach & Spa Resort, Redang, Malaysia.*

## PERFORMANCE REVIEW BY BUSINESS SEGMENTS

### GAMING

The toto betting and related activities business segment of BLand is operated via Sports Toto Berhad, (formerly known as Berjaya Sports Toto Berhad) (“SPToto”). The core businesses of SPToto are operations of Toto betting under STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd) (“STM Lottery”), luxury motor retailing under H.R. Owen Plc (“H.R. Owen”) in the United Kingdom (“UK”) as well as manufacturing, distribution of computerised wagering and voting systems and provision of software licences and support under International Lottery & Totalizator Systems, Inc. (“ILTS”) in the United States of America (“USA”).

For the financial year under review, the group registered revenue of RM5.2 billion and pre-tax profit of RM273.3 million. The revenue registered was mainly attributed to revenue from STM Lottery and H.R. Owen. The Malaysian government

implemented a third Movement Control Order leading to STM Lottery cancelling 37 draws from 1 July 2021 to 13 September 2021. With the gradual transition towards endemicity after the easing of various restrictions to combat the COVID-19 pandemic stretching almost two financial years, the local operations have registered improved results. Meanwhile, the UK government lifted lockdown measures on 19 July 2021 allowing H.R. Owen to resume its full operations earlier and was able to ride on the post-pandemic recovery with a positive contribution to the group’s results.

### Malaysia

STM Lottery, the principal operating subsidiary of SpToto, has approximately 680 outlets nationwide offering 8 different games. Lottery draws are conducted three (3) days a week on every Wednesday, Saturday and Sunday. Digit games comprises Toto 4D, Toto 4D Jackpot, Toto 4D Zodiac, Toto 5D, Toto 6D and Lotto games comprises Star Toto 6/50, Power Toto 6/55 and Supreme Toto 6/58.



*A draw in progress.*

For the financial year ended 30 June 2022, STM Lottery recorded a revenue of RM2.14 billion with 138 draws conducted, a decrease of 5.3% compared to revenue of RM2.26 billion in the previous financial year with 157 draws conducted. The lower revenue in the financial year under review was mainly attributable to the third Movement Control Order (“MCO 3.0”) from 1 June 2021 in the last financial year until 13 September 2021 in the current financial year.

Throughout MCO 3.0, STM Lottery was affected by full business closure nationwide as the Number Forecast Operator (“NFO”) business was categorised as a non-essential business segment and entailed a cancellation of 37 draws in the current financial year. However, the NFO industry regained its traction at a slower pace as illegal NFOs continued to operate illegally during MCO.

Notwithstanding the number of cancelled draws, STM Lottery the average sales per draw improved by 7.7% as compared to the previous financial year. There has been an uptake in customer footfall and improvement in business volume after all business sectors reopened in stages from September 2021 onwards. Besides the Star Jackpot game, Supreme Toto 6/58 Jackpot snowballed to a record-breaking RM97.8 million, our Toto 4D Jackpot digit game also rewarded a winner with RM18.8 million.

Profit before tax for the financial year under review was RM227.8 million as compared to RM271.1 million in the previous financial year, a decrease of 16.0%. This was mainly due to draw cancellations and higher prize payout during the financial year under review.

STM Lottery will remain vigilant on the macroeconomic challenges, supply chain disruptions and rising global inflation which may spur headwinds to the Malaysian economic recovery. The management will continue to innovate and change towards achieving business growth and driving sustainability. STM Lottery is cautiously optimistic that its business will remain steadfast and resilient as it had during past economic crises and turbulent periods. STM Lottery is confident in its fundamentals to maintain its market share in the NFO business and accelerate profitability for the stakeholders in the upcoming financial year 2023.

### The United Kingdom

In the UK, H.R. Owen, a subsidiary of Berjaya Philippines Inc. (“BPI”), is a luxury car distributor which operates several vehicle franchises in the prestige and specialist car market for both sales and after-sales. H.R. Owen has also embarked on developing a state-of-the-art multi-marque showroom at Hatfield. The company has 17 showrooms and 17 service centres for Rolls-Royce, Ferrari, Bugatti, Lamborghini, Maserati, Aston Martin, Bentley, Rimac Automobili, Czinger and Radford.

For the financial year ended 30 June 2022, H.R. Owen recorded revenue of £536.2 million with a total of 1,244 new prestige cars and 1,892 pre-owned cars sold, as compared to a revenue of £448.5 million with 1,150 new prestige cars and 1,621 pre-owned cars sold in the previous financial year. The 19.6% increase in revenue was mainly attributed to higher sales generated from both new and used car sectors and gradual supply volume recovery post COVID-19 pandemic lockdown.

H.R. Owen registered a profit before tax of £15.6 million in the financial year under review as compared to a profit before tax of £13.7 million in the previous financial year ended 30 June 2021. The increase was due to the higher revenue and stronger margins from the used car sector due to the earlier supply chain disruption in the new car sector.

H.R. Owen remains optimistic about its prospects in the medium to longer term with strong new vehicle order book due to the unique position of its operations and extensive relationships with the multi-marques it represents. The company will continuously monitor its operations and resources to adapt to global changes arising from rising inflation and higher interest rates.



*Unisyn's OpenElect® FreedomVote Tablet.*

### The United States of America

In the United States of America ("USA"), International Lottery & Totalizator Systems, Inc. ("ILTS") provides a full spectrum of lottery products and services, including wagering system software, instant ticket management, agent terminals, data communications, consulting, training, facilities management, and management support. ILTS also has a voting business segment, operated through its wholly-owned subsidiary, Unisyn Voting Solutions, Inc. ("Unisyn") which develops and markets the OpenElect® digital optical scan voting system to election jurisdictions in the USA.

ILTS continued to be impacted by the COVID-19 pandemic intermittently leading to supply chain constraints, parts shortages and inflationary cost pressures. This posed challenges to ILTS in meeting delivery schedules, project margins and flexing for new projects. Amidst these, ILTS was able to secure a new contract in the Philippines for its nationwide lottery project and delivered additional lottery terminals and new games for an existing project in Vietnam.

For its voting business segment, Unisyn continued to make notable progress with additional sales through its authorized sales representatives and its own direct sales efforts to counties in many states in the USA. Unisyn had also developed numerous enhancements and upgrades to its OpenElect® digital optical scan election systems. More than 14,000 of its OpenElect® voting systems and products are presently installed and used in the elections of more than 250 counties in the United States throughout the states of Arizona, Illinois, Indiana, Iowa, Kansas, Missouri, Ohio, Pennsylvania, Tennessee, Utah and Virginia.

ILTS will continue its research and development for new gaming and voting products to develop new high-quality, secure hardware and software using state-of-the-art technology to grow its market share and maintain its competitiveness in the wagering and voting sector. One of its corporate strategies is to pursue growth through strategic alliances to gain access to new and tactically important geographical and business opportunities and to capitalize on its existing business relationships.

### HOTELS & RESORTS

The hotels and resorts business segment of BLand is operated via the Berjaya Hotels and Resorts Division ("BHR"). Currently, the Group owns and operates 27 hotels and resorts locally and internationally.

During the financial year under review, BHR's overall results reported a healthy growth compared to the previous financial year. The relaxation of travel and social restrictions had helped to improve the leisure demands from local residents and foreign tourist arrivals. However, occupancy and revenue levels still remain below the pre-pandemic levels. The domestic market will remain the key revenue driver in the near-term business recovery.

### Revenue and Loss Before Tax

For the financial year under review, BHR recorded a significant increase in total gross revenue to RM488.05 million from RM157.65 million registered in the previous financial year. The increase was mainly contributed by the hotels and resorts in Iceland and Seychelles. Year-on-year, the revenue growth had reduced BHR's total loss before tax significantly to RM57.42 million compared to RM195.77 million recorded in the previous financial year.

During the financial year under review, room reservations began to recover with the easing of COVID-19 restrictions worldwide, as reflected in the overall occupancy rate of 49.2%, up from 18.3% registered in the previous financial year, and a 21.6% increase in the combined average room rate ("ARR"). The increase in occupancy rate and ARR resulted in a significant improvement in Revenue per Available Room ("RevPAR") to RM244 from RM75 in the previous financial year.



## MALAYSIA HOTELS & RESORTS

The major Malaysian-based hotels and resorts are Berjaya Langkawi Resort, Berjaya Times Square Hotel, Kuala Lumpur, The Taaras Beach & Spa Resorts, Redang, Berjaya Tioman Resort, Tioman, and ANSA Hotel Kuala Lumpur.

### Revenue and Loss Before Tax

During the financial year under review, business levels at our Malaysian-based properties were severely affected by MCO 3.0 and business only started to pick up again towards the middle of October 2021. The further relaxation of movement restrictions and reopening of borders to international travellers since April 2022 have resulted in a strong demand for both rooms and food and beverage operations at all Malaysian-based properties.

For the financial year under review, the total gross revenue for the Malaysian-based properties improved by 54.1% to RM93.70 million compared to RM60.80 million registered in the previous financial year. As a result, the Malaysian-based properties registered lower total loss before tax of RM47.70 million compared to RM61.33 million registered in the previous financial year.

On the back of strong demand from the domestic market, the combined occupancy rate for the Malaysian-based properties during the financial year under review increased to 31.4% compared to 15.9% resulting in the RevPAR increase to RM102 from RM61 registered in the previous financial year.

### Berjaya Langkawi Resort, Langkawi

With the healthy growth in rooms and food and beverage operations following the relaxation of movement restrictions, the resort recorded higher growth in total gross revenue of RM24.96 million compared to RM6.65 million in the previous financial year. Consequently, the resort registered a lower loss before tax of RM5.09 million compared to RM14.11 million incurred in the previous financial year. The resort's room occupancy increased to 32.2% compared to 12.0% in the previous financial year supported by bookings from the domestic leisure market.

### The Taaras Beach & Spa Resort, Redang

The resort business performance was negatively impacted by the imposition of MCO 3.0 at the beginning of the financial year under review.

Consequently, the average occupancy rate at the resort declined to 24.0% compared to 33.9% registered in the previous financial year. The resort's revenue decreased by 22.4% to RM28.21 million from RM36.34 million in the previous financial year, which resulted in loss before tax of RM2.48 million against profit before tax of RM0.7 million registered in the previous financial year.



*Berjaya Times Square Hotel, Kuala Lumpur.*

### Berjaya Times Square Hotel, Kuala Lumpur

The hotel's gross revenue increased significantly to RM21.24 million from RM9.25 million registered in the previous financial year. The revenue growth was supported by a healthy increase in occupancy of 31.0% compared to 15.7% in the previous financial year and demand for banqueting business grew as well. As a result, the hotel's loss before tax declined to RM26.19 million from RM32.23 million in the previous financial year.

### ANSA Hotel Kuala Lumpur

The hotel registered a 67.2% growth in total gross revenue to RM8.83 million from RM5.28 million due to the increase in both room and retail rental revenue. Room revenue increased to RM4.52 million from RM1.21 million in the previous financial year, and the occupancy rate was higher at 32.4% compared to 11.9% registered in the previous financial year. As a result of the improved revenue and profit contributions from both business operations, the hotel registered lower loss before tax of RM0.93 million from RM2.89 million in the previous financial year.

### Berjaya Penang Hotel

For the financial year under review, the room night bookings were mainly supported by the leisure individual segment and vacation timeshare members. The relaxation of travel restrictions resulted in an increase in occupancy rate to 36.8% from 15.2% in the previous financial year. Driven by the healthy growth in both occupancy and ARR, the hotel's gross revenue increased to RM7.86 million from RM3.16 million in the previous financial year. Consequently, the hotel reported a 90% decrease in loss before tax to RM272,000 from RM2.73 million incurred in the previous financial year.

## MANAGEMENT DISCUSSION & ANALYSIS

### **Berjaya Tioman Resort, Tioman**

The resort was closed in the middle of June 2020 for a major redevelopment and reopened on 25 April 2022 with 120 rooms for its initial operations. For the financial year under review, the resort reported total gross revenue of RM2.40 million and loss before tax of RM10.89 million compared to RM9.74 million in the previous financial year. Room occupancy was 33.9% mainly contributed by the leisure individual segment. In the coming years, the resort will adopt a vigorous pricing strategy to drive higher room rates.

### **OVERSEAS HOTELS & RESORTS**

The major overseas hotels and resorts of BLand are Iceland Hotel Collection by Berjaya (formerly known as 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.

Except for The Castleton Hotel in London, the rest of the hotels & resorts had resumed business operations since the second quarter of the financial year under review. Overall, the performance of BHR's overseas properties was strong, driven by improved leisure and commercial demands, allowing the Group to boost its combined occupancy rate to 66.3% from 21.1% in the previous financial year, with ARR increasing by 33.2%. The higher occupancy and ARR contributed to a 319% increase in RevPAR to RM381 from RM91 in the previous financial year.

With the excellent growth in both occupancy and ARR, the BHR's overseas properties saw a significant increase in total gross income to RM394.36 million compared to RM96.86 million in the previous financial year. Consequently, loss before tax reduced significantly to RM9.72 million from RM133.44 million in the previous financial year. The significant revenue growth which resulted in a reduction in loss before tax was largely contributed by the hotels and resorts in Iceland and Seychelles.



*Berjaya Tioman Resort, Pahang.*

### **Berjaya Beau Vallon Bay Resort & Casino, Seychelles**

The reopening of Seychelles' borders to international travellers without quarantine has allowed the resort to benefit from robust leisure demand from its core markets. The resort registered a significant increase in occupancy of 51.0% compared to 3.5% in the previous financial year. The room night bookings were mainly supported by the leisure individual segment of Europe and the commercial segment. Consequently, the resort reported a substantially higher total gross revenue of RM31.82 million compared to RM1.72 million in the previous financial year. Accordingly, the resort reported profit before tax of RM8.57 million compared to loss before tax of RM1.24 million incurred in the previous financial year.

### **Berjaya Praslin Resort, Seychelles**

During the financial year under review, the resort's occupancy increased to 58.5% from 10.3% in the previous financial year on the back of a healthy upturn in demand from the leisure individual segment of the Europe market, especially from Germany. The resort's gross revenue increased to RM9.10 million compared to RM1.66 million in the previous financial year. As a result, the resort registered profit before tax of RM2.35 million compared to loss before tax of RM1.30 million incurred in the previous financial year.

### **Berjaya Hotel Colombo, Sri Lanka**

During the financial year under review, the hotel's business was mainly supported by the domestic market and it was also leased to the local government agencies as a quarantine centre. Due to the high demand for quarantine, the hotel reported an increase in occupancy to 31.1% compared to 27.0% in the previous financial year. With the improvement in rooms and food and beverage operations, the hotel's revenue increased to RM2.26 million from RM1.99 million in the previous financial year. The hotel registered loss before tax of RM589,000, inclusive of the unrealised loss on foreign exchange of RM315,000.



*Berjaya Hotel Colombo, Sri Lanka.*

**Berjaya Eden Park London Hotel, United Kingdom**

The COVID-19 pandemic dampened leisure and business travels to London, United Kingdom. Consequently, the hotel temporarily suspended its business operations since the previous financial year and resumed operations in October 2021. For the financial year under review, the hotel registered occupancy of 34.3%, mainly from the domestic leisure business segment. The hotel reported gross revenue of RM5.08 million and loss before tax of RM2.66 million compared to loss before tax of RM2.59 million in the previous financial year.

**ANSA Okinawa Resort, Japan**

During the financial year under review, the resort entered into a lease agreement with the local government for quarantine services, which provided a fixed lease rental income for the resort. For the financial year under review, the resort recorded total gross revenue of RM17.78 million compared to RM2.92 million in the previous financial year. In line with the higher revenue, the resort registered profit before tax of RM4.82 million compared to loss before tax of RM8.94 million incurred in the previous financial year.

**Iceland Hotel Collection by Berjaya (formerly known as Icelandair Hotels Group)**

Iceland Hotel Collection by Berjaya operates 12 hotels located all around Iceland. In addition, a new 5-star 163-room hotel in Reykjavik’s Parliament district developed in collaboration with Hilton Hotels is scheduled to be launched in the fourth quarter of 2022. For the financial year under review, Iceland Hotel Collection by Berjaya enjoyed positive growth after the travel and social restrictions were lifted. These had led to strong demand in business levels in both rooms and food and beverage operations at all hotels in Iceland. Accordingly, Iceland Hotel Collection by Berjaya’s combined occupancy rose to 72.9% from 33.6% in the previous financial year. The total gross revenue increased by nearly 270% to RM327.52

million compared to RM88.55 million in the previous financial year. The Iceland Hotel Collection by Berjaya closed the financial year with a significantly lower loss before tax of RM19.82 million, a 83% decrease from the loss before tax of RM118.32 million in the previous financial year.

**INTERESTS IN OTHER HOTELS**

BLand 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 Sheraton Hanoi Hotel.

**Four Seasons Hotel and Hotel Residences, Kyoto, Japan**

During the financial year under review, the performance of the hotel was negatively affected by a low demand in leisure business, especially from the significant drop in international visitor arrivals compounded by strict travel restrictions imposed by the Japanese government. Currently, the hotel’s business is mainly supported by the local market and the leisure travel market during the holiday seasons. Nevertheless, the hotel’s occupancy rate increased marginally to 15.8% from 10.3% recorded in the previous financial year with an ARR of RM4,350. For the financial year ended 30 June 2022, gross revenue increased to RM78.61 million from RM59.46 million in the previous financial year. In line with the higher revenue, loss before tax was reduced to RM54.00 million from RM61.30 million incurred in the previous financial year, of which RM30.56 million was related to the depreciation of right-of-use assets and interest on lease liabilities.

**Sheraton Hanoi Hotel, Vietnam**

For the financial year ended 30 June 2022, total gross revenue declined marginally to RM27.31 million from RM28.36 million in the previous financial year mainly from the banqueting operations. The occupancy at the hotel increased to 30.8% from 29.9% in the previous financial year.



*ANSA Okinawa Resort, Japan.*

## MANAGEMENT DISCUSSION & ANALYSIS



*Bukit Jalil Golf & Country Resort, Kuala Lumpur.*

### FUTURE PROSPECTS

The operating environment in the near term for the hospitality industry is expected to remain challenging and volatile. Nevertheless, the progressive relaxation of COVID-19 restrictions and the reopening of international borders are anticipated to have a positive impact on BHR's overall business performance in spite of rising food prices, inflationary pressures and geopolitical tensions. Domestically, BHR's business performance is anticipated to benefit further from the positive momentum in the recovery of economic activities, particularly from the local corporate events, government functions, weddings and other social events. Nonetheless, BHR will continue to drive greater cost optimisation to improve cost efficiency and maximise profitability across all business 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 venues.

As at 30 June 2022, The Clubs have a total membership of 12,470 of which 6,647 are golf membership and 5,823 are non-golf membership.

During the financial year under review, Bukit Jalil Golf and Country Resort upgraded its food and beverage facilities while Kelab Darul Ehsan upgraded its golf halfway hut to provide better service and experience to its members. With the gradual easing of COVID-19 restrictions, The Clubs expects its food and beverage revenue to improve in the near future. The Clubs also offered incentives for its members to transfer their membership to their next-of-kin to promote golfing and its other facilities.

### Revenue & Profit Before Tax

For the financial year under review, The Clubs reported revenue of RM53.05 million compared to RM55.03 million in the previous financial year mainly due to the enforcement of the third movement control order by the Malaysian government. To lessen the financial burden on its members, The Clubs deferred the increase of monthly subscription fees during the financial year under review. The Clubs also offered incentives for membership transfers to the next-of-kin to attract members from a younger age group. The Clubs reported higher profit before tax of RM7.78 million compared to RM6.38 million in the previous financial year due to the lower operating expenses incurred during the financial year under review.

Despite the slow recovery in the food and beverage business, members were satisfied with the better golf course conditions and the introduction of single buggy occupancy services as represented by the higher number of golf rounds.

### Future Prospects

The financial year ended 30 June 2023 will remain competitive and challenging for the golf and recreation club industry. In tandem with the reopening of economic activities, The Clubs anticipates better business as a result of the pent-up demand for banqueting and the expansion of its food and beverage services.

### 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

For the financial year under review, BVC recorded comparable revenue of RM15.6 million compared to RM15.5 million in the previous financial year.

Nevertheless, operating profit decreased by 4% to RM9.1 million from RM9.5 million in the previous financial year due to the higher room rental and housekeeping expenses incurred for members' holiday accommodation.

**Future Prospects**

BVC has reformed a new management team to work towards excellent service quality by constantly enhancing its room conditions and infrastructure to create excitement among its members. To ensure business sustainability and revenue growth, BVC plans to relaunch new membership plans along with premium tier packages to actively attract and recruit potential members.

**PROPERTY DEVELOPMENT**

BLand’s property development business segment (“PD Division”) focuses mainly on the development of the Group’s land bank locally and abroad and the sales of the completed projects.

During the financial year under review, the COVID-19 restrictions, labour shortages, and supply chain disruptions continued to affect the business operations of the PD Division. The disruptions in economic and social activities have impacted the sales and construction activities resulting in lower progress billings.

Domestically, as the country achieved a higher vaccination rate coupled with the government’s stimulus measures, gradual relaxation of restrictions, and the reopening of international borders, the Malaysian property market has begun to see some improvements.

The PD Division organised a series of digital initiatives for its remaining unsold units at The Tropika, Bukit Jalil comprising four towers of 868 units of apartments together with 9 units of shop offices and 11 retail outlets built over 2.6 hectares of freehold land. A strict appointment process and frequent sanitization were implemented at the sales gallery to ensure the safety of the staff and purchasers during viewings. Despite the lockdown restrictions, demand for homes remained robust with 80% of Tower C of The Tropika, Bukit Jalil sold since its launch.

In February 2022, the PD Division launched the final tower, Tower D of The Tropika, Bukit Jalil, which garnered great interest and response from potential buyers. Total sales generated from The Tropika, Bukit Jalil during the financial year under review amounted to RM258.96 million.

The construction progress at The Tropika, Bukit Jalil reached 47.04% as at 30 June 2022 and was slightly behind schedule due to the COVID-19 restrictions, supply chain disruption, and labour shortage. However, Phase 1 of the commercial components comprising the main anchor tenant space, 9 units of double-storey shops, and 11 units of retail units have been completed and are pending handover to the tenants. Business operations at the fully tenanted commercial development are likely to commence by the fourth quarter of 2022.



*Swimming Pool at The Tropika, Bukit Jalil, Kuala Lumpur.*



*Artist impression of The Peak @ Taman TAR, Selangor.*

The Peak @ Taman TAR, located at 165 metres above sea level within a pristine green lung at Taman Tun Abdul Razak ("TAR") in Ampang, features 88 bungalow lots ranging in size from 8,831 to 27,037 square feet, nestled on a majestic 67-acre freehold residential development is a much-coveted address for those who desire a luxurious home amidst nature's grandeur. The PD Division intensified its sales and marketing initiatives through collaboration with property agents, online advertising, and on-site signage to reach out to prospects for its remaining 7 unsold bungalow lots with sales value of RM36 million. As at 1 September 2022, the PD Division achieved cumulative sales of 92% with a total sales value of RM242 million.

The Seputeh Heights is a carefully crafted 41 acres of freehold low-density development only for the privileged few. Similar sales and marketing initiatives were carried out for Seputeh Heights to market the remaining 3 unsold bungalow lots. As at 1 September 2022, 97% of the 103 bungalow lots have been sold with a total sales value of RM212 million.

Up north in Penang, the PD Division intensified its sales and marketing initiatives for Phase 1 of the Kensington Gardens development, a high-end and low-density bungalow lots development surrounded by nature-inspired features and facilities at Jesselton Penang. The remaining 17 unsold bungalow lots were promoted to potential buyers through collaboration with property agents and on-site billboards. The project comprising 68 units of bungalow lots with sizes ranging from 5,995 to 9,634 square feet has achieved 75% cumulative sales as at 30 June 2022 with a total sales value of RM226 million.

In Ho Chi Minh City, Vietnam, the Topaz Twins featuring two towers of 668 units of residential apartments and 15 units of shop lots located at the administration hub of Bien Hoa City was completed on 15 November 2020. As at 30 June 2022, there are 7 unsold apartment units with a sales value of VND55.5 billion (approximately RM10.4 million).

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 2022, all 103 units of Arden Park Garden Villas have been sold with a total sales value of VND841.8 billion (approximately RM157.7 million). For Canal Park Apartments and Eastern Park shophouses, all 148 units of residential apartments and 72 units of shophouses have been completely sold and handed over to purchasers. Spurred by 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 shop houses with an estimated gross development value of VND850.0 billion (approximately RM153.5 million) in January 2020. As at 30 June 2022, the PD Division secured sales booking for 75 units with a total sales value of VND716.8 billion (approximately RM134.3 million). As the COVID-19 lockdown in Vietnam has just been lifted, the development of 88 Central project will commence upon completion of all the statutory authorities' approval processes.

**FINANCIALS**

For the financial year under review, the PD Division recorded revenue of RM202.46 million and pre-tax profit of RM66.18 million.

**FUTURE PROJECTS**

For the forthcoming financial year, the PD Division plans to launch the first phase of KM2, a development sited on 12.24 acres of elevated land in Bukit Jalil, Kuala Lumpur. The first phase of the PD Division's last tract of development land at Bukit Jalil comprises two residential blocks with 350 units that will be built on 2.2 acres of land. The sizes of the units ranging from 800 square feet to 1,300 square feet whereby all the bedrooms designed with ensuite bathrooms and all units have either a balcony or a lanai. Due to the strong sales achieved in our previous development projects at Bukit Jalil, the PD Division foresees the launch of the first phase of KM2 will be well received.

Over at Berjaya Park, Shah Alam, the upcoming Bayu Timur Condominium sited on 8.51 acres of freehold land presents an inviting opportunity to redefine the envisioned lifestyle. Overlooking Bukit Kemuning Golf & Country Resort with majestic views of a 150-acre golf course, Bayu Timur features 4 blocks of 5-storey and 24-storey low rise condominiums comprising 518 units of 3 bedrooms and 3+1 bedrooms on dual key concept with sizes ranging from 1,000 square feet to 1,280 square feet. Bayu Timur is targeted to be launched in the second quarter of 2023.

The PD Division is also planning to develop its second phase of development next to Kensington Gardens. Jesselton Courtyard Villas is an exclusive gated and guarded development designed to suit the existing land terrains. The project features three rows of 5-storey low-rise condominiums totalling 207 units with sizes ranging from 2,750 square feet to 3,350 square feet and 32 units of 4-storey zero-lot bungalow with approximately 6,000 square feet of built-up area. In line with the market demand, the project comes with a dual-key concept and each unit will have a minimum of 4 car parking bays in front of its doorsteps. The courtyard in the unit will bring natural sunlight and ventilation and the layout is designed to suit 3 generations living in a private space. The carless community sky garden at the top roof, the view of the golf course, and turf racing at Penang Turf Club will be the main attraction of this project. The PD Division is targeting to launch this development by the middle of 2023.

**FUTURE PROSPECTS**

With countries around the world progressively easing movement and travel restrictions, the local property market is anticipated to recover albeit at a slower pace, as rising inflationary pressures and higher interest rates affect consumer sentiments and purchasing power. While there are uncertainties and challenges, the PD Division will remain vigilant in monitoring the economic recovery. The PD Division remains optimistic that there is still pent-up demand for well-planned properties in strategic locations.

Moving forward, the PD Division will intensify its marketing efforts and be vigilant in planning its future launches. The Division is steadfast in delivering quality products that meet the evolving lifestyle needs and aspirations of its buyers. To improve operational efficiency, the PD Division will continue to explore innovative construction methods and implement additional cost optimisation measures to ensure that its future development projects are competitively priced. Despite the challenging operating environment, the PD Division strives to remain agile and respond rapidly to changes in the internal and external environment.

**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 registered an improvement in average occupancy rate to 72% during the financial year under review from 60% in the previous financial year.

For the financial year ended 30 June 2022, the PI Division registered a marginal decrease in revenue of RM12.90 million compared to RM13.60 million in the previous financial year mainly due to the partial rental rebates granted to its eligible tenants to help them tide over the COVID-19 downturn. Despite the lower revenue, the PI Division registered loss before tax of RM1.49 million compared to RM15.70 million in the previous financial year.

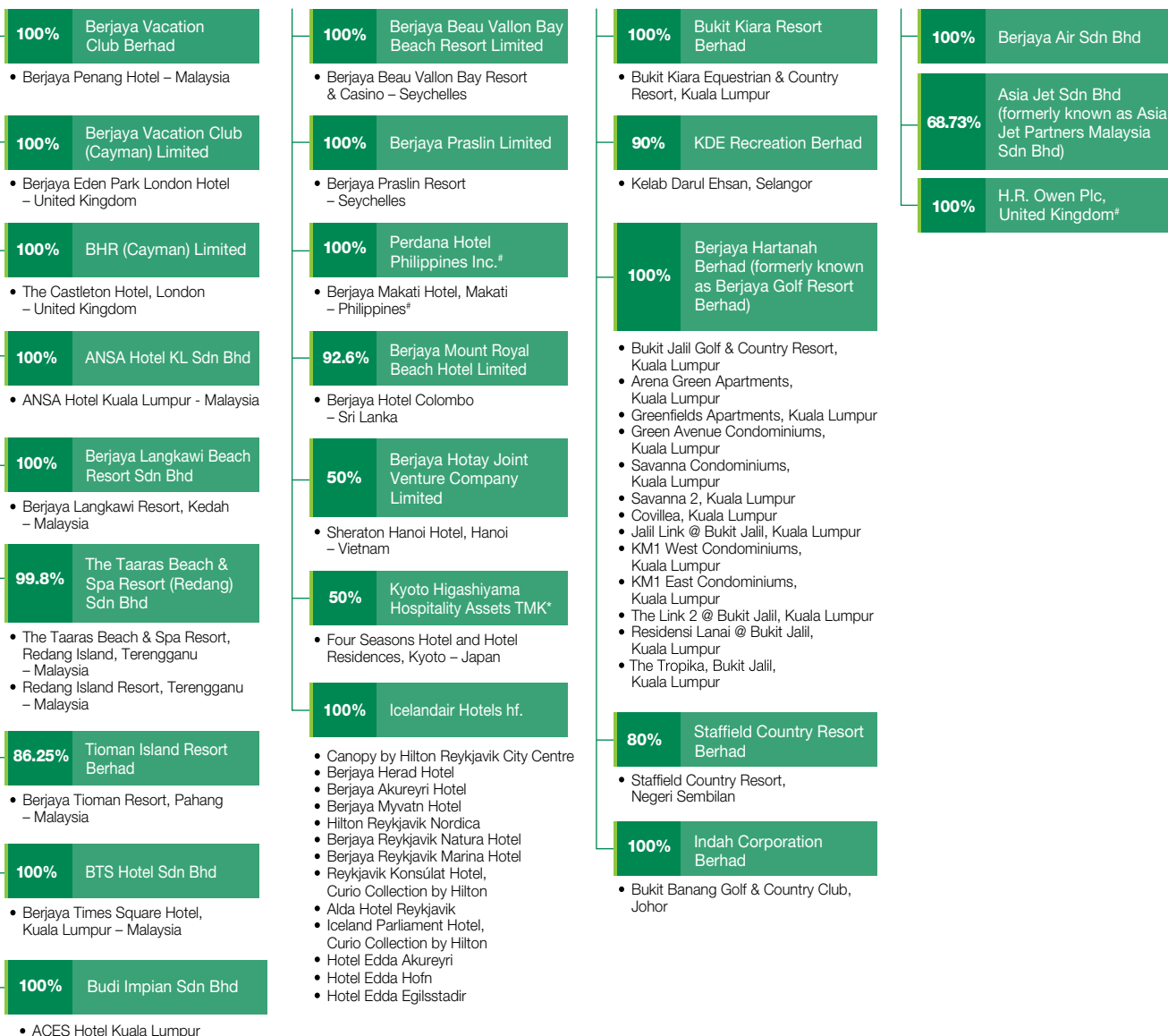
The PI Division will continue to adapt and pivot to changing situations in the retail industry. To stay relevant and competitive, the PI Division will continue to develop attractive marketing and promotional initiatives to retain and drive greater interest in its commercial properties, while closely monitoring the impact of inflation and rising interest rates on its tenants' businesses.

# CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 3 October 2022

## BERJAYA LAND BERHAD

### HOTELS, RESORTS, RECREATION DEVELOPMENT, VACATION TIMESHARE AND OTHERS



■ Listed Company    + Combined Interest

# subsidiary companies of Berjaya Philippines Inc.

\* subsidiary company of Berjaya Corporation Berhad



## BERJAYA LAND BERHAD

### PROPERTY INVESTMENT & DEVELOPMENT

<b>100%</b>	<b>Taman TAR Development Sdn Bhd</b>	<ul style="list-style-type: none"> <li>The Peak @ Taman TAR, Ampang, Selangor</li> </ul>
<b>100%</b>	<b>Berjaya Tagar Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Seputeh Heights, Kuala Lumpur</li> <li>Vasana 25, Kuala Lumpur</li> <li>Subang Heights, Shah Alam, Selangor</li> </ul>
<b>80%</b>	<b>Pakar Angsana Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Berjaya Park, Shah Alam, Selangor</li> </ul>
<b>100%</b>	<b>Sri Panglima Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Taman Kinrara IV, Puchong, Kuala Lumpur</li> </ul>
<b>100%</b>	<b>Berjaya Land Development Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Kelang Lama New Business Center, Kuala Lumpur</li> <li>Gemilang Indah Apartments, Kuala Lumpur</li> <li>Medan Indah, Kota Tinggi, Johor</li> <li>Taman UPC, Ayer Hitam, Johor</li> <li>Bandar Banang Jaya, Batu Pahat, Johor</li> <li>Robson Condominiums, Kuala Lumpur</li> <li>Jesselton Villas, Penang</li> </ul>
<b>100%</b>	<b>Berjaya Construction Berhad (formerly known as Berjaya Engineering Construction Sdn Bhd)</b>	

<b>100%</b>	<b>Securiservices Sdn Bhd</b>	<ul style="list-style-type: none"> <li>1 Petaling Residences &amp; Commerz @ Sg. Besi, Kuala Lumpur</li> <li>Petaling Indah Condominiums, Kuala Lumpur</li> <li>3-Storey Shop Office @ Sg. Besi, Kuala Lumpur</li> </ul>
<b>80%</b>	<b>Berjaya-Handico 12 Co. Ltd</b>	<ul style="list-style-type: none"> <li>Ha Noi Garden City, Hanoi - Vietnam</li> </ul>
<b>100%</b>	<b>Berjaya-D2D Company Limited</b>	<ul style="list-style-type: none"> <li>Bien Hoa City Square, Dong Nai Province - Vietnam</li> </ul>
<b>100%</b>	<b>Berjaya Okinawa Development Co. Ltd</b>	<ul style="list-style-type: none"> <li>ANSA Okinawa Resort</li> <li>Development of Four Seasons Resort and Private Residences Okinawa</li> </ul>

<b>100%</b>	<b>Nural Enterprise Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Plaza Berjaya, Kuala Lumpur</li> </ul>
<b>100%</b>	<b>Kota Raya Development Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Kota Raya Complex, Kuala Lumpur</li> </ul>
<b>100%</b>	<b>Cempaka Properties Sdn Bhd</b>	<ul style="list-style-type: none"> <li>Berjaya Megamall, Kuantan, Pahang</li> <li>Kuantan Perdana, Kuantan, Pahang</li> </ul>
<b>9.48%</b>	<b>Berjaya Assets Berhad</b>	<ul style="list-style-type: none"> <li>Berjaya Times Square, Kuala Lumpur</li> <li>Natural Avenue Sdn Bhd</li> <li>Berjaya Waterfront Hotel, Johor Bahru, Johor</li> <li>Berjaya Waterfront Complex, Johor Bahru, Johor</li> <li>Menara MSC Cyberport, Johor Bahru, Johor</li> <li>Islington on the Green, London, United Kingdom</li> <li>Berjaya Assembly Sdn Bhd</li> </ul>

### GAMING & LOTTERY MANAGEMENT

		+
<b>100%</b>	<b>Berjaya International Casino Management (Seychelles) Limited</b>	
		+
<b>40.75%</b>	<b>Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad)</b>	
<b>100%</b>	<b>STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd)</b>	
		+
<b>88.26%</b>	<b>Berjaya Philippines Inc</b>	
<b>39.99%</b>	<b>Philippine Gaming Management Corporation</b>	
<b>100%</b>	<b>International Lottery &amp; Totalizator Systems, Inc. USA</b>	
<b>100%</b>	<b>Unisyn Voting Solutions, Inc., USA</b>	

# GROUP FINANCIAL SUMMARY

Description	2022 US\$'000	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000
Revenue	1,373,379	6,044,240	5,406,076	5,160,309	7,307,221	6,390,405
(Loss)/Profit Before Tax	(22,789)	(100,296)	(42,232)	213,616	546,397	99,981
(Loss)/Profit for the Financial Year/Period	(53,968)	(237,515)	(142,263)	71,769	352,472	(93,230)
(Loss)/Profit Attributable To Shareholders	(55,207)	(242,964)	(247,644)	(36,838)	154,083	(167,466)
Share Capital	568,091	2,500,168	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	269,646	1,186,710	1,376,341	1,653,037	1,697,945	1,660,858
Equity Funds	837,737	3,686,878	3,876,509	4,153,205	4,198,113	4,161,026
Treasury Shares	(7,644)	(33,643)	(33,643)	(33,643)	(20,699)	(20,699)
Net Equity Funds	830,093	3,653,235	3,842,866	4,119,562	4,177,414	4,140,327
Non-controlling Interests	455,826	2,006,089	2,062,916	2,134,130	2,080,907	2,279,015
Total Equity	1,285,919	5,659,324	5,905,782	6,253,692	6,258,321	6,419,342
Long Term Loans	553,268	2,434,931	1,721,389	2,338,311	1,742,770	1,888,367
Deferred Tax Liabilities	226,329	996,073	993,958	1,010,771	959,611	1,069,925
Lease Liabilities	203,129	893,971	942,930	947,078	-	-
Other Non-Current Liabilities	62,714	276,003	307,842	282,865	274,818	317,120
Current Liabilities	643,197	2,830,712	3,059,972	2,928,075	2,817,539	3,227,762
Liabilities Directly Associated To Disposal Group Classified As Held For Sale	-	-	-	103,533	12,093	2,959
<b>Total Equity and Liabilities</b>	<b>2,974,556</b>	<b>13,091,014</b>	12,931,873	13,864,325	12,065,152	12,925,475
Property, Plant And Equipment	447,625	1,969,995	1,938,953	1,897,195	1,571,650	1,584,508
Right-Of-Use Assets	256,995	1,131,035	1,172,983	1,165,382	-	-
Intangible Assets	814,831	3,586,069	3,609,310	3,612,867	3,592,282	4,071,572
Other Non-Current Assets	651,838	2,868,738	2,862,321	2,808,204	3,771,918	3,860,033
Current Assets	760,329	3,346,209	3,160,538	3,602,621	2,899,218	3,186,482
Assets of Disposal Group/ Non-Current Assets Classified As Held for Sale	42,938	188,968	187,768	778,056	230,084	222,880
<b>Total Assets</b>	<b>2,974,556</b>	<b>13,091,014</b>	12,931,873	13,864,325	12,065,152	12,925,475
Net Assets Per Share (US\$/RM)*	0.17	0.74	0.78	0.84	0.84	0.84
Net (Loss)/Earnings Per Share (US\$/RM)*	(0.01)	(0.05)	(0.05)	(0.01)	0.03	(0.03)
Dividend (cents/sen)*	-	-	-	-	-	-
Dividend Amount (US\$'000/RM'000)	-	-	-	-	-	-

## Notes:

Figures for 2018 are for 12 months ended 30 April 2018, 2019 are for 14 months ended 30 June 2019, and 2020-2022 are 12 months ended 30 June. Net assets per share represents the net equity funds divided by the number of outstanding shares with voting rights in issue.

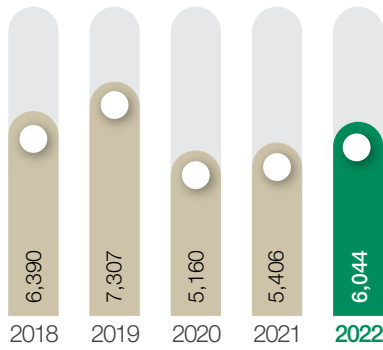
Where additional shares are issued, the earnings/(loss) per share are calculated based on a weighted average number of shares with voting rights in issue.

Exchange rate as at 30-6-2022: US\$1.00=RM4.401

# GROUP FINANCIAL HIGHLIGHTS

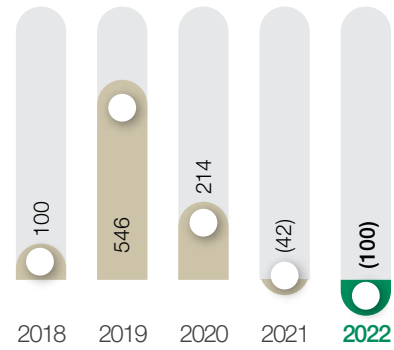
## REVENUE

(RM' Million)



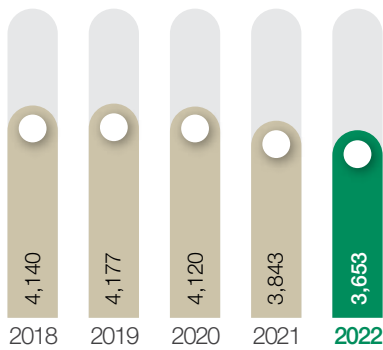
## PROFIT/(LOSS) BEFORE TAX

(RM' Million)



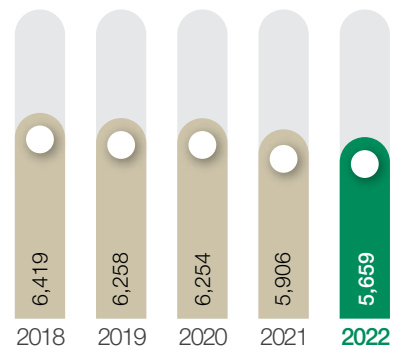
## NET EQUITY FUNDS

(RM' Million)



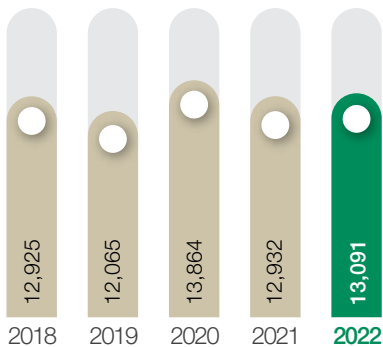
## TOTAL EQUITY

(RM' Million)



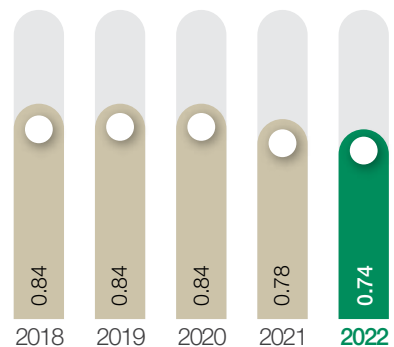
## TOTAL ASSETS

(RM' Million)



## NET ASSETS PER SHARE

(RM)



# SUSTAINABILITY STATEMENT

## ABOUT THIS REPORT

Berjaya Land Berhad’s (“BLand” or “the Group”) annual Sustainability Statement provides a summary of the Group’s operating performance, including financial and non-financial measures and performance against its sustainability strategy. The table below contains detailed information on the scope and criteria for preparing this 2022 statement.

Scope of Report	
Reporting Period	1 July 2021 to 30 June 2022 (“FY2022”)
Reporting cycle	Annually
Coverage	<p>This Sustainability Statement covers the operations of BLand’s principal activities:</p> <ul style="list-style-type: none"> <li>Property development (“PD”), property investment (“PI”), hotels and resorts, clubs and recreation, gaming in Malaysia, and</li> <li>Business operations in the Philippines and the United Kingdom (“UK”).</li> </ul> <p>It excludes environmental and social sustainability aspects of other business operations in Vietnam, Japan, Sri Lanka, Seychelles, Iceland and the United States of America.</p>
References and Guidelines	
Reporting Guidelines and Principles	<p><b>Principle Guideline:</b> Global Reporting Initiative (GRI) Standards: Core Option</p> <p><b>Additional Guidelines:</b></p> <ul style="list-style-type: none"> <li>Bursa Malaysia’s Sustainability Reporting Guide</li> <li>FTSE4Good Bursa Malaysia ESG Index</li> </ul>
Reporting Approach	<p>This Sustainability Statement summarises the sustainability performance of BLand’s strategic business. In defining the content, BLand has:</p> <ul style="list-style-type: none"> <li>Applied the GRI reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness;</li> <li>Considered accuracy, balance, clarity, comparability, reliability and timeliness; and</li> <li>Developed it according to the defined material topics.</li> </ul> <p>BLand identified these topics after reviewing the overall sustainability risks and opportunities, determined by macroeconomic analysis, sustainability trends and senior management input. Stakeholders’ views, concerns and key expectations also shaped the materiality assessment. This assessment helped the Board in realigning the Group’s sustainability strategy while ensuring transparent coverage of critical topics.</p>
Reliability and relevance of information disclosed	<p>The accuracy of the statement’s content has been:</p> <ul style="list-style-type: none"> <li>Reviewed by the Sustainability Committee; and</li> <li>Presented to the Board for approval.</li> </ul>
Feedback	<p>BLand is fully committed to listening to stakeholders and welcomes feedback on its sustainability reporting and performance. Please direct queries and comments (if any) through the ‘Contact Us’ section of the corporate website to: (<a href="https://www.berjaya.com/inquiry.php">https://www.berjaya.com/inquiry.php</a>).</p>

**A CLEAR PATH TO A SUSTAINABLE FUTURE**

BLand views sustainability as a healthy, productive and resilient system to support the Company’s continuous growth. BLand strives to create long-term value for its stakeholders including customers, employees, shareholders and communities by addressing their growing needs for sustainable solutions.

BLand’s sustainability ambition aims to set a strong foundation by introducing a structured approach to addressing the different areas of sustainability:

	<p><b>ECONOMIC</b></p> <p>Creating long-term value for shareholders and the Group’s stakeholders.</p>
	<p><b>ENVIRONMENTAL</b></p> <p>Striving to reduce the Group’s environmental footprint by improving the efficiency of resources and supporting conservation efforts.</p>
	<p><b>SOCIAL</b></p> <p>Dealing with customers and communities according to good market practices and regulatory requirements, conducive workplace practices and community engagement through various initiatives involving the Group’s monetary and non-monetary resources.</p>
	<p><b>GOVERNANCE</b></p> <ul style="list-style-type: none"> <li>Ensuring healthy business practices by being fully compliant with approved policies, standard operating procedures, Malaysian and other governing laws, and local and international standards of corporate behaviour.</li> <li>Promoting fair engagement, accountability and access to justice, internally and externally.</li> </ul>

**LISTENING TO STAKEHOLDERS’ VOICES: CREATING MEANINGFUL RELATIONSHIPS**

Stakeholder engagement is of high importance due to the following:

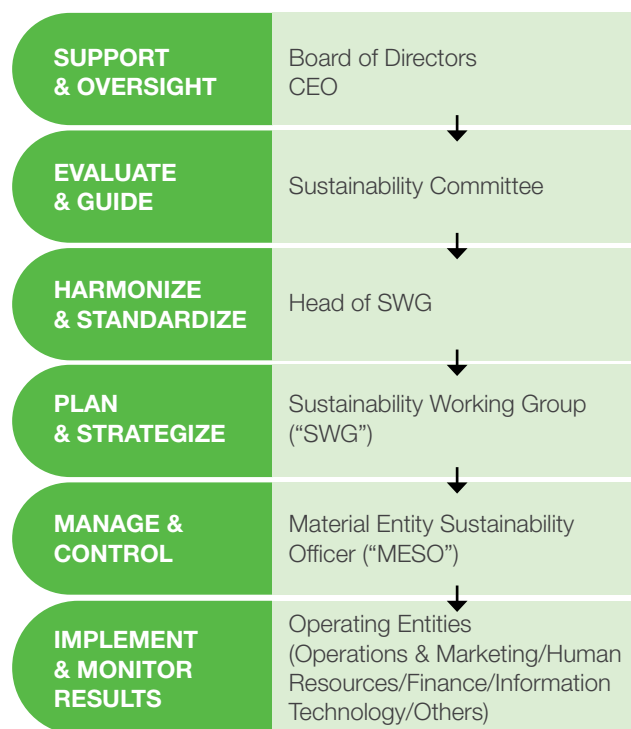
- Dynamic social and economic landscape in which BLand operates; and
- Diverse business activities of the Group.

The collaboration resulting from its stakeholder engagement efforts has led to several practical, implementable solutions. BLand’s stakeholder engagement system is vital for improving the Group’s communications, obtaining support for its projects and understanding concerns regarding any areas of its practices.







**SUSTAINABILITY GOVERNANCE**

At the highest governance level, the Board oversees the development and adoption of BLand’s sustainability strategy and related policies. The Group assigned detailed tasks to a Sustainability Committee. Based on regular updates from management and the Sustainability Committee, the Board monitors and reviews the progress of the Group’s sustainability strategy, including all sustainability-related internal and external engagements, risk issues and exposures, especially those with a specific sustainability component.

**Sustainability Governance Structure**



## SUSTAINABILITY STATEMENT

	Stakeholder Group	Stakeholder Expectations	Key Input Resources
	<b>Government and Regulators</b>	<ul style="list-style-type: none"> <li>Demand compliance with existing regulations on responsible business practices</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing meetings and interactions on policy matters, issues and concerns arising from the changing operating environment and topics related to customers and the general public</li> </ul>
	<b>Customers</b>	<ul style="list-style-type: none"> <li>Demand for an outstanding customer experience, including excellent hospitality, fair pricing, quality product and after-sales service</li> </ul>	<ul style="list-style-type: none"> <li>Regular networking activities</li> <li>Formal and informal meetings</li> <li>A Customer Service Unit that attends to calls, walk-ins and LiveChats</li> <li>Periodic customer surveys and guests experience surveys</li> </ul>
	<b>Employees</b>	<ul style="list-style-type: none"> <li>A meaningful career path, fair treatment, fair wages and excellent development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>New staff orientation</li> <li>Internal engagement channels such as the Berjaya intranet and quarterly newsletters</li> <li>Training and development programmes</li> <li>Employee engagement activities</li> <li>Salary benchmarking</li> </ul>
	<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Fair procurement and transparent business dealings</li> </ul>	<ul style="list-style-type: none"> <li>Tendering and procurement processes</li> <li>Regular meetings</li> </ul>
	<b>Communities, Non-Governmental Organisations, Peer Companies, Industry Groups</b>	<ul style="list-style-type: none"> <li>The positive impact of operations that benefit society and the industry</li> </ul>	<ul style="list-style-type: none"> <li>Focus groups and consultative meetings</li> <li>Volunteering opportunities and charitable events</li> </ul>
	<b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>Strategies and plans that mitigate current and future risks to the business model</li> </ul>	<ul style="list-style-type: none"> <li>Communications via announcements to Bursa Malaysia Securities Berhad</li> <li>General meetings</li> <li>Corporate website</li> <li>Briefings and updates for analysts, fund managers and potential investors</li> </ul>

### SUSTAINABILITY PRIORITIES AND MATERIALITY

BLand measures and reports a range of sustainability-related topics and metrics. Whilst specific issues only impact the minority stakeholders, several sustainability aspects significantly impact the Group's operating industries and are relevant to most stakeholders.

The Group understands that prioritising and addressing essential sustainability areas today ensures that it will be more efficient and future-proof in the long term.

**THE MATERIALITY PROCESS AROUND SUSTAINABILITY**

BLand maintains an up-to-date understanding of its material topics through:

- Engagement and dialogue with key stakeholders; and
- Monitoring its businesses and industry peers.

The Group combines stakeholder insights together with its internal competencies and knowledge of impacts, risks and opportunities to outline key priorities.

United Nations members adopted the Sustainable Development Goals (SDGs), encompassing 17 objectives for 2030 to end extreme poverty, fight inequality and injustice, and protect the planet.

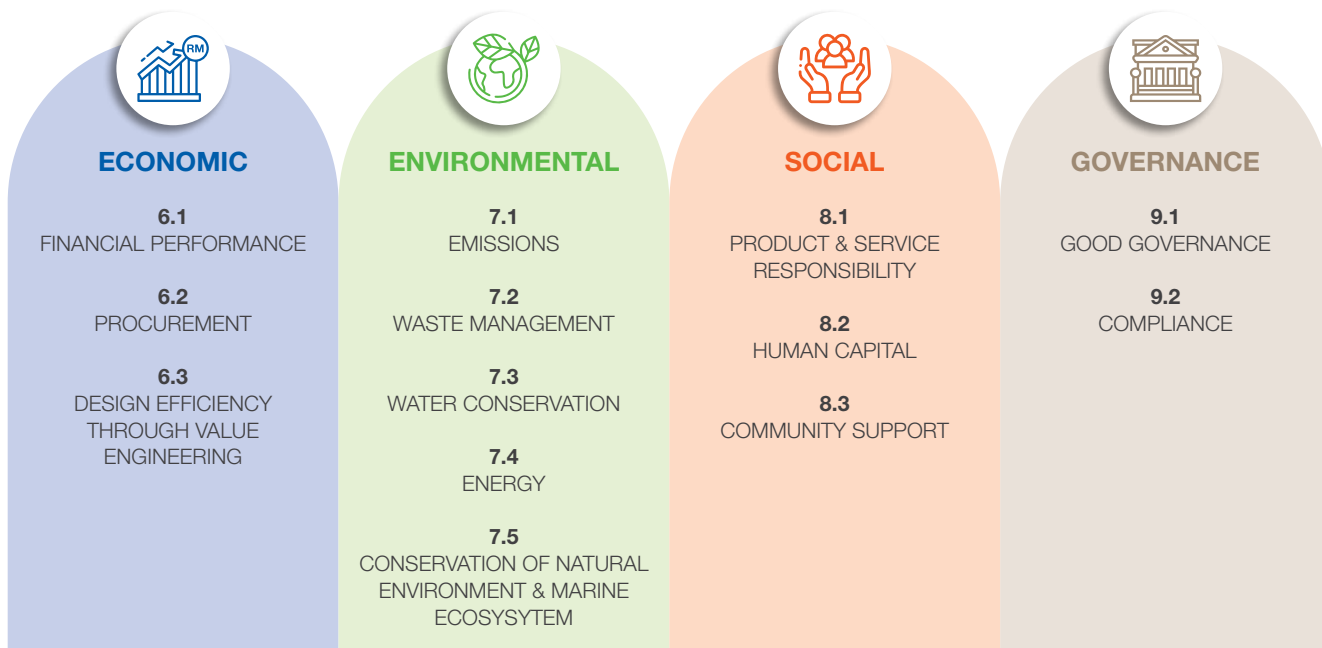
In line with this, BLand commissioned a detailed materiality assessment in FY2021, covering 13 material issues relevant to the Group’s sustainability journey to achieve these global goals.



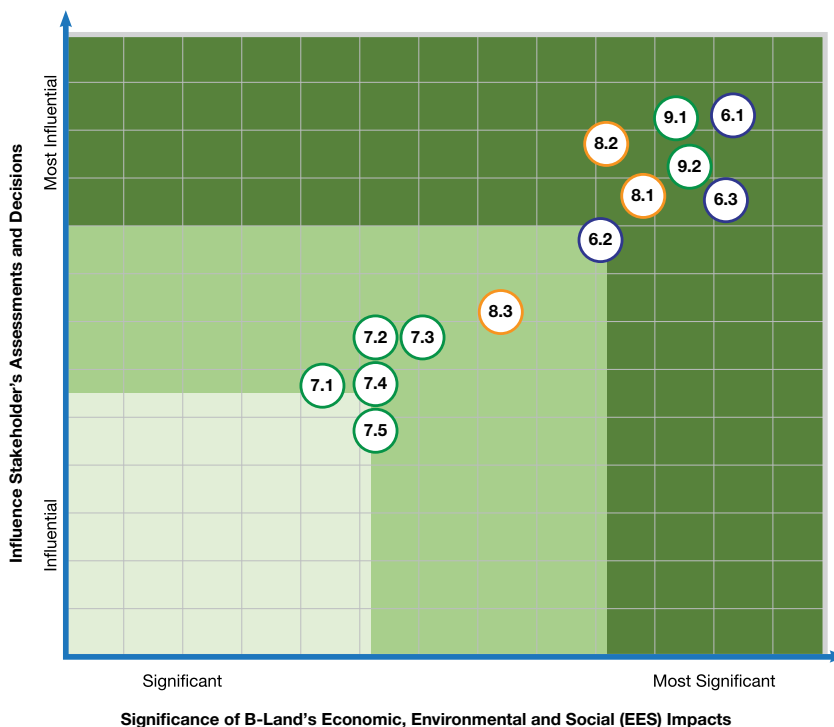
BLand reviewed FY2021 materiality results, as seen in the following Materiality Matrix chart for the current financial year and deemed them relevant given the similar focus areas and operational landscape for FY2022. The materiality results help the Group understanding stakeholders’ perceptions of BLand and the potential business risks and opportunities, enabling it to evaluate its ability to create and sustain long-term value. BLand reviews these topics annually for validation by the management team and endorsement by the Board of Directors.

# SUSTAINABILITY STATEMENT

## 4 Sustainability Pillars



## Materiality Matrix



### ECONOMIC

Established in 1990, BLand has a diverse portfolio from housing development, investment property to hospitality. The Group contributes to the economy and nation through various projects, including penetrating the affordable and high-end spectrums of the property development market. The Group has also started to gain momentum in its hospitality industry following the recovery of the tourism industry post-pandemic.

The Group's progress over the past year was remarkable and it remains hopeful that its businesses will continue to grow sustainably. The Group reviewed all ongoing projects and researched to understand market needs more clearly. Projects previously postponed due to the pandemic are now ready for launch, such as Bayu Timur Residences, a high-end residential development in Shah Alam; and KM2, a mixed development in Bukit Jalil.



**AFFORDABLE HOUSING**

Providing sustainable housing and adequate infrastructure for citizens is a critical indicator of a country’s progress. BLand introduced various programmes under the National Housing Policy to provide more homeownership opportunities for Malaysians, especially first-time homebuyers.

Following the handover of BLand’s first affordable housing project, Residensi Lanai in Bukit Jalil, BLand continues to

unveil more affordable housing projects that cater to the mass market. BLand is planning affordable housing projects in Shah Alam, Subang Heights and Penang. This sustainable model helps the Group expand its customer base and provides shelter to low- to middle-income earners.

The lands which BLand had earmarked in the Klang Valley are currently undergoing master plan discussions with the relevant consultants. These plots of land are in easily accessible locations with access to public transportation systems, which is a key differentiator for the Group’s development projects.

**IN THE HORIZON**

A piece of land in an elite area was allocated for BLand to build affordable homes according to the state government’s Housing and Real Property Board (LPHS) plot ratio of approximately 120 units per acre. Each of these properties will cost less than RM300,000, depending on built-up sizes.

**BLAND HOSPITALITY SECTOR SET TO REVIVE ECONOMY**

After two years of movement restrictions, Malaysia eased domestic and international travels since the second quarter of FY2022. Following the announcement, the hospitality industry was the first to gain and contribute to the country’s economic growth.

Berjaya Hotels & Resorts (“BHR”) welcomed back visitors and guests after completing its upgrading works during the lockdown period. New technologies and processes ensured BHR could #reopensafely and deliver a better guest experience.

BLand also upgraded its Clubs and Recreation (“The Clubs”). These included the refurbishing of swimming pools, fixtures, fittings and general facilities enhanced members’ experiences and recognised their continuous support throughout the pandemic.

**SUSTAINABILITY ACROSS THE SUPPLY CHAIN**

BLand engages many active suppliers in its operations, including facility managers, maintenance service providers, contractors, professional consultants and financial institutions. Local and sustainable sourcing is part of the Group’s ethos, allowing BLand to contribute to the local economy while minimising the footprint of its business operations.

BLand strives to implement appropriate sustainability measures across the value chain, such as risk management procedures for outsourcing and procuring goods and services to support its broader sustainability efforts. Key considerations include reputation, professional expertise, track record, pricing, financial standing and compliance with legal requirements in the supplier selection process. The Procurement Department obtains a minimum of three quotes whenever applicable and feasible.

The Group also includes social and environmental factors when screening its suppliers.



**SOCIAL SUPPLY CHAIN**

- Labour practices
- Respect for human rights
- Addressing social issues including health and safety, fair wages and equal opportunities



**ENVIRONMENTAL SUPPLY CHAIN**

- Prevention of pollution
- Sustainable resource use
- Environmental impact management

## SUSTAINABILITY STATEMENT

Suppliers and contractors are subjected to social and environmental risk assessments as part of due diligence to ensure total compliance with the Group's standards. BLand conducts random and timely inspections on contractors and sub-contractors working at sites. BLand recorded some minor non-conformance during weekly inspections at the Tropika Bukit Jalil project site; however, these mainly concerned waste handling and housekeeping. The team issued corrective action reports before performing follow-up inspections. The contractors addressed all issues within the timeframe given.

### ADVANCING THE INDUSTRY THROUGH PARTNERSHIPS AND COLLABORATIONS

As one of the largest property groups in Malaysia, BLand contributes its expertise in advancing the nation and the industry through memberships in various industry associations. Participating regularly in key industry events, the Group shares insight on the latest industry development.

BLand is a member of the Real Estate and Housing Developers' Association Malaysia (REHDA) and the Group is also represented in the International Real Estate Federation (FIABCI) Malaysian Chapter. Most properties in Malaysia under BHR are registered members of the Malaysian Association of Hotels (MAH). Each hotel and resort regularly engages with MAH to address industry challenges and discuss the industry's advancement initiatives.



**BHR won the bronze award in the Transportation, Travel & Tourism category at the Putra Brand Awards 2021.**

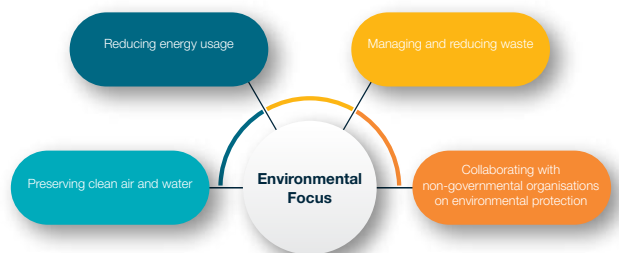
### ENVIRONMENTAL

BLand operates in one of the world's most resource-intensive sectors. According to the World Green Building Council:

- Buildings and construction are responsible for 39% of all global carbon emissions;
- Operational emissions from energy for heating, cooling and lighting buildings account for 28%; and
- Embodied carbon emissions, or 'upfront' carbon associated with materials and construction processes throughout the building lifecycle, are responsible for 11%.

As one of Malaysia's largest property developers, BLand is acutely aware of the benefits of incorporating sustainable design and operational principles in its developments. Sustainability is an extension of BLand's 'own, develop and manage' philosophy. Optimising development sustainability potential through green design initiatives helps the Group minimise its environmental impacts and provide long-term benefits for tenants, buyers, customers and the local community.

### BHR's Commitment to Sustaining the Environment



At a minimum, BLand ensures compliance with all relevant environmental legislation, including:

- Environmental Quality Act 1974
- Environmental Quality (Industrial Effluent) Regulations 2009
- Environmental Quality (Sewage) Regulations 2009
- Environmental Quality (Scheduled Wastes) Regulations 2005
- Environmental Quality (Control of Pollution from Solid Waste Transfer Station and Landfill) Regulations 2009

**Little Steps Go a Long Way in Reducing Waste at BHR**

 <p>Paperless check-in process</p>	 <p>Printing invoices only upon request</p>
 <p>Email confirmations for all quotations and room confirmations</p>	 <p>Repurposing old linen and towels as rags and floor mats in common areas</p>
 <p>Replacing plastic wrappers for in-room amenities with recycled paper wrapping</p>	 <p>Banning single-use plastic straws and offering paper straw alternatives upon request</p>
 <p>Complementing water bottles in rooms with water dispensers at some resorts</p>	 <p>Placing more recycling bins in common areas</p>
 <p>Using glass bottles at cafes</p>	

**ENERGY CONSERVATION AND EFFICIENCY**

Energy management plays a central role in BLand’s Environmental Management System. All energy consumption is recorded and evaluated. The Group is committed to reducing climate impact and optimising resource efficiency throughout its operations.

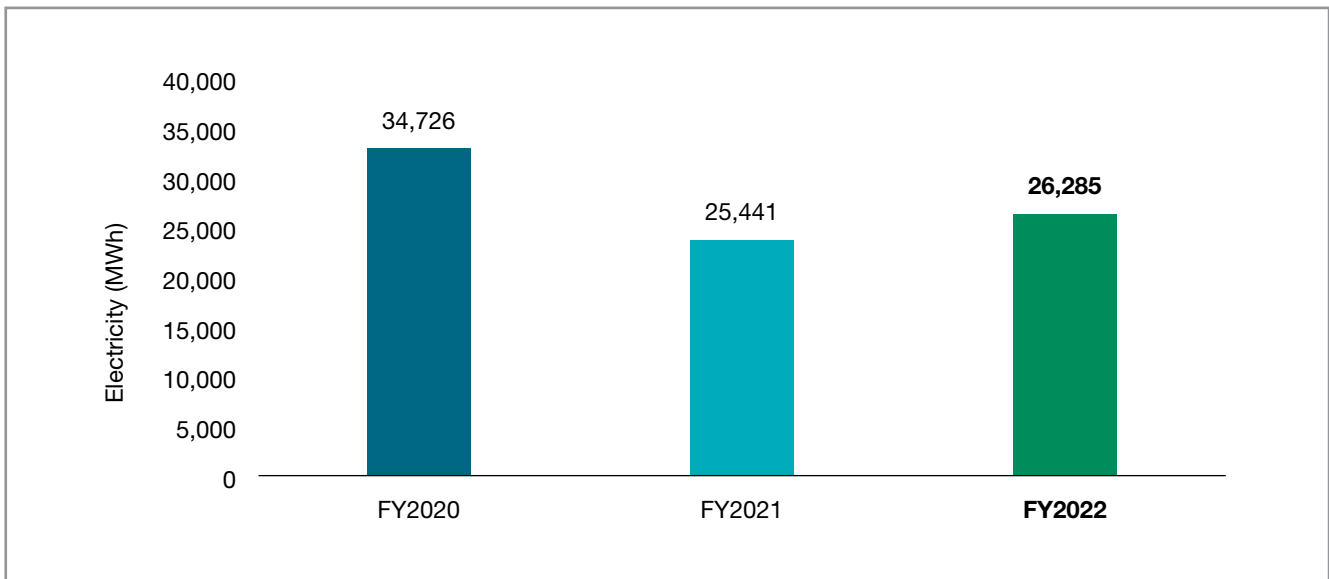
The Group continued replacing traditional lighting with energy-saving LED and induction lights in its buildings and developments. All new air-conditioning units have at least a three, preferably four-star rating, indicating their power efficiency.

Managing energy demand is crucial for efforts to shift towards more sustainable lifestyles. BLand’s PD Division uses smart meters, which record real-time energy consumption for its genset, air-conditioning, lighting and pumps. The Group Procurement also favours energy-efficient appliances. BHR closes floors with unoccupied rooms to reduce energy consumption.

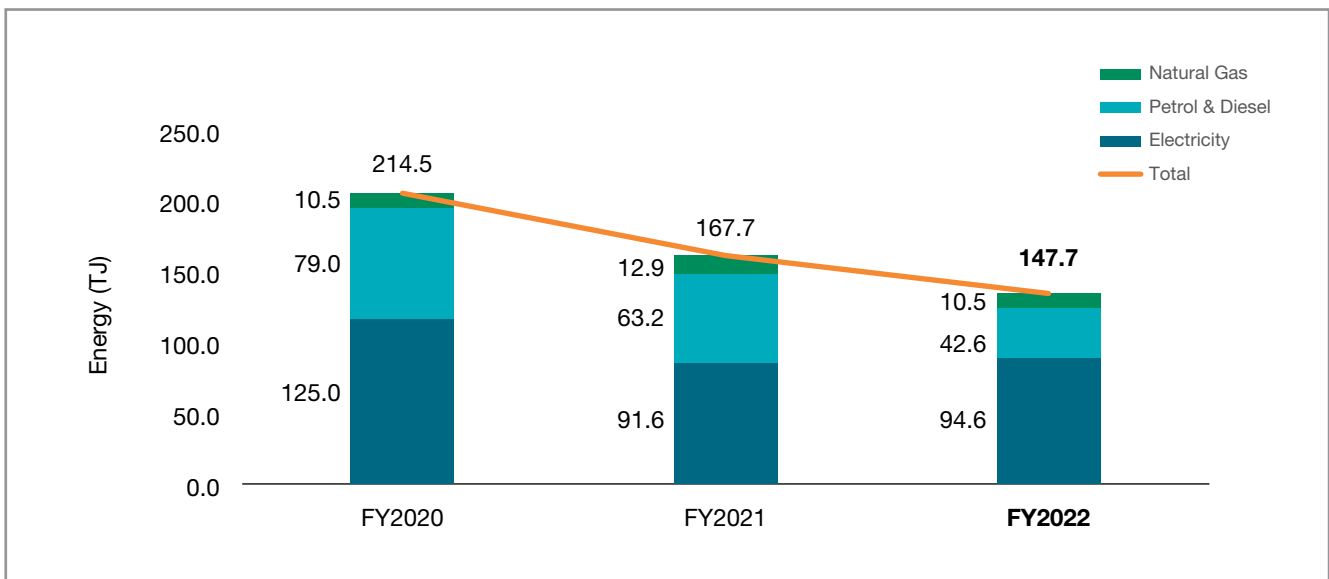
The Group also continues to create an environmentally conscious workplace by promoting green behaviours among its people, such as:

- Implementing a recycling programme;
- Conserving energy within the office by switching off lights and electronic equipment during lunch and after working hours;
- Encouraging sustainable transportation; and
- Benefiting from maximum daylight.

**Group Electricity Consumption**



**Group Energy Mix**



The Group completed the installation of solar panels at The Taaras Beach & Spa Resort in January 2022. Solar photovoltaic (“PV”) systems are a sustainable and renewable energy source, carbon neutral and emit no greenhouse gases.

**CARBON MANAGEMENT**

BLand is working towards managing and measuring its carbon emissions using the internationally-recognised Greenhouse Gas (“GHG”) Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI). The Group’s emissions accounting follows the GHG Protocol classification of direct and indirect emissions.

**SCOPE 1: DIRECT GHG EMISSIONS**

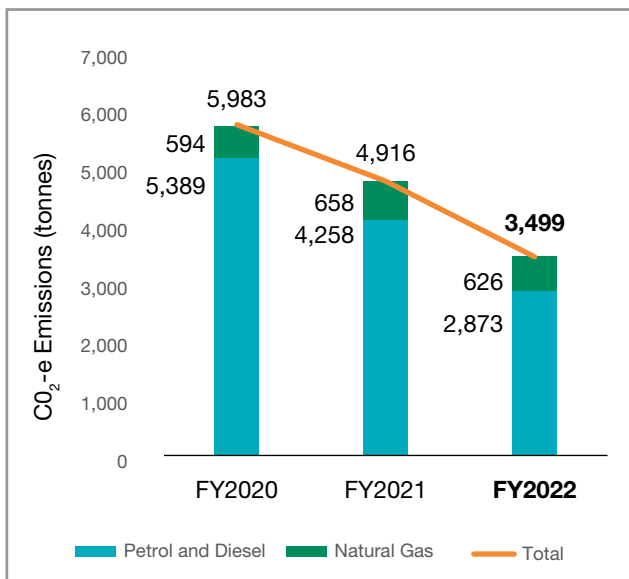
The Group’s operations consume petrol and diesel for its company-owned vehicles. Backup generators also consume a small amount of diesel. BLand’s operations in the United Kingdom consume natural gas.

**SCOPE 2: INDIRECT GHG EMISSIONS**

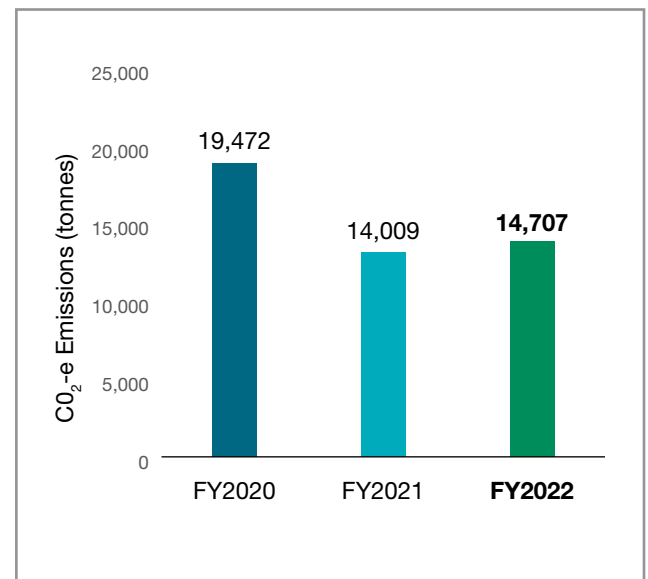
BLand calculated emissions resulting from electricity consumption. CO<sub>2</sub> emissions from electricity use:

- In Malaysia, the emission factor published by the Malaysian Green Technology Corporation for the Peninsular Grid is used.
- In the Philippines, the combined margin emission factor published by the Department of Energy for the Luzon-Visayas Grid 2015-2017 is used.
- In the United Kingdom, the UK Government GHG Conversion Factors for Company Reporting is used.

**CO<sub>2</sub> Emissions from Petrol, Diesel and Natural Gas**



**CO<sub>2</sub> Emissions from Electricity**



BLand derived the CO<sub>2</sub> emissions from fuel consumption from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories. The Group used the UK Government GHG Conversion Factors for Company Reporting to calculate the CO<sub>2</sub> emissions from natural gas.

## SUSTAINABILITY STATEMENT

### GREEN DEVELOPMENT: A GAME CHANGER

The Tropika at Bukit Jalil has achieved GreenRE certification. The development integrates eco-friendly and green building initiatives into mainstream design, construction and operations. This certification addresses homebuyers' concerns over a development's sustainability principles and the environmental impact of its built structures.

BLand constructed The Tropika at Bukit Jalil to achieve high performance in six areas: energy efficiency, water efficiency, carbon emission, environmental protection, indoor environmental quality and other green features such as rooftop gardens, self-cleaning facades, bins for horticulture waste and recyclables, motion sensors and solar PV panels.

The Group is committed to promoting a sustainable property industry in the country.

### GREEN MATERIALS

BLand favours eco-friendly alternatives over traditional construction methods and materials whenever possible. The Group's PD Division uses green concrete in its operations. This eco-friendly concrete requires less energy for production and incorporates waste and residual materials from different industries. It produces less carbon dioxide and is more cost-effective and durable than traditional concrete.

Using fly ash in its construction is an effective way of making concrete more sustainable with less energy required, a lighter environmental impact and fewer CO<sub>2</sub> emissions. Fly ash is considered to be eco-friendly when used in construction because it is a recycled material.

#### DID YOU KNOW?

Fly ash utilisation especially in concrete, has significant environmental benefits, including:

- Increasing the life of concrete roads and structures by improving concrete durability
- Achieving a net reduction in energy use, greenhouse gases and other adverse air emissions.

### WASTE MANAGEMENT

BLand remains steadfast in managing its waste efficiently and promotes the 3Rs- Reduce, Reuse and Recycle whenever feasible throughout its operations. The Group outsources its waste management to licensed third-party contractors to manage the bulk of waste which are generated by contractors, hotel guests and complex tenants.



#### Solid waste Municipal and other non-hazardous wastes

- Disposed of according to Department of Environment regulations



#### Construction waste Concrete, aggregates and bricks

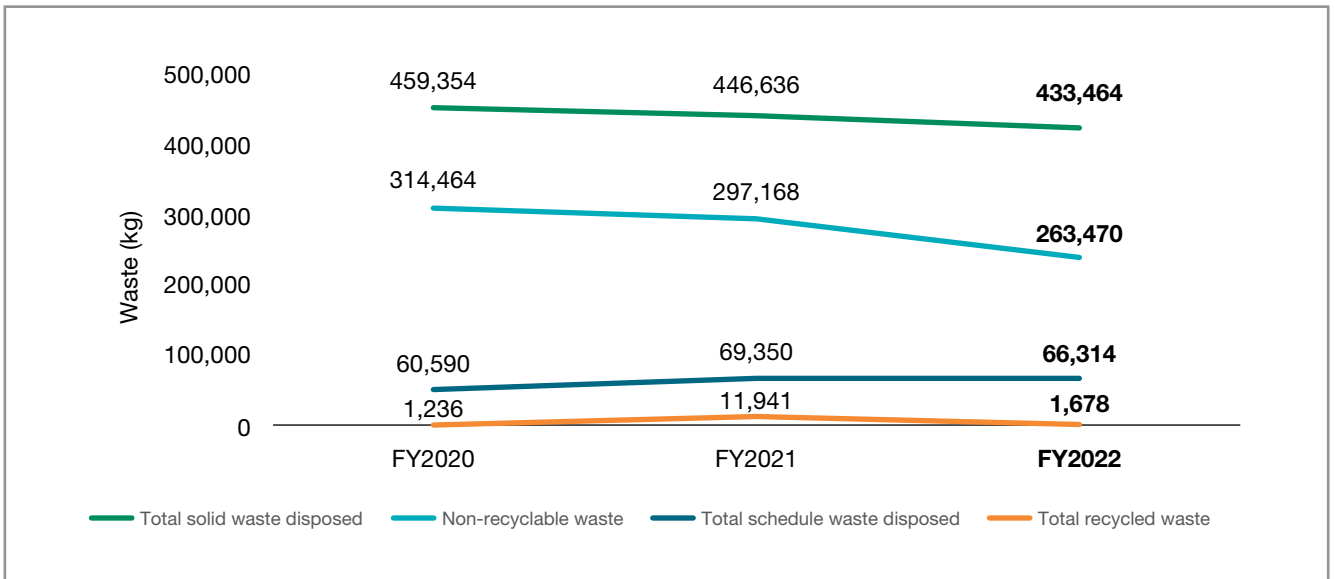
- Recycled as unlay hardcore and construction metal scraps
- Extra fresh concrete is used for making precast slabs



#### Scheduled waste Oil, paint and chemicals

- Collected by appointed contractors for disposal at registered sites

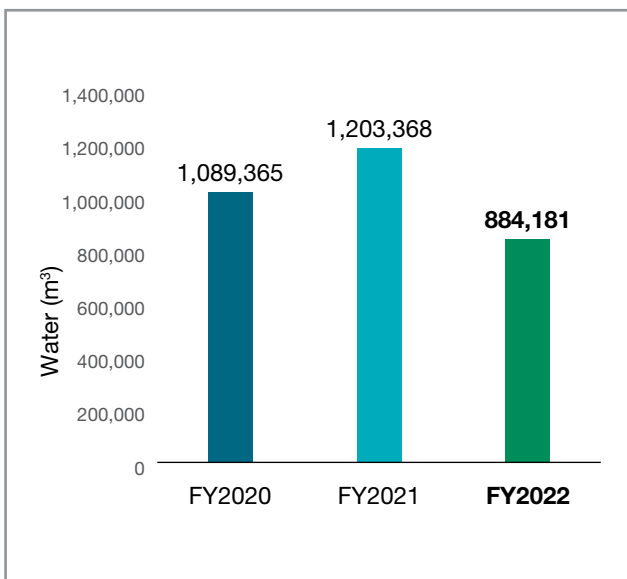
Waste Disposal by Type



WATER MANAGEMENT

BLand carefully manages its water use and discharge. The Group’s developments, hotels, resorts, sites, facilities and offices operate to minimise freshwater use. BLand implements water-saving measures and conducts water balance tests if necessary. Several hotels and resorts under BHR reduce water usage by utilising rainwater harvesting. Other water-saving equipment includes a dual-flush system, fixed water aerators and low-flow basin taps.

Group Water Consumption



BHR offers drinking water in reusable glass bottles to reduce the use of single-use plastics.

## SUSTAINABILITY STATEMENT

### PROTECTING LOCAL BIODIVERSITY AND MAINTAINING A HEALTHY ECOLOGICAL BALANCE

Continual loss of species, habitats and ecosystems threaten the planet. The hospitality industry relies heavily on nature in its day-to-day operations, producing food, beverages and other consumables, and the desirability of the local environment to attract guests.

The travel and tourism industry significantly impacts biodiversity. Hotels can have high carbon emissions, change land use patterns and over use natural resources, disturbing wildlife and causing habitat fragmentation of threatened species. BHR has taken several steps to conserve land and marine biodiversity where operations are located.



*The Taaras Beach & Spa Resort organises regular clean-up activities around Redang Island.*

### THE TAARAS BEACH & SPA RESORT BIODIVERSITY PROGRAMME

The Taaras Beach & Spa Resort is located within the Gazetted Marine Park, governed by the Fishery Act 1985. Due to the sensitive environment, particularly the vibrant coral and marine life, The Taaras Beach & Spa Resort has incorporated Best Management Practices, including an Environmental Impact Assessment. The Resort submits a quarterly report to the Department of Environment (DOE) on its environmental performance, including silt trap discharge, seawater appearance and quality, sewage discharge quality, and air and noise quality. The resort also performs monthly beach cleaning and invites employees to participate in this green programme.

### MARINE PROTECTION AND CONSERVATION

BHR continues to support biodiversity and conservation initiatives through its island resorts: Berjaya Tioman Resort, and The Taaras Beach & Spa Resort. These island resorts prioritise marine conservation through partnerships with non-governmental organisations such as the Sea Turtle Research Unit (“SEATRU”). SEATRU educates in-house guests about sea turtles and its conservation efforts. BHR also organises the annual Tioman Island Conservation Day (“TICD”) and Redang Island Conservation Day (“RICD”). All media partners, divers, sponsors and local islanders were invited to attend these events.

### RECYCLING CENTRE

A recycling centre has been established for all Redang Island residents. A waste composting machine composts daily kitchen waste such as fruit peels and discarded food into fertiliser. The centre also separates recyclable items such as plastic, newspapers and glass before dispatching them to a recycling centre in Kuala Terengganu.



SOCIETY

BLand has aligned its community investment principles with focus given to the well-being and development of local communities.

<p><b>Beach Clean-ups</b></p>	<ul style="list-style-type: none"> <li>• Volunteers participated in 20 clean-up activities along the Redang Beach and collected 1,832 trash bags containing 54,960 kg of waste.</li> <li>• A public beach clean-up at Teluk Dalam Besar collected 40 bags of rubbish, including plastic, styrofoam, and fishing nets.</li> </ul>
<p><b>Marine Conservation</b></p>	<p>The SEATRU Turtle Lab at The Taaras Spa &amp; Resort educates guests and visitors on the plight of the sea turtle and focuses on:</p> <ul style="list-style-type: none"> <li>• Retrieving and recycling ghost nets into beach cabana roofing;</li> <li>• Replacing plastic straws with paper straws;</li> <li>• Replacing plastic drinking water bottles with reusable glass bottles for refills from alkaline water filters, and</li> <li>• A paperless check-in system.</li> </ul>
<p><b>Philanthropy and Donations</b></p>	<ul style="list-style-type: none"> <li>• Donated essential items, including 15 kg of rice, sugar, flour, cooking oil, milo, tea, corn crackers, condensed milk, soy sauce, chilli sauce and sardines to 300 families on Redang Island.</li> <li>• Donated RM3,700 to Persatuan Kebajikan Sri Eden Selangor and Kuala Lumpur via The Mighty Bubbles, an Autism Initiative Project.</li> <li>• On 14 November 2021 and 10 April 2022, BLand sponsored the venue for a blood donation campaign organised by an NGO for Pusat Darah Negara. The campaign collected approximately 500 packets of blood, with each being able to save up to three lives.</li> </ul>
<p><b>Meals Distribution</b></p>	<ul style="list-style-type: none"> <li>• Berjaya Cafe packed 300 meals and distributed them to the underprivileged community in the Klang Valley as part of the 'A Meal for You' programme.</li> <li>• Volunteers from Berjaya Cafe prepared 200 packed meals for the COVID-19 Immunisation Task Force (CITF) at the KLCC Vaccination Centre.</li> <li>• Berjaya Café collaborated with Tzu Chi Foundation Malaysia in distributing 434 packed meals to the frontliners at Hospital Selayang, Hospital Sungai Buloh and University Malaya Medical Centre.</li> </ul>
<p><b>Spreading Joy and Smiles through Celebrations</b></p>	<ul style="list-style-type: none"> <li>• During a Christmas celebration with children from Rumah Charis at Berjaya Times Square Hotel with Santa Claus, 20 children were treated to thrill rides at Berjaya Times Square Theme Park.</li> <li>• Volunteers cooked, packed and distributed 500 portions of <i>bubur lambuk</i> to the local community at Kampung Kok in conjunction with Ramadhan. Kampung Kok is a neighbouring village of Berjaya Langkawi Resort.</li> <li>• An <i>Iftar</i> was held for 35 special children from Sekolah Menengah Kebangsaan Tunku Putra and eight orphans from Rumah Anjung Kasih Langkawi, together with their teachers and caretakers.</li> <li>• <i>Majlis Berbuka Puasa</i> was held with 22 children, ages between six and 16 years old, from Pertubuhan Kebajikan Anak Kesayangan Kepala Batas. The children also received 'duit raya', and RM1,000 was donated to the welfare association.</li> </ul>

**Flood Relief**

- Berjaya Cafe prepared and distributed 1,000 packed meals to several flood relief centres including Dewan Serbaguna MPSJ, Batu 14 Puchong and Surau Nur Ramadhan Kampung Paya Seberang.
- Essential aid such as food, drinking water, toothbrush, shower gel, shaving kit, sanitary pads and diapers was donated to a relief centre at Sekolah Kebangsaan Bukit Piatu, Bentong.
- Collaborated with Tzu Chi Foundation Malaysia in a post-flood clean-up at SK Sri Muda (2), Shah Alam.
- Organised fundraising initiatives for employees whose homes were badly damaged by the flash flood

**UNLEASHING SUSTAINABILITY STARTS INTERNALLY**

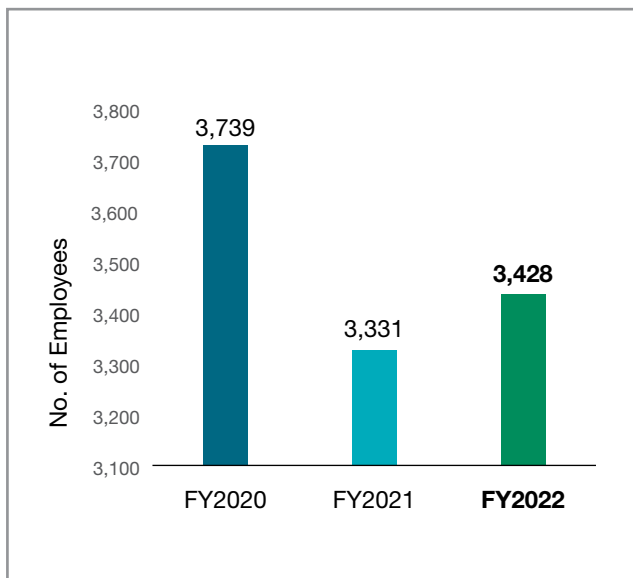
A sustainability commitment starts at the organisation’s top-level and cascaded down to every divisions. BLand employees drive sustainability for the business, community and planet. Employee health, safety, welfare and career progression are essential as the Group strives to develop a flexible and healthy work environment.

**DIVERSITY, EQUITY AND INCLUSION**

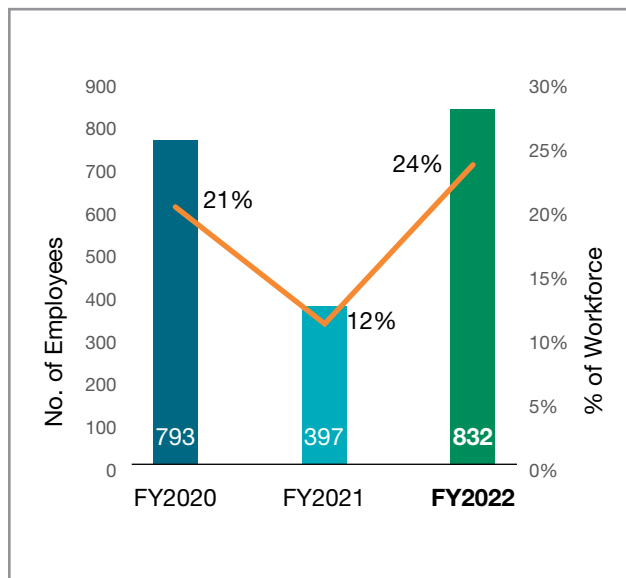
At BLand, diversity drives progress. It strengthens the Group’s ability to innovate and is aligned with its value creation aspirations. While it has always been a diverse organisation, BLand recognises that its success depends on its ability to foster an environment that promotes equity and cultivates inclusion.

BLand inculcates a culture of empathy and transparency where everyone’s views and voices matter. Ultimately, the Group is committed to creating and enabling career development and advancement opportunities for all employees.

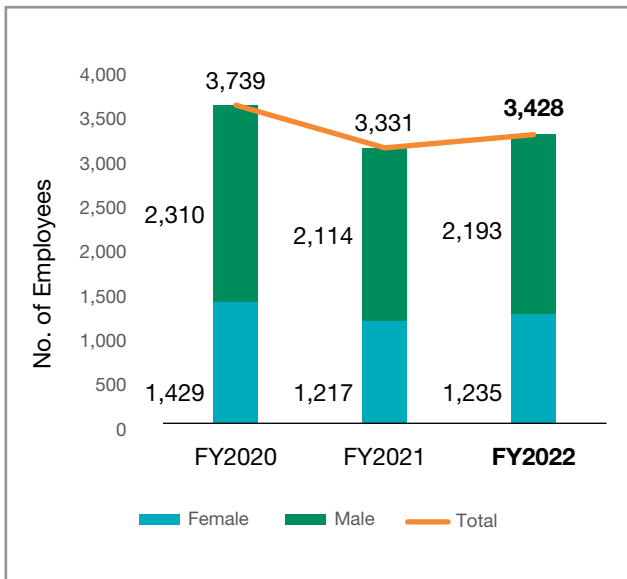
**Workforce Headcount**



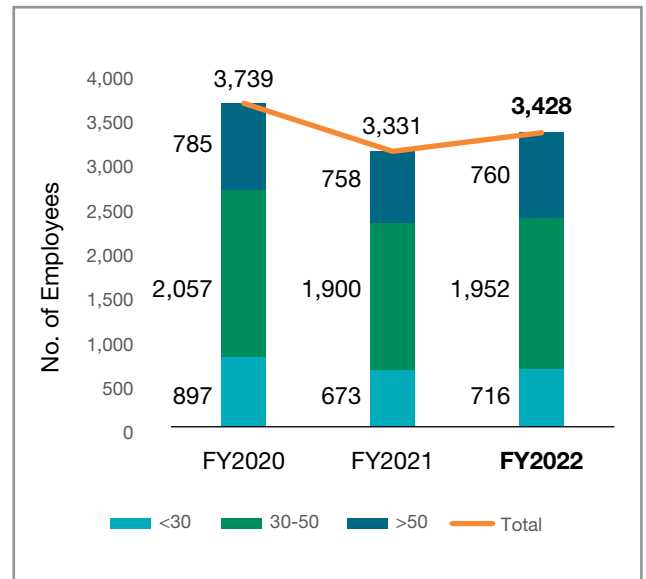
**No. of New Hires**



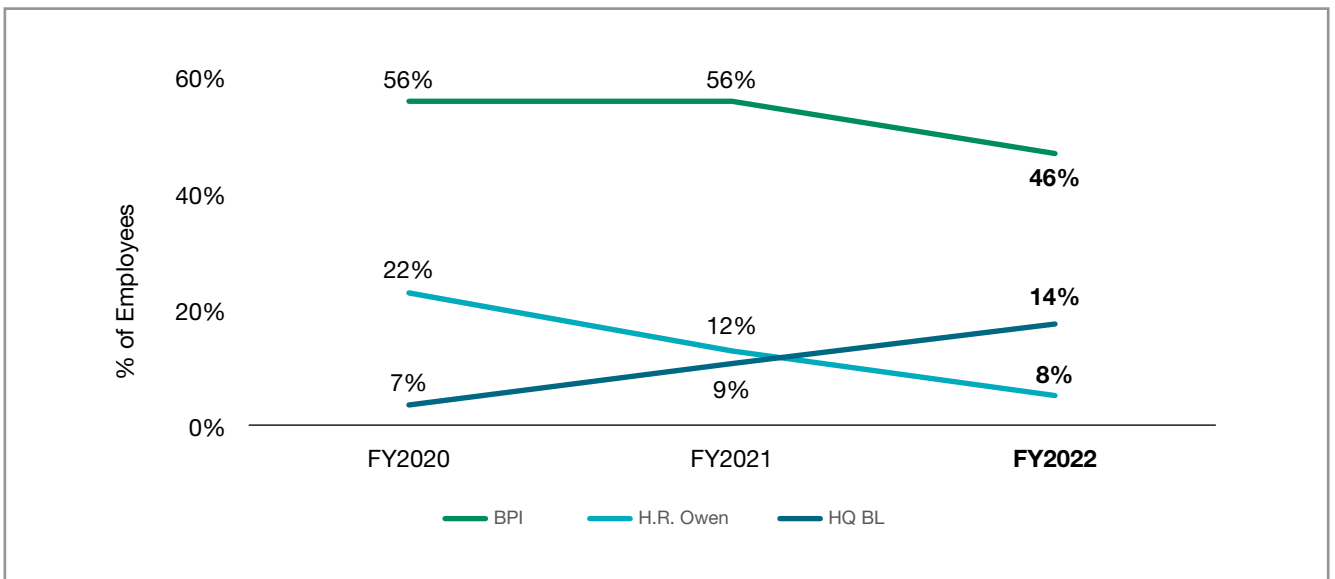
**Workforce Breakdown by Gender**



**Workforce Breakdown by Age**



**Contractors/Temporary Staff (%)**



Percentage of Women Representatives in the Management (%)		FY2020	FY2021	FY2022
BLand		47.81%	47.86%	47.32%
H.R. Owen		1.47%	1.34%	1.09%
Percentage of Women Representatives in the Top Management (%)		FY2020	FY2021	FY2022
BLand		27.40%	28.57%	28.57%
H.R. Owen		0.24%	0.45%	0.44%

## SUSTAINABILITY STATEMENT

### Workforce Turnover

Workforce Turnover Data	FY2020	FY2021	FY2022
Employee Turnover Rates (%)	14%	16%	17%
Employee Turnover (number)	427	432	480

Employee Turnover by Gender (number)	FY2020	FY2021	FY2022
Female	146	155	168
Male	281	277	312

Employee Turnover by Age	FY2020	FY2021	FY2022
<30	205	225	196
30-50	160	171	250
>50	62	36	34

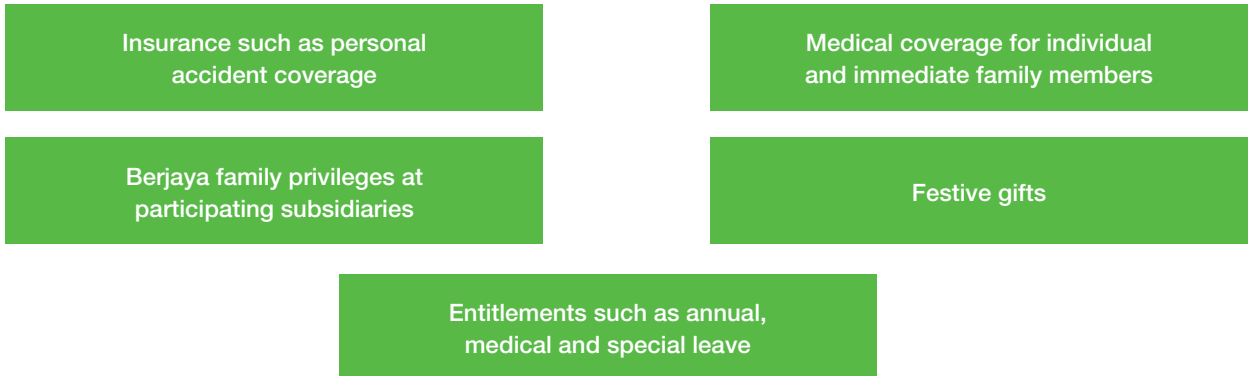
### SKILLS AND LEADERSHIP

Learning and development form part of the Group's human capital and talent management strategy to support business growth and long-term sustainability. BLand invests in programmes to equip employees with the necessary skills and capabilities to scale as a global company and respond to evolving customer demands.

BLand designed its training plan to suit personal, business and industry requirements. As an example, BHR delivered training programmes on customer services, guest experience and hospitality etiquette. The table below showcases the training driven by BLand Headquarters ("HQ BL").

	FY2020	FY2021	FY2022
Total training sessions	25	38	25
Number of employees	164	334	342
Total training hours	1,694.5	3,408	1,227

**EMPLOYMENT BENEFITS**



**SPEAK UP AND OPEN-DOOR POLICY IN THE WORKPLACE**

A grievance policy procedure allows employees to raise concerns before they become unmanageable. Employees are encouraged to resolve disputes and minor problems amicably and informally between themselves or their immediate supervisors whenever possible. BLand has a formal grievance reporting channel for employees to document their concerns. BLand has trained its managers to handle employee related issues such as bullying and harassment.



*The festive mood captured during the Chinese New Year celebration organised by Berjaya Times Square Hotel.*

**CREATING A VIBRANT WORKPLACE**

Finding ways to engage all employees personally is key to creating a vibrant and sustainable company, which is precisely the culture BLand is promoting. Employees are encouraged to look after one another as one big family.

As the country enters the endemic phase, more activities are allowed to resume. The leadership team interacts with employees during various celebrations, get-togethers and engagement sessions. BLand organised two Townhall sessions during the financial year for 630 employees. The Group also held festive celebrations, including Chinese New Year, Deepavali and Hari Raya. BLand invited all employees to other get-together events, including Majlis Bacaan Yasin and Doa Selamat.

Examples of unions representing the Group include the Club Employees Union Peninsular Malaysia and the National Union of Hotel, Bar and Restaurant Workers Peninsular Malaysia. The Group regularly meets with union representatives to improve workers' conditions and establish satisfactory terms and conditions of employment that benefit both parties. The Malaysian Employment Act protects the rights and welfare of all employees regardless of their union status.



# SUSTAINABILITY STATEMENT

## HEALTH AND SAFETY

BLand believes in being a responsible employer with workplace safety as its top priority. The Group's zero-tolerance principle for unsafe behaviour applies to all employees and contractors.

The Group's health and safety programmes include hazard prevention, risk management and occupational health and safety. BLand delivered training and briefings customised to the area of operations, including safety and health principles and work procedures to ensure employees work optimally. Each Company has a dedicated Health and Safety Committee comprising a Chairman, a Secretary, and employer and employee representatives. The committee's roles and responsibilities include:

- Assisting in the development of health and safety rules and safe work systems;
- Reviewing the effectiveness of health and safety programmes;
- Conducting studies on the trends of accidents, near misses incidents, dangerous occurrences, occupational poisoning or occupational disease in the workplace;
- Reporting unsafe acts and conditions with recommendations for corrective actions;
- Reviewing the workplace safety policy; and
- Providing recommendations to promote safety in the workplace

### Examples of Health and Safety Training Topics Delivered During the Financial Year



The Group recorded no serious injuries, accidents or fatalities involving its employees and contractors during this reporting period.

**HUMAN RIGHTS**

BLand conducts its businesses ethically and sustainably where it strictly adheres to human rights practices throughout its entire operations and value chain. BLand abides by local human rights instruments, including the Universal Declaration of Human Rights, and adheres to all applicable employment and human rights laws where it operates.

**BLand's Principles on Labour Practices and Human Rights**

Provides a safe and healthy workplace for associates, free from discrimination and harassment

Respects and protects the rights of indigenous people

Does not use child, forced, prison, indentured, bonded or involuntary labour

Prohibits discrimination in its hiring and employment practices, including gender, race, religion, age, disability and nationality

Prohibits physical abuse and harassment of associates

Supports freedom of association and the rights of workers and employers to bargain collectively

Employs foreign or migrant workers in full compliance with labour and immigration laws

**NON-DISCRIMINATION**

BLand is committed to a workforce free of harassment and unlawful discrimination.

All employees are treated equally and fairly regardless of:	race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity or nationality, disability, pregnancy, religion, political affiliation, covered veteran status, protected genetic information or marital status.
---	---

All employees are protected in:	hiring and employment practices such as wages, promotions, rewards and access to training.
---------------------------------	--

## SUSTAINABILITY STATEMENT

### EQUALITY IN RECRUITMENT

BLand adheres to the local labour laws when recruiting and prioritises local hires. The Group continues to contribute to the socio-economic growth of the community where it operates by providing job opportunities to local residents. However, diverse talent and expertise are essential for a Group with an ever-expanding international customer base. BLand sources these talents and expertise internationally when they are unavailable locally. The Group does not discriminate in its hiring process.

**100%** of PD and PI Divisions construction and consultancy contracts are locally sourced.

One of the Group's club cafe is operated by deaf and hard of hearing individuals with the premise rental rate charged below the usual market rate. This cafe is more than just a typical food and beverage outlet but also champions programmes which allow the deaf community to learn the art of brewing and develop skillsets promoting self-independence. BLand hopes to raise community awareness on the importance of equality through this initiative.

### FAIR TREATMENT OF FOREIGN WORKERS

The living conditions, facilities, hygiene and accommodation standards of construction site workers comply with Act 446: Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990.

### SUSTAINABILITY-DRIVEN OPERATIONS

BLand applies a broader view of the business, its responsibilities and performance when implementing sustainability to its business operations. The Group constantly analyses its operations, considers necessary changes, and adopts innovation for growth and development.

### BUILDING SAFETY POLICY

BLand is dedicated to protecting the safety of tenants, visitors and guests at its portfolio of properties. The Group invests in quality properties with good design specifications in compliance with all safety and security regulations.

Each property under the Group has a dedicated safety, health and environmental team responsible for identifying hazards, investigating them thoroughly and controlling them through appropriate actions. BLand took several health and safety precautions throughout the year, including fogging, pest control, disinfection of high traffic/touch point areas and periodic swab test of all employees, especially customer-facing personnel.

Each property, including hotels and resorts, is equipped with 24-hours safety and security assistance, including security patrol, firefighting equipment, a first aid kit, an emergency button, an Automated External Defibrillator (AED) and medical assistance.



**DESTINATIONS FOR EVERYONE**

The recreation clubs, hotels and resorts are designed as destinations for everyone to enjoy. They are purposefully equipped with handicapped-friendly features for the convenience of guests and visitors with restricted mobility or disabilities to enjoy their visit comfortably and safely. The Group has meticulously designed accessible public spaces and rooms that are easy for disabled people to enter and leave. Accessible features include wheelchair access ramps, tactile paving, handrails and grab bars that provide stability and support.

**CUSTOMERS FIRST**

Customer service is the backbone of the hospitality industry. BLand emphasises excellent customer service through positive experiences and consistent engagements. The Group takes customer feedback seriously. To ensure a consistent and memorable customer experience, guest relations officers in its hotels and resorts proactively engage customers throughout their stay.

Club members may submit their feedback through dedicated grievance channels. Every Berjaya Club has a Liaison Committee, which represents members and is the voice of the club members in raising their opinions to the management.

**QUALITY WITHOUT COMPROMISE**

BLand operations never compromise on quality. The foundation of a well-managed property starts from the building planning itself. BLand's meticulous planning ensures that every facility built is sustainable.

The Group also prioritises structural safety and other details such as quality finishings. BLand thoroughly inspects its developments against the rigid quality standards of ISO. Recently, The Tropika at Bukit Jalil achieved the ISO 9001 Quality Management System. This standard certifies several quality management principles, including a strong customer focus, process approach and continual improvement.

**GROWING TOGETHER POST-PANDEMIC**

The pandemic has had a tremendous impact on the financial well-being of BLand's tenants. The Group eased their burdens by offering extensions of rental payments for tenants affected by the pandemic and prolonged lockdown. BLand offered some tenants a revenue-sharing model rather than fixed-monthly rents. BLand values its relationships with all stakeholders and hopes to come back stronger together in this post-pandemic recovery.

**THE TASK AT HAND: A CULTURAL SHIFT TOWARDS COLLABORATION FOR SOLVING SUSTAINABILITY CHALLENGES**

The real estate and construction sector is responsible for almost 40% of final energy and process-related carbon dioxide emissions. The challenge of reducing new and existing buildings' carbon emissions is being met with new momentum. The World Green Building Council has set significant goals to ensure every building achieves Net Zero emissions by 2050.

The world talks about delivering net-zero as a mission requiring cooperation between organisations and the public. BLand will respond to this by continuing to play its part in realising the net-zero goal by ensuring that the Group's operations add no incremental greenhouse gases to the atmosphere. The Group strives to achieve this with the three R's: renewables, retrofitting and responsible ownership. The Group looks forward to reporting its progress in its next annual Sustainability Statement.

# 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 growth 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 Company and its subsidiaries (collectively “the Group”) carries out its business operations within the required standards of corporate governance (“CG”) as set out in the Malaysian Code on Corporate Governance (“MCCG”).

The Board takes note of the updates on the MCCG issued by the Securities Commission Malaysia which became effective on 28 April 2021. The MCCG introduces new practices and additional guidance to strengthen the CG culture of Public Listed Companies.

This CG Overview Statement provides a summary of the CG practices of the Company for the financial year ended 30 June 2022 (“FYE 2022”) and where applicable, up to the date of this CG Overview Statement with reference to the three (3) key CG principles as set out in the MCCG 2021 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 is also in compliance with Paragraph 15.25 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Company’s Corporate Governance Report (“CG Report”), which is available on its website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/) and on Bursa Securities’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

The CG Report sets out the various practices under the MCCG which provides details on how the Company has applied each Practice, any departures thereof and the alternative measures in place within the Company during the FYE 2022. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FYE 2022 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 roles and responsibilities of the Board in discharging its fiduciary and leadership function has been formalised in the Board Charter.

### Chairman, Deputy Executive Chairman and Chief Executive Officer

The Board is led by the Chairman, Tun 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 Deputy Executive Chairman supports the Chairman in the development of business, corporate policies and strategies for Company.

The Board has delegated the day-to-day management of the Group’s business to the Deputy Executive Chairman, Syed Ali Shahul Hameed and the Chief Executive Officer (“CEO”) of the Company, Datuk Abdul Rahim Bin Mohd Zin, who 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. Both the Deputy Executive Chairman and the CEO will focus on the business and lead the Senior Management of the subsidiary companies in making and implementing the day-to-day decisions on the business operations, managing resources and the associated risks involved while pursuing the corporate objectives of the Group. The Deputy Executive Chairman and/or CEO may delegate appropriate functions to the Executive Directors or any member of the Senior Management, who shall report to the Deputy Executive Chairman and/or CEO.

The Deputy Executive Chairman and/or the CEO are/is assisted by the Executive Directors who themselves are also responsible for certain specific areas of the Group's operations.

The Deputy Executive Chairman, CEO, Executive Directors and Management meet regularly to review and monitor the performance of the Group's operating divisions. The Deputy Executive Chairman and/or CEO brief 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 positions of the Chairman and CEO 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 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 by their participation as members of the various committees of the Board. Hence, they are able to carry out their duties and provide an unfettered and unbiased independent judgement and to promote good corporate governance in their role as Independent Directors.

### **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 oversight 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

These Committees play a significant part in reviewing matters within each Committee's Terms of Reference ("TOR") and facilitate the Board in discharging its duties and responsibilities. Each of these Committees has specific TOR, scope and specific authorities to review matters and report to the Board with their recommendations. The Board reviews the TOR of the Board Committees periodically to ensure their relevance.

The Board may also 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 Secretaries**

The Board is supported by qualified and experienced 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 advised the Board on adoption of corporate governance best practices as recommended under the MCCG. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their respective TOR and best practices and ensuring adherence to the existing Board policies and procedures.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 duties.

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 Meetings and Meeting Materials**

In order to discharge their responsibilities effectively, the Board meets regularly on a quarterly basis. Other than quarterly Board Meetings, additional Board and/or Board Committee 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 and approval. 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 and/or Board Committee approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.

In the intervals between Board and/or Board Committee Meetings, any matters requiring urgent Board and/or Board Committee recommendations, decisions or approvals will be sought via circular resolutions to the Board and/or Board Committee members and these are supported with all the relevant information and/or explanations required for an informed decision to be made.

For predetermined Board Meeting and/or Board Committee Meetings, the Directors will be provided with the relevant agenda and Board papers at least five (5) business days' notice except for meetings called on an ad-hoc basis for special matters or urgent proposals, reasonable notice for such meetings shall be sufficient. This enable the Board 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 also a schedule of matters reserved for Board's deliberations and decisions, including among others, the review, evaluation, adoption and approval of the Company and the Group's policies and strategic plans. This is to 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. It also includes the review, evaluation and approval for any material acquisition and/or disposal of undertakings and assets and any new major ventures in the Group.

### **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, Directors' Fit and Proper Policy, 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, Board Committees and individual Director.

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. The Board Charter was recently reviewed and approved by the Board on 24 May 2022 and a copy of the Board Charter is available on the Company's website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

**(b) Code of Ethics for Directors**

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) Directors’ Fit and Proper Policy**

The Board has adopted a Directors’ Fit and Proper Policy which set out the fit and proper criteria for the appointment and re-election of director onto the Board of the Company and the Group.

The Policy serves as a guide to the Nomination Committee and the Board in their review and assessment of candidates that are proposed to be appointed onto the Board as well as directors who are seeking for re-election.

The Directors’ Fit and Proper Policy is subject to review by the Board periodically and a copy of the Directors’ Fit and Proper Policy is available on the Company’s website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

**(d) 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. The Code of Conduct is available on the Company’s website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

**(e) 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.

The Whistleblowing Policy and Procedures also provides contact details of the Senior Independent Director, the Deputy Executive Chairman, and the Chief Executive Officer of the Company to whom the whistleblowing report can be addressed.

The Whistleblowing Policy and Procedures was recently reviewed, updated and approved by the Board on 24 May 2022 so as to enhance the reporting procedures 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/](http://www.berjaya.com/berjaya-land/).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### (f) Adequate Procedures to Curb and Prevent Bribery and Corruption – T.R.U.S.T. Concept

The Board has established and adopted Adequate Procedures to Curb and Prevent Bribery and Corruption - T. R. U. S. T. Concept ("T.R.U.S.T. CONCEPT") 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 was recently reviewed, updated and approved by the Board on 24 May 2022 and can be accessed on the Company's website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

### Sustainability Strategies

The Board views the commitment to promote sustainability strategies in the economic, environmental, 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 improving 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 environmental 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 seven (7) members comprising the Deputy Executive Chairman, the CEO, two (2) Executive Directors and three (3) Independent Non-Executive Directors (including the Chairman). 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. In addition, the Company is not categorized as a Large Company and hence, the present Board composition of the Company is not in compliance with Practice 5.2 of the MCOG as the Board does not have a composition which comprises 50% Independent Directors.

The presence of the Independent Directors, though not forming half (50%) of the Board members, is sufficient to provide the necessary checks and balances on the decision-making process of the Board. The significant contribution of the Independent Directors in the decision-making process is evidenced in their participation as members of the various committees of the Board. They are able to carry out their duties and responsibilities and to provide an unfettered and unbiased independent judgement.

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

Name	Designation
Tun Richard Malanjum	Chairman /Independent Non-Executive Director
Syed Ali Shahul Hameed	Deputy Executive Chairman
Datuk Abdul Rahim Bin Mohd Zin	Chief Executive Officer
Tan Tee Ming	Executive Director
Chryseis Tan Sheik Ling	Executive Director
Datuk Robert Yong Kuen Loke	Independent Non-Executive Director
Datuk Kee Mustafa	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 such 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 continuously strive to meet the targets for gender diversity requirements and will actively take the necessary measures towards promoting a corporate culture that embraces gender diversity in the Boardroom.

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 workplace 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 one (1) female Director namely, Ms Chryseis Tan Sheik Ling representing about 14.29% ratio of the full Board.

The Board Diversity Policy of the Company is available on the Company's website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### 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 2022, the Board met five (5) times and the attendance record of the Directors at the Board meetings were as follows:-

Directors	Attendance
Tun Richard Malanjum #	5/5
Syed Ali Shahul Hameed **	5/5
Datuk Abdul Rahim Bin Mohd Zin †	1/1*
Tan Tee Ming ‡	1/1*
Chryseis Tan Sheik Ling	4/5
Datuk Robert Yong Kuen Loke #	5/5
Datuk Kee Mustafa #	4/5
Nerine Tan Sheik Ping @	4/4*

Notes:

# *Independent Non-Executive Director.*

\* *Reflects the attendance and the number of meetings held during the FYE 2022 since the Director held office.*

\*\* *During the financial year, Syed Ali Shahul Hameed was redesignated as Deputy Executive Chairman on 1 April 2022.*

† *During the financial year, Datuk Abdul Rahim Bin Mohd Zin was appointed as the Chief Executive Officer of the Company on 1 April 2022.*

‡ *During the financial year, Tan Tee Ming was appointed as an Executive Director of the Company on 1 April 2022.*

@ *During the financial year, Ms Nerine Tan Sheik Ping resigned as an Executive Director of the Company on 1 April 2022.*

All the Directors of the Company have confirmed that they do not hold more than five (5) directorships in listed issuers pursuant to 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 of the Company including the newly appointed Director have attended the Mandatory Accreditation Programme as required 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 Board and/or the Directors individually, 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 2022, the training programmes, seminars, conferences, forum and webinars attended by the Directors were as follows:-

Director	Title of Training Programmes/Seminars/Conferences/Forum/Webinars
Tun Richard Malanjum	<ul style="list-style-type: none"> <li>- MIA Webinar Series: Conduct of Directors and Common Breaches of Listing Requirements</li> <li>- Audit Oversight Board's Conversation with Audit Committee</li> <li>- MSWG Webinar on Cyber Security: What Directors Need to Know</li> </ul>
Syed Ali Shahul Hameed	<ul style="list-style-type: none"> <li>- Asia Pacific Board Leadership Centre Webinar on 2022 Board and Audit Committee Priorities</li> <li>- MSWG Webinar on Cyber Security: What Directors Need to Know</li> </ul>
Datuk Abdul Rahim Bin Mohd Zin	<ul style="list-style-type: none"> <li>- MSWG Webinar on Cyber Security: What Directors Need to Know</li> </ul>
Tan Tee Ming	<ul style="list-style-type: none"> <li>- MSWG Webinar on Cyber Security: What Directors Need to Know</li> </ul>
Chryseis Tan Sheik Ling	<ul style="list-style-type: none"> <li>- Board Management Software Solution Training for Directors</li> <li>- Practical Forensics Investigation</li> </ul>
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> <li>- MCCG Revision 2021 – Changing the Game in Corporate Governance</li> <li>- MICPA Webinar: Setting the ESG Agenda to Achieve Sustainable Long Term Value</li> <li>- MIA Webinar Series: Conduct of Directors and Common Breaches of Listing Requirements</li> <li>- Audit Oversight Board's Conversation with Audit Committee</li> <li>- MICPA Webinar: Developing Malaysia's Roadmap to Net Zero</li> <li>- MICPA Webinar: Banking on Islamic Finance for a Sustainable Future</li> <li>- MICPA Webinar: Accountants &amp; Their Role to Reduce Carbon Emission</li> </ul>
Datuk Kee Mustafa	<ul style="list-style-type: none"> <li>- MIRA Webinar: The Malaysian Code on Corporate Governance – Update April 2021</li> </ul>

Subsequent to the FYE 2022, Tan Tee Ming had attended the Mandatory Accreditation Programme on 4, 5 and 6 July 2022.

### 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:-

Tun Richard Malanjum	- Chairman/ Independent Non-Executive Director
Datuk Robert Yong Kuen Loke	- Member/ Independent Non-Executive Director (Senior Independent Director)
Datuk Kee Mustafa	- Member/ Independent Non-Executive Director

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Chairman of the NC, Tun Richard Malanjum is an Independent Director and Datuk Robert Yong Kuen Loke has 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.

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/](http://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 based on merits.

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

1. The candidate is identified upon the recommendation by the existing Directors' network, referrals from incumbent Directors and business associates, senior management or major shareholders, independent search firms and/or other independent sources;
2. In evaluating the suitability of a candidate for appointment to the Board, the NC considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidate, and in the case of a candidate proposed for appointment as Independent Non-Executive Director, the candidate's 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 as recommended by Nomination Committee.

### Annual Assessment

The NC reviews annually, the effectiveness of the Board and Board Committees as well as the performance of individual Directors. The annual evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and areas 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 each Director will assess their own performance and that of their fellow Directors. The outcome of the assessment 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 2022, the NC has carried out the following activities:

- 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;
- recommended to the Board the re-election of Directors who are due for retirement by rotation for shareholders' approval at the forthcoming Annual General Meeting ("AGM");
- reviewed the performance of the Audit Committee and its members;
- reviewed and assessed the financial literacy of the Audit Committee members;
- recommended to the Board the appointment of additional Directors; and
- recommended to the Board the retention of Independent Director for the shareholders' approval at the forthcoming AGM.

### 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.

Clause 117 of the Company’s Constitution provides that at least one-third (1/3) 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. Clause 107 of the Company’s Constitution also provides that a Director who is appointed during the year is required to retire and to 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 Thirty-Second AGM, the following Directors are due for retirement and are eligible for re-election pursuant to Clause 117 and Clause 107 of the Company’s Constitution (“Retiring Directors”) are as follows:-

Directors	Retiring Pursuant to
i. Syed Ali Shahul Hameed	Clause 117
ii. Chryseis Tan Sheik Ling	Clause 117
iii. Datuk Abdul Rahim Bin Mohd Zin (Appointed on 1 April 2022)	Clause 107
iv. Tan Tee Ming (Appointed on 1 April 2022)	Clause 107

The Board through the Nomination Committee (“NC”) had undertaken an annual assessment and evaluation on the Retiring Directors pursuant to the Company’s Constitution. Based on the assessment conducted, the NC was satisfied with the performance and contribution of the Retiring Directors and the NC had accordingly recommended to the Board for re-election of the Retiring Directors. The Board has endorsed the NC’s recommendation and support the re-election of Retiring Directors at the forthcoming AGM of the Company.

The information of the Retiring Directors including their profiles, details of conflict of interest (if any), position or relationship with Director and/or major shareholder are set out in the Profile of Directors in the Company’s 2022 Annual Report.

### Tenure of Independent Directors

Pursuant to Practice 5.3 of the MCCG, the tenure of an Independent Director does not exceed a cumulative term of nine (9) years. Upon completion of 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 through a two-tier voting process in the event it retains an Independent Director who has served in that capacity beyond 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 (“Datuk Robert Yong”) 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 twelve (12) years at the end of the financial year under review.

The Nomination Committee (“NC”) (save for Datuk Robert Yong who has abstained from deliberation on his own retention) has assessed the independence of Datuk Robert Yong for the FYE 2022 based on criteria set out in the Main Market Listing Requirements of Bursa Securities. The NC concluded that Datuk Robert Yong has satisfied the independence criteria and he is able to provide independent judgement and act in the best interest of the Company.

Following an assessment and recommendation by the NC, the Board (save for Datuk Robert Yong who has abstained from deliberation on his own retention) concluded that pursuant to Practice 5.3 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 as an Independent Non-Executive Director of the Company based on the following justifications:-

- (i) He has 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 and give an independent opinion to the Board.
- (ii) He has been with the Company for more than twelve (12) years and is familiar with the Company’s diversified business operations in multiple jurisdictions.
- (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 good faith and in the best interests of the Company and shareholders.
- (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 member of NC and Remuneration Committee and he has carried out his professional duties proficiently in the interests of the Company and the shareholders.

The Board takes cognizance of the recommendation of the MCCG which states that if the Board continues to retain an Independent Director beyond nine (9) years, the Board should provide justifications and seek annual shareholders’ approval through a two-tier voting process.

However, the Company will seek approval of shareholders through a single tier voting process for the ordinary resolution to retain Datuk Robert Yong who has served the Company for more than twelve (12) years at the forthcoming AGM. This is in line with the general rule on voting as provided in the Companies Act 2016 which states that every shareholder has one vote for every share he holds and resolutions are to be passed by a simple majority for ordinary resolutions and 75% of votes for special resolutions through a single tier voting process.

### 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, Tun Richard Malanjum, Datuk Robert Yong Kuen Loke and Datuk Kee Mustafa on an annual basis based on criteria set out in the Main Market Listing Requirements of Bursa Securities.

The current 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.

### Remuneration Policies and Procedures

The Company has a Remuneration Committee which comprises exclusively Non-Executive Directors and all of whom are Independent Directors. The members of the Remuneration Committee as at the date of this Statement are as follows:

Tun Richard Malanjum	-	Chairman/ Independent Non-Executive Director
Datuk Robert Yong Kuen Loke	-	Member/ Independent Non-Executive Director
Datuk Kee Mustafa	-	Member/ Independent Non-Executive Director

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/](http://www.berjaya.com/berjaya-land/).

The Board has in place a Remuneration Policy that supports 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 Executive 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 payment of 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/](http://www.berjaya.com/berjaya-land/).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Details of Directors' remuneration paid or payable to all Directors of the Company (both the Company and the Group) and categorised into appropriate components for FYE 2022 are as follows:-

### (a) Individual Directors on a named basis

#### Company

	← RM →						
	Fee	Allowance	Salaries	Bonuses	Benefits in-kind	Other Emoluments	Total
<b>Executive</b>							
Syed Ali Shahul Hameed	-	-	412,129.03	-	24,600.00	61,587.40	498,316.43
Datuk Abdul Rahim Bin Mohd Zin* <i>(Appointed on 1 April 2022)</i>	-	-	-	-	-	-	-
Tan Tee Ming** <i>(Appointed on 1 April 2022)</i>	-	-	101,235.00	-	7,785.00	13,612.85	122,632.85
Chryseis Tan Sheik Ling	-	-	-	-	-	-	-
Nerine Tan Sheik Ping*** <i>(Resigned on 1 April 2022)</i>	-	-	-	-	-	-	-
<b>Non-Executive</b>							
Tun Richard Malanjum	84,000.00	16,800.00	-	-	-	-	100,800.00
Datuk Robert Yong Kuen Loke	84,000.00	17,400.00	-	-	-	-	101,400.00
Datuk Kee Mustafa	84,000.00	11,000.00	-	-	-	-	95,000.00
	<b>252,000.00</b>	<b>45,200.00</b>	<b>513,364.03</b>	<b>-</b>	<b>32,385.00</b>	<b>75,200.25</b>	<b>918,149.28</b>

#### Group

	← RM →						
	Fee	Allowance	Salaries	Bonuses	Benefits in-kind	Other Emoluments	Total
<b>Executive</b>							
Syed Ali Shahul Hameed	-	863,503.23	841,077.42	-	24,600.00	258,662.60	1,987,843.25
Datuk Abdul Rahim Bin Mohd Zin* <i>(Appointed on 1 April 2022)</i>	-	-	-	-	-	-	-
Tan Tee Ming** <i>(Appointed on 1 April 2022)</i>	-	15,000.00	101,235.00	-	7,785.00	15,793.70	139,813.70
Chryseis Tan Sheik Ling	-	-	522,290.32	22,500.00	23,325.00	67,230.80	635,346.12
Nerine Tan Sheik Ping*** <i>(Resigned on 1 April 2022)</i>	-	-	1,118,838.71	520,000.00	9,375.05	197,353.55	1,845,567.31
<b>Non-Executive</b>							
Tun Richard Malanjum	84,000.00	376,800.00	-	-	-	14,992.80	475,792.80
Datuk Robert Yong Kuen Loke	164,000.00	197,200.00	-	-	12,504.00	6,832.80	380,536.80
Datuk Kee Mustafa	84,000.00	11,000.00	-	-	-	-	95,000.00
	<b>332,000.00</b>	<b>1,463,503.23</b>	<b>2,583,441.45</b>	<b>542,500.00</b>	<b>77,589.05</b>	<b>560,866.25</b>	<b>5,559,899.98</b>

Notes:

\* During the FYE 2022, Datuk Abdul Rahim Bin Mohd Zin was appointed as the Chief Executive Officer of the Company on 1 April 2022.

\*\* During the FYE 2022, Tan Tee Ming was appointed as an Executive Director of the Company on 1 April 2022.

\*\*\* During the FYE 2022, Nerine Tan Sheik Ping resigned as an Executive Director on 1 April 2022.

### (b) The remuneration of top three (3) Senior Management in bands of RM50,000 on an aggregate basis

The number of top three (3) Senior Management and their total remuneration from the Group categorised into the various bands are as follows:-

	Number of Senior Management
RM250,001 - RM300,000	1
RM400,001 - RM450,000	1
RM20,100,001 - RM20,150,000	1
	3

Although the MCCG has stipulated 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 issue of staff poaching.

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### Audit Committee

The Audit Committee of the Company comprises three (3) members, all of whom are Independent Non-Executive Directors. The members are as follows:-

Datuk Robert Yong Kuen Loke	- Chairman/ Independent Non-Executive Director
Tun Richard Malanjum	- Member/ Independent Non-Executive Director
Datuk Kee Mustafa	- Member/ Independent Non-Executive Director

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/](http://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 financially literate 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 Company's and Group'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 in Malaysia and International Financial Reporting Standards.

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 are prepared in accordance with the provisions of the Companies Act 2016, the applicable Malaysian Financial Reporting Standards in Malaysia 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 Company and Group. In addition, the Audit Committee reviews the annual financial statements and quarterly financial results before they are recommended to the Board for approval.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 69 to 73 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 the FYE 2022.

### 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 Deputy Executive Chairman, 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 ("CFO") (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 of at least three (3) 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 and the International Code of Ethics for Professional Accountants. The External Auditors have included such declaration in their presentation of the annual audit plan 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 and 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.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the FYE 2022, the amount of statutory audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for FYE 2022 were as follows:-

	Company		Group	
	FYE2022 RM'000	FYE2021 RM'000	FYE2022 RM'000	FYE2021 RM'000
Statutory audit fees paid/payable to:-				
- Ernst & Young PLT ("EY") Malaysia				
(i) Current financial year	658	684	1,907	1,886
(ii) Underprovision in previous financial year	15	-	59	44
- Affiliates of EY Malaysia	-	-	693	749
<b>Total (a)</b>	<b>673</b>	<b>684</b>	<b>2,659</b>	<b>2,679</b>
Non-audit fees paid/payable to:-				
- EY Malaysia	16	16	298	325
- Affiliates of EY Malaysia	-	-	75	25
<b>Total (b)</b>	<b>16</b>	<b>16</b>	<b>373</b>	<b>350</b>
<b>% of non-audit fees (b/a)</b>	<b>2%</b>	<b>2%</b>	<b>14%</b>	<b>13%</b>

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 proposed appointment will be subject to the shareholders' approval at the AGM.

The details of the Audit Committee's functions are set out in the Audit Committee Report on pages 69 to 73 of this Annual Report.

### 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 are 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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
Tun Richard Malanjum	-	Member/ Independent Non-Executive Director
Datuk Kee Mustafa	-	Member/ Independent Non-Executive Director

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 in pages 66 to 68 of this 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 stakeholders such as 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 of paramount importance to assist the shareholders and investors to make an informed decision on their investments. However, whilst the Company endeavours to provide as much information as possible to its stakeholders, 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/](http://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, annual reports, press releases, financial information and announcements of the Company.

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 regards the AGM as the principal forum for dialogue and interactions 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 Company's 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 will also be present to provide professional and independent clarification on issues and concerns raised by the shareholders in connection with the Audited Financial Statements.

The Chairman, the Deputy Executive Chairman as well as the Chief Executive Officer will respond to questions posed by shareholders/proxies at the AGM. The Executive Directors and other Directors present will also respond when required.

The Company despatches its notice of AGM at least twenty-eight (28) days before the AGM together with a copy of the Administrative Guide to the shareholders of the Company. The Company's Annual Report and Circular to Shareholders can be viewed and downloaded by the shareholders from the website of the Company and Bursa Malaysia Securities Berhad at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/) and [www.bursamalaysia.com](http://www.bursamalaysia.com) respectively.

The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives, proxy or attorneys. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting. Each item of special business included in the Notice of AGM is accompanied by a brief explanatory statement on the proposed resolution to facilitate a better understanding and evaluation of issues involved.

The shareholders are allowed to submit the questions prior to the AGM via email to the poll administrator and they are given sufficient time and opportunity to participate in the question and answer sessions with regard to the proposed resolutions, the Group's financial performance and operations at AGM.

All Board members (including all members of the Board Committees), the Chief Financial Officer of the ultimate holding company, Berjaya Corporation Berhad, the Management and the External Auditors of the Company attended the last AGM and provided meaningful response to shareholders' queries during the meeting.

The questions submitted by the shareholders/proxies prior and during the AGM had been read out by the Chairman/Chief Executive Officer and responded verbally by the Board and recorded at the minutes of AGM.

### **Poll Voting**

Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, the Company is required to ensure that all resolutions set out in the notice of general meetings are voted by poll.

At the Company's previous Thirty-First AGM held on 14 December 2021, all the resolutions passed by the shareholders at the said AGM were voted by way of a poll.

Section 327 (2) of the Companies Act, 2016 provides that online meeting platform can be recognized as the meeting venue or place provided it is located in Malaysia. In view of the COVID-19 pandemic and with the safety and well-being of the Company's shareholders, Board and its employees, the Company had leveraged on technology by conducting its Thirty-First AGM on a virtual basis through live streaming from broadcast venue and online remote voting via Remote Participation and Voting facilities ("RPV Facilities") provided by the Poll Administrator of the Company, SS E Solutions Sdn Bhd via Securities Services e-Portal's platform at <https://sshshb.net.my/>. Shareholders who registered for remote participation via Securities Services e-Portal joined the live streaming of the proceeding of the AGM and posed questions to the Board via real time submission of typed texts and also casted their votes online via RPV Facilities at the AGM.

The Administrative Guide for the AGM with detailed registration and voting procedures were distributed to shareholders. The Company had appointed SS E Solutions Sdn Bhd as poll administrators to conduct the polling process on all resolutions tabled at the AGM and Commercial Quest Sdn Bhd as the independent scrutineers to verify the poll results. The independent scrutineers announced the poll results of the AGM with details on the number of votes cast for and against for each resolution together with the respective percentages which were simultaneously displayed on the screen. The poll results were also announced to Bursa Securities on the same day by the Company. The minutes of the Thirty-First AGM, after confirmed and signed by the Chairman, was made available on the Company's website within thirty (30) business days after the AGM.

This CG Overview Statement was approved by the Board of Directors of the Company on 18 October 2022.

# 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 governance, 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 Report of the Audit Committee is set on pages 69 to 73 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 a whistleblowing policy, which provides an avenue for employees, 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 on a confidential basis without fear of any form of victimization, harassment, retribution or retaliation. The whistleblowing policy is available on BLand's website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

## ANTI-BRIBERY AND CORRUPTION POLICY

In response to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has established its Anti-Bribery and Corruption Policy, titled Adequate Procedures To Curb and Prevent Bribery and Corruption - T.R.U.S.T. Concept. The Group and affiliated companies strictly adopt a zero-tolerance policy approach against all forms of bribery and corruption in its daily operations, and 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 Adequate Procedures To Curb and Prevent Bribery and Corruption - T.R.U.S.T. Concept can be accessed on BLand's website at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/).

## 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 2022 are Datuk Robert Yong Kuen Loke (Chairman), Tun Richard Malanjum and Datuk Kee Mustafa.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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 2022, the Risk Management Committee held four meetings where it reviewed the risk management reports of various unlisted operating subsidiary companies (i.e. Icelandair Hotels ehf, Cempaka Properties Sdn Bhd, Kota Raya Development Sdn Bhd and Nural Enterprise 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 2022, 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 2022 (“FYE 2022”).

## Audit Committee Members and Meeting Attendances

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

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

Tun Richard Malanjum  
- *Independent/Non-Executive Director*

Datuk Kee Mustafa  
- *Independent/Non-Executive Director*

The Audit Committee held five (5) meetings during the FYE 2022. The details of attendance of the Audit Committee members are as follows:-

<b>Name</b>	<b>Attendance</b>
Datuk Robert Yong Kuen Loke	5/5
Tun Richard Malanjum	5/5
Datuk Kee Mustafa	4/5

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 thereafter tabled at the Board Meeting for the Directors’ review and notation.

The Deputy Executive Chairman, 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.

# AUDIT COMMITTEE REPORT

## 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](http://www.berjaya.com/berjaya-land).

In discharging its duties and responsibilities, the Audit Committee had undertaken the following activities and work during the FYE 2022:-

### Financial Reporting

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

<b>Date of Meetings</b>	<b>Review of Quarterly Financial Statements</b>
22 September 2021	Fourth quarter results as well as the unaudited results of the Group for financial year ended 30 June 2021
24 November 2021	First quarter results for financial year ended 30 June 2022
25 February 2022	Second quarter results for financial year ended 30 June 2022
24 May 2022	Third quarter results for financial year ended 30 June 2022

The above review is to ensure that BLand's 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 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 year ended 30 June 2021 together with the Management and the External Auditors at its meeting held on 15 October 2021 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. Prior to that, the Audit Committee had reviewed the status report on the Audit Plan for the financial year ended 30 June 2021 prepared by the External Auditors at the meeting held on 22 September 2021.

### External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 June 2021 covering areas such as calibre of the audit firm, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit communication and 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 2022 at its meeting held on 15 October 2021.
- (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 including the key audit matters which were raised in the external auditors' report for FYE 2021. The Audit Committee also had private discussions with EY on 22 September 2021 and 15 October 2021, without the presence of Management during the review of the audited financial statements for the financial year ended 30 June 2021 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 24 May 2022, their audit plan in respect of the FYE 2022, outlining the EY client service team, audit timeline, scope of audit, audit emphasis, audit quality, assessment of internal control environment, fraud consideration and risk of management override of controls, digital global audit methodology, digital roadmap, auditors' independence, focus on cybersecurity and sustainability, EY digital audit, Malaysian Code on Corporate Governance ("MCCG") 2021 updates as well as financial reporting developments updates.



**Internal Audit**

(a) Reviewed seven (7) 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
- Regulatory compliance
- Finance and cash handling management
- Billing and credit control
- Human Resource related matters
- Project Management
- Club Memberships
- Sales, Marketing and Tenancy Management
- Information Technology
- Golf, Equestrian, Sports & Recreation operations
- Quality Assurance and Flight operations
- Reservation and Customer Service
- Food and Beverage operations
- Building & Golf Course Maintenance and Safety & Security Controls Management
- Refurbishment/Renovation Exercise
- Purchasing, Inventories & Maintenance
- Asset Management and Insurance
- 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 2023 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;

## AUDIT COMMITTEE REPORT

- (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:-
  - a) the type of the Recurrent Related Party Transactions made; and
  - b) 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**

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).

### **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 on Risk Management and Internal Control for inclusion in the 2021 Annual Report.
- (b) Assessed the adequacy of the scope, competency and performance of Internal Audit Function and its effectiveness, of the audit processes for the financial year ended 30 June 2021.
- (c) Reviewed and assessed the financial literacy of Audit Committee members for the financial year ended 30 June 2021.
- (d) Reviewed and approved the revised External Auditors Policy.
- (e) Reviewed and recommended to the Board for approval of the revised Terms of Reference of the Audit Committee.

In order to discharge the above duties and responsibilities of the Audit Committee ("AC") effectively, the AC members had undertaken continuous professional development by attended various seminars, training programs, conferences and webinars during the financial year. The AC members were also briefed by the External Auditors of the latest accounting and auditing standards applicable to the Group. The list of training attended by the AC members is disclosed in the Corporate Governance Overview Statement as set out in this Annual Report.

## **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 governance, risk management and 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 2022 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 with opinion on the adequacy and operation effectiveness of the operating unit's governance, risk management and internal control processes, 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 FYE 2022, the Internal Audit Division conducted audit assignments on various operating units of the Group involved in golf club operations, property investment, development, construction and management, operating and managing chartered air transport services, and vacation timeshare business.

The cost incurred for the Internal Audit function of the Group in respect of the financial year ended 30 June 2022 was approximately RM1,085,501.

## **TERMS OF REFERENCE OF THE AUDIT COMMITTEE**

The Terms of Reference of the Audit Committee can be viewed on the Company's website at [www.berjaya.com/berjaya-land](http://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

<b>76</b>	Directors' Report	<b>87</b>	Consolidated Statement of Changes in Equity
<b>81</b>	Statement by Directors	<b>89</b>	Statement of Changes in Equity
<b>82</b>	Statutory Declaration	<b>90</b>	Consolidated Statement of Cash Flows
<b>83</b>	Statements of Financial Position	<b>94</b>	Statements of Cash Flows
<b>85</b>	Statements of Profit or Loss	<b>96</b>	Notes to the Financial Statements
<b>86</b>	Statements of Comprehensive Income	<b>244</b>	Independent Auditors' Report

# 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 2022.

## 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) operation of Toto betting 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) building contractors and other related services;
- (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

	<b>GROUP RM'000</b>	<b>COMPANY RM'000</b>
Loss for the financial year	<u>(237,515)</u>	<u>(223,760)</u>
Loss attributable to:		
Owners of the Parent	(242,964)	(223,760)
Non-controlling interests	5,449	-
	<u>(237,515)</u>	<u>(223,760)</u>

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, 43 and 50 to the financial statements.

## DIVIDENDS

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

The Board does not recommend the payment of any dividend for the current financial year ended 30 June 2022.

## 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:

Tun Richard Malanjum	
Syed Ali Shahul Hameed	
Chryseis Tan Sheik Ling	
Datuk Robert Yong Kuen Loke	
Datuk Kee Mustafa	
Datuk Abdul Rahim Bin Mohd Zin	(Appointed on 1 April 2022)
Tan Tee Ming	(Appointed on 1 April 2022)
Nerine Tan Sheik Ping	(Resigned on 1 April 2022)

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 year, 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.

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 RM86,410. 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**

	<b>Number of Ordinary Shares</b>			
	<b>At 1.7.2021/ Date of Appointment</b>	<b>Bought</b>	<b>Sold</b>	<b>At 30.6.2022</b>
<b>Berjaya Land Berhad</b>				
Chryseis Tan Sheik Ling	5,000,000	-	-	5,000,000
Datuk Robert Yong Kuen Loke	360,808	-	-	360,808
Tan Tee Ming	2,000,000 *	-	-	2,000,000 *

**ULTIMATE HOLDING COMPANY**

	<b>Number of Ordinary Shares</b>			
	<b>At 1.7.2021/ Date of Appointment</b>	<b>Bought/ Converted</b>	<b>Sold</b>	<b>At 30.6.2022</b>
<b>Berjaya Corporation Berhad ("BCorp")</b>				
Chryseis Tan Sheik Ling	211,026	275,000 #	-	486,026
Datuk Robert Yong Kuen Loke	1,093,606	500	-	3,610,614
Tan Tee Ming	- *	2,516,508 # 132,000 #	-	132,000 *

**Number of 5% Irredeemable Convertible Unsecured  
Loan Stocks 2012/2022 of RM1.00 nominal  
value each ("BCorp ICULS 2012/2022")**

	<b>Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each ("BCorp ICULS 2012/2022")</b>			
	<b>At 1.7.2021/ Date of Appointment</b>	<b>Bought</b>	<b>Converted</b>	<b>At 30.6.2022</b>
Chryseis Tan Sheik Ling	275,000	-	275,000 #	-
Datuk Robert Yong Kuen Loke	2,516,508	-	2,516,508 #	-
Tan Tee Ming	132,000 *	-	132,000 #	-

**Number of Warrants 2012/2022**

	<b>Number of Warrants 2012/2022</b>			
	<b>At 1.7.2021</b>	<b>Bought</b>	<b>Expired</b>	<b>At 30.6.2022</b>
Datuk Robert Yong Kuen Loke	170,108	-	170,108 ^	-

**RELATED COMPANY**

	<b>Number of Ordinary Shares</b>			
	<b>At 1.7.2021</b>	<b>Bought</b>	<b>Sold</b>	<b>At 30.6.2022</b>
<b>Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad)</b>				
Datuk Robert Yong Kuen Loke	124,903	-	-	124,903

\* Indirect interests pursuant to Section 59(11)(c) of the Companies Act 2016.

# Mandatory conversion of BCorp ICULS 2012/2022 on the basis of one (1) BCorp ICULS 2012/2022 for one (1) BCorp ordinary share upon its maturity on 22 April 2022.

^ BCorp Warrants 2012/2022 expired on 22 April 2022.



## DIRECTORS' INTERESTS (CONT'D)

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 2022 was as follows:

	Average price per share (RM)	Number of shares '000	Amount RM'000
At 1 July 2021/30 June 2022	0.42	79,837	33,643

As at 30 June 2022, the number of ordinary shares in issue and fully paid with voting rights was 4,920,500,000 ordinary shares (2021 : 4,920,500,000 ordinary shares).

## SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year 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.

**OTHER STATUTORY INFORMATION (CONT'D)**

- (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, have expressed their willingness to continue in office.

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

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 21 October 2022.

SYED ALI SHAHUL HAMEED

DATUK ROBERT YONG KUEN LOKE



# STATEMENT BY DIRECTORS

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

We, SYED ALI SHAHUL HAMEED and DATUK ROBERT YONG KUEN LOKE, 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 83 to 243 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 2022 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 21 October 2022.

SYED ALI SHAHUL HAMEED

DATUK ROBERT YONG KUEN LOKE

# STATUTORY DECLARATION

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

I, DATUK ABDUL RAHIM BIN MOHD ZIN, 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 83 to 243 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 DATUK ABDUL RAHIM BIN MOHD ZIN  
at Kuala Lumpur in the Federal Territory  
on 21 October 2022.

DATUK ABDUL RAHIM BIN MOHD ZIN  
MIA NO. 19939

Before me,

YM TENGKU NUR ATHIYA TENGKU FARIDDUDIN (W881)  
Commissioner for Oaths  
Kuala Lumpur

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	GROUP		COMPANY	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	3	1,969,995	1,938,953	1,208	1,659
Right-of-use assets	4	1,131,035	1,172,983	-	-
Subsidiary companies	7	-	-	3,671,595	3,517,468
Investment properties	5	685,822	704,115	-	-
Inventories - Land held for property development	6	1,220,530	1,179,891	-	-
Associated companies	8	311,872	324,601	43,339	43,339
Joint ventures	9	41,193	43,689	-	-
Investments	10	168,834	208,020	63,016	58,401
Intangible assets	11	3,586,069	3,609,310	-	-
Receivables	13	342,617	314,837	889,908	930,109
Retirement benefit assets	24	25,294	9,927	-	-
Deferred tax assets	26	72,576	77,241	-	-
		<u>9,555,837</u>	<u>9,583,567</u>	<u>4,669,066</u>	<u>4,550,976</u>
<b>CURRENT ASSETS</b>					
Inventories - Property development costs	6	90,511	106,879	-	-
Inventories - Others	6	595,606	528,916	-	-
Contract cost assets	12	12,417	12,830	-	-
Receivables	13	1,692,694	1,781,298	244,650	498,048
Contract assets	14	97,693	52,702	-	-
Tax recoverable		24,497	18,243	96	-
Short term investments	15	8,727	11,207	-	-
Derivative asset	25	-	80	-	80
Deposits	16	453,081	371,001	36,826	35,756
Cash and bank balances	17	370,983	277,382	6,434	4,502
		<u>3,346,209</u>	<u>3,160,538</u>	<u>288,006</u>	<u>538,386</u>
Non-current assets classified as held for sale	18	188,968	187,768	-	-
		<u>3,535,177</u>	<u>3,348,306</u>	<u>288,006</u>	<u>538,386</u>
<b>TOTAL ASSETS</b>		<u>13,091,014</u>	<u>12,931,873</u>	<u>4,957,072</u>	<u>5,089,362</u>

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	GROUP		COMPANY	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>EQUITY</b>					
Share capital	19	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	20	1,186,710	1,376,341	343,717	565,003
Equity funds		3,686,878	3,876,509	2,843,885	3,065,171
Treasury shares	21	(33,643)	(33,643)	(33,643)	(33,643)
Net equity funds		3,653,235	3,842,866	2,810,242	3,031,528
Non-controlling interests		2,006,089	2,062,916	-	-
Total Equity		5,659,324	5,905,782	2,810,242	3,031,528
<b>NON-CURRENT LIABILITIES</b>					
Long term borrowings	22	2,434,931	1,721,389	657,208	457,277
Lease liabilities	4	893,971	942,930	-	-
Contract liabilities	14	185,047	205,375	-	-
Long term liabilities	23	84,967	96,754	1,105,572	394,021
Retirement benefit obligations	24	5,904	5,713	-	-
Provisions	29	85	-	-	-
Deferred tax liabilities	26	996,073	993,958	-	-
		4,600,978	3,966,119	1,762,780	851,298
<b>CURRENT LIABILITIES</b>					
Payables	27	1,433,832	1,374,198	33,796	650,077
Short term borrowings	28	923,650	1,367,394	345,670	548,703
Lease liabilities	4	84,287	77,922	-	-
Contract liabilities	14	338,988	221,485	-	-
Retirement benefit obligations	24	98	115	-	-
Derivative liability	25	595	640	595	640
Provisions	29	15,205	2,208	-	-
Tax payable		34,057	16,010	3,989	7,116
		2,830,712	3,059,972	384,050	1,206,536
Total Liabilities		7,431,690	7,026,091	2,146,830	2,057,834
<b>TOTAL EQUITY AND LIABILITIES</b>		13,091,014	12,931,873	4,957,072	5,089,362

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 2022

	Note	GROUP		COMPANY	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Revenue</b>	30	6,044,240	5,406,076	78,497	95,531
Cost of sales		(4,586,395)	(4,278,163)	-	-
<b>Gross profit</b>		1,457,845	1,127,913	78,497	95,531
Other income	31	113,965	118,598	576	1,044
Administrative expenses		(1,057,632)	(867,502)	(32,001)	(32,339)
Selling and marketing expenses		(252,481)	(228,451)	-	-
		261,697	150,558	47,072	64,236
Investment related income	32	76,903	139,759	54,828	51,943
Investment related expenses	33	(219,115)	(61,335)	(224,373)	(83,810)
Finance costs	34	(205,476)	(197,489)	(96,973)	(91,859)
Share of results of associated companies		(8,988)	(64,815)	-	-
Share of results of joint ventures		(5,317)	(8,910)	-	-
<b>Loss before tax</b>	35	(100,296)	(42,232)	(219,446)	(59,490)
Taxation	38	(137,219)	(100,031)	(4,314)	(5,154)
<b>Loss for the financial year</b>		(237,515)	(142,263)	(223,760)	(64,644)
<b>Attributable to:</b>					
Owners of the Parent		(242,964)	(247,644)	(223,760)	(64,644)
Non-controlling interests		5,449	105,381	-	-
		(237,515)	(142,263)	(223,760)	(64,644)
<b>Loss per share attributable to owners of the Parent (sen)</b>	39				
Basic		(4.94)	(5.03)		

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 2022

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Loss for the financial year</b>	(237,515)	(142,263)	(223,760)	(64,644)
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Currency translation differences:				
- Movement during the financial year	14,178	33,444	-	-
- Transfer to profit or loss upon disposal of interests in subsidiary companies	-	(65,509)	-	-
<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")	10,970	22,887	2,474	13,576
Share of associated companies' changes in fair values of FVTOCI investments	(1,391)	2,823	-	-
Actuarial gain recognised in defined benefit pension scheme	14,848	11,974	-	-
Tax effect relating to defined benefit pension scheme	(3,712)	(2,977)	-	-
Share of other comprehensive income of associated companies	177	(99)	-	-
<b>Total comprehensive income for the financial year</b>	<b>(202,445)</b>	<b>(139,720)</b>	<b>(221,286)</b>	<b>(51,068)</b>
<b>Attributable to:</b>				
Owners of the Parent	(193,034)	(276,696)	(221,286)	(51,068)
Non-controlling interests	(9,411)	136,976	-	-
	<b>(202,445)</b>	<b>(139,720)</b>	<b>(221,286)</b>	<b>(51,068)</b>

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 2022

GROUP 2022	Attributable to owners of the Parent				Distributable			Non- controlling interests RM'000	Total equity RM'000		
	Share capital RM'000	Foreign currency translation reserve RM'000	FVTOCI reserve RM'000	Fair value reserve RM'000	Consolidation reserve RM'000	Capital reserve RM'000	Retained earnings/ (Accumulated losses) RM'000			Treasury shares RM'000	Net equity funds RM'000
At beginning of financial year	2,500,168	129,661	(47,681)	1,054,940	85,664	116,528	37,229	(33,643)	3,842,866	2,062,916	5,905,782
Loss for the financial year	-	-	-	-	-	-	(242,964)	-	(242,964)	5,449	(237,515)
Other comprehensive income	-	41,978	3,883	-	-	-	4,069	-	49,930	(14,860)	35,070
Total comprehensive income	-	41,978	3,883	-	-	-	(238,895)	-	(193,034)	(9,411)	(202,445)
Effects arising from the disposals of FVTOCI investments	-	-	(336)	-	-	-	336	-	-	-	-
Transactions with owners: Arising from changes in equity interest in subsidiary companies Dividends issued to non-controlling interests	-	-	-	-	3,403	-	-	-	3,403	(15,619)	(12,216)
	-	-	-	-	3,403	-	-	-	-	(31,797)	(31,797)
	-	-	-	-	3,403	-	-	-	3,403	(47,416)	(44,013)
<b>At end of financial year</b>	<b>2,500,168</b>	<b>171,639</b>	<b>(44,134)</b>	<b>1,054,940</b>	<b>89,067</b>	<b>116,528</b>	<b>(201,330)</b>	<b>(33,643)</b>	<b>3,653,235</b>	<b>2,006,089</b>	<b>5,659,324</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

GROUP 2021	Attributable to owners of the Parent				Distributable				Total equity RM'000			
	Share capital RM'000	Foreign currency translation reserve RM'000	FVTOCI reserve RM'000	Fair value reserve 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	
At beginning of financial year	2,500,168	119,816	(62,049)	1,054,940	66,953	85,664	116,528	271,185	(33,643)	4,119,562	2,134,130	6,253,692
Loss for the financial year	-	-	-	-	-	-	(247,644)	-	(247,644)	-	105,381	(142,263)
Other comprehensive income	-	9,845	24,844	-	(66,953)	-	3,212	-	(29,052)	-	31,595	2,543
Total comprehensive income	-	9,845	24,844	-	(66,953)	-	(244,432)	-	(276,696)	-	136,976	(139,720)
Effects arising from the disposals of FVTOCI investments	-	-	(10,476)	-	-	-	10,476	-	-	-	-	-
Transactions with owners: Arising from changes in equity interest in a subsidiary company Acquisition of subsidiary companies Disposal of a subsidiary company Dividends issued to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(18,230)	(18,230)
	-	-	-	-	-	-	-	-	-	-	2,459	2,459
	-	-	-	-	-	-	-	-	-	-	(128,583)	(128,583)
	-	-	-	-	-	-	-	-	-	-	(63,836)	(63,836)
	-	-	-	-	-	-	-	-	-	-	(208,190)	(208,190)
<b>At end of financial year</b>	<b>2,500,168</b>	<b>129,661</b>	<b>(47,681)</b>	<b>1,054,940</b>	<b>-</b>	<b>85,664</b>	<b>116,528</b>	<b>37,229</b>	<b>(33,643)</b>	<b>3,842,866</b>	<b>2,062,916</b>	<b>5,905,782</b>

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 2022

COMPANY	Share capital	Non-distributable FVTOCI reserve	Distributable Retained earnings	Treasury shares	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2021	2,500,168	(6,026)	571,029	(33,643)	3,031,528
Loss for the financial year	-	-	(223,760)	-	(223,760)
Other comprehensive income	-	2,474	-	-	2,474
Total comprehensive income	-	2,474	(223,760)	-	(221,286)
<b>At 30 June 2022</b>	<b>2,500,168</b>	<b>(3,552)</b>	<b>347,269</b>	<b>(33,643)</b>	<b>2,810,242</b>
At 1 July 2020	2,500,168	(9,043)	625,114	(33,643)	3,082,596
Loss for the financial year	-	-	(64,644)	-	(64,644)
Other comprehensive income	-	13,576	-	-	13,576
Total comprehensive income	-	13,576	(64,644)	-	(51,068)
Effects arising from the disposal of FVTOCI investments	-	(10,559)	10,559	-	-
<b>At 30 June 2021</b>	<b>2,500,168</b>	<b>(6,026)</b>	<b>571,029</b>	<b>(33,643)</b>	<b>3,031,528</b>

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 2022

	GROUP	
	2022 RM'000	2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers/operating revenue	6,277,461	5,485,447
Payment to prize winners, suppliers and other operating expenses	(5,390,149)	(4,529,851)
Payment for pool betting duties, gaming tax, goods and services tax and other government contributions	(431,456)	(424,835)
Payment of development expenditure	(116,060)	(150,365)
Payment of taxes	(122,903)	(115,513)
Refund of taxes	1,418	4,238
Other receipts	22,877	78,267
Net cash generated from operating activities	<u>241,188</u>	<u>347,388</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment and other non-current assets	53,666	1,009
Sale of investments	32,406	60,295
Sale of short term investments	2,547	2,000
Sale of equity interest in an associated company	6,929	206
Acquisition of property, plant and equipment (Note a)	(162,208)	(87,269)
Acquisition of properties	(56,568)	(48,757)
Part payment for right-of-use assets (Note b)	-	(14,710)
Acquisition of treasury shares by a subsidiary company	(4,995)	(18,230)
Net cash inflow from disposal of a subsidiary company (Note c)	-	405,904
Net cash inflow from the acquisition of subsidiary companies (Note c)	-	435
Net cash outflow from acquisition of additional equity interests in a subsidiary company	(17,712)	(4,134)
Acquisition of additional equity interests in associated companies	(4,541)	(8,763)
Subscription of shares in joint ventures	(1,528)	-
Acquisition of investments	(3,513)	(53,329)
Acquisition of computer software classified as intangible assets	(385)	(2,419)
Interest received	6,895	12,819
Dividends received	36,585	187,203
Net (payments)/advances from related companies	(9,618)	72,629
Net repayment from joint ventures	358	12,054
Deposit received from proposed disposal of joint ventures	98,887	-
Other payments arising from investments	(17,830)	(19,735)
Net cash (used in)/generated from investing activities	<u>(40,625)</u>	<u>497,208</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	GROUP	
	2022 RM'000	2021 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of medium term notes and Sukuk Wakalah MTNs	558,850	185,360
Drawdown of bank borrowings and other loans	742,967	233,739
Repayment of bank borrowings and other loans	(402,402)	(790,487)
Redemption of medium term notes	(586,560)	(200,000)
Interest paid	(205,934)	(176,740)
Payment of finance lease and hire purchase liabilities	(7,921)	(9,156)
Payment of lease liabilities	(82,045)	(41,850)
Dividends paid to non-controlling interests	(27,884)	(51,879)
Withdrawals of deposits pledged for borrowings	(6,427)	24,973
Net cash used in financing activities	<u>(17,356)</u>	<u>(826,040)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	183,207	18,556
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(12,586)	7,462
<b>OPENING CASH AND CASH EQUIVALENTS</b>	581,129	555,111
<b>CLOSING CASH AND CASH EQUIVALENTS (Note d)</b>	<u>751,750</u>	<u>581,129</u>

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

	GROUP	
	2022 RM'000	2021 RM'000
Cash	162,208	87,269
Hire purchase and leasing	1,032	1,397
Prepayment made in preceding financial year	-	57,408
Accruals for capital work-in-progress/restoration cost	7,126	18,156
	<u>170,366</u>	<u>164,230</u>

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

Lease liabilities	12,487	10,114
Prepayment made in preceding financial year	5,260	-
	<u>17,747</u>	<u>10,114</u>
The part payment for right-of-use assets consist of:		
Prepayment for right-of-use assets	-	5,260
Cash paid for remaining outstanding sum of acquisition in preceding financial year	-	9,450
	<u>-</u>	<u>14,710</u>

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

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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

	GROUP	
	2022 RM'000	2021 RM'000
Deposits (Note 16)	453,081	371,001
Cash and bank balances (Note 17)	370,983	277,382
Bank overdrafts (Note 28)	(13,210)	(14,579)
	810,854	633,804
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(41,563)	(43,661)
- Cash and bank balances (Note 17)	(8,156)	(4,422)
	761,135	585,721
Less: Deposits with maturities more than 3 months	(9,385)	(4,592)
	751,750	581,129

(e) Reconciliation of liabilities arising from financing activities:

	Medium term notes and		Lease liabilities RM'000	Finance lease and hire purchase liabilities RM'000		Total RM'000
	Sukuk Wakalah MTNs RM'000	Bank borrowings and other loans RM'000				
<b>2022</b>						
At beginning of financial year	1,183,573	1,838,620	1,020,852	52,011		4,095,056
Drawdown of borrowings	558,850	742,967	-	-		1,301,817
Additional hire purchase liabilities	-	-	-	1,032		1,032
Additional lease liabilities	-	-	14,793	-		14,793
Repayment of borrowings	(586,560)	(402,402)	-	(7,921)		(996,883)
Repayment of lease liabilities	-	-	(82,045)	-		(82,045)
Reassessment	-	-	74,571	-		74,571
Termination	-	-	(582)	-		(582)
Charge out of deferred transaction costs	572	3,804	-	-		4,376
Exchange differences	-	(39,764)	(49,331)	589		(88,506)
At end of financial year	1,156,435	2,143,225	978,258	45,711		4,323,629
<b>2021</b>						
At beginning of financial year	1,197,658	2,354,408	1,020,813	61,568		4,634,447
Drawdown of borrowings	185,360	233,739	-	-		419,099
Additional hire purchase liabilities	-	-	-	1,397		1,397
Additional lease liabilities	-	-	10,114	-		10,114
Repayment of borrowings	(200,000)	(790,487)	-	(9,156)		(999,643)
Repayment of lease liabilities	-	-	(41,850)	-		(41,850)
Reassessment	-	-	150	-		150
Termination	-	-	(1,808)	-		(1,808)
Charge out of deferred transaction costs	555	4,437	-	-		4,992
Deferred lease payment	-	-	(44,156)	-		(44,156)
Exchange differences	-	36,523	77,589	(1,798)		112,314
At end of financial year	1,183,573	1,838,620	1,020,852	52,011		4,095,056

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

(f) The total cash outflows for leases were as follows:

	<b>GROUP</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Payment for principal portion of lease liabilities	82,045	41,850
Interest paid on lease liabilities	36,854	32,847
	118,899	74,697
Payment of expenses relating to short term leases	4,169	2,689
Payment of expenses relating to leases of low-value assets	1,821	1,244
	124,889	78,630

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 2022

	COMPANY	
	2022 RM'000	2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Dividends received	103,137	197,972
Payment for operating expenses	(33,099)	(35,800)
Payment for taxes net of tax refunds	(7,537)	(11,212)
Other receipts	1,551	2,267
Net cash generated from operating activities	64,052	153,227
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment	-	151
Sale of investments	-	27,814
Acquisition of property, plant and equipment (Note a)	(148)	(96)
Acquisition of equity interest in a subsidiary company	(33,976)	-
Subscription of additional shares in subsidiary companies	(293,826)	(160,285)
Acquisition of investments	(3,139)	(13,796)
Interest received	817	1,206
Inter-company receipts	446,038	708,214
Inter-company advances	(120,791)	(259,572)
Other (payments)/receipts arising from investments	(3,343)	4,658
Net cash (used in)/generated from investing activities	(8,368)	308,294
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of bank borrowings and other loans	335,352	79,301
Issuance of medium term notes	150,000	75,000
Interest paid	(46,203)	(54,470)
Payment of hire purchase liabilities	(293)	(328)
Repayment of bank borrowings and other loans	(266,467)	(421,303)
Redemption of medium term notes	(225,000)	(175,000)
(Placements)/Withdrawal of deposits pledged for borrowings	(2,791)	21,303
Net cash used in financing activities	(55,402)	(475,497)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	282	(13,976)
<b>OPENING CASH AND CASH EQUIVALENTS</b>	(3,862)	10,114
<b>CLOSING CASH AND CASH EQUIVALENTS (Note b)</b>	(3,580)	(3,862)



**STATEMENT OF CASH FLOWS**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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

	COMPANY	
	2022 RM'000	2021 RM'000
Cash	148	96
Hire purchase	-	301
	148	397

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

	COMPANY	
	2022 RM'000	2021 RM'000
Deposits (Note 16)	36,826	35,756
Cash and bank balances (Note 17)	6,434	4,502
Bank overdrafts (Note 28)	(4,731)	(4,802)
	38,529	35,456
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(36,826)	(35,756)
- Cash and bank balances (Note 17)	(5,283)	(3,562)
	(3,580)	(3,862)

(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
<b>2022</b>				
At beginning of financial year	299,914	700,403	861	1,001,178
Drawdown of borrowings	150,000	335,352	-	485,352
Repayment of borrowings	(225,000)	(266,467)	(293)	(491,760)
Charge out of deferred transaction costs	86	3,291	-	3,377
At end of financial year	225,000	772,579	568	998,147
<b>2021</b>				
At beginning of financial year	399,832	1,037,997	888	1,438,717
Drawdown of borrowings	75,000	79,301	-	154,301
Additional hire purchase liabilities	-	-	301	301
Repayment of borrowings	(175,000)	(421,303)	(328)	(596,631)
Charge out of deferred transaction costs	82	4,408	-	4,490
At end of financial year	299,914	700,403	861	1,001,178

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

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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

SPToto - Sports Toto Berhad (formerly known as 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) operation of Toto betting 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) building contractors and other related services;
- (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 21 October 2022.

## 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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:

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 11 to 20 years
Golf course development expenditure	1% - 2%
Others*	10% - 25%

\*Others comprise mainly linen, silverware, cutleries, kitchen utensils, recreational livestock 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (5) Inventories (Cont'd)

##### (ii) Others

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 operating Toto betting 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 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 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 their fair values 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 criterion 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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 46.

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

###### Initial Recognition And Measurement

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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 cost assets, 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 and 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, such as advance payment and down payments, 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

#### (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.

##### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease i.e., the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, 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 periods are as follows:

Leasehold land	50 to 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

##### Operating lease

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.

##### Finance lease

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, where appropriate.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all conditions attached will be met. Government grants related to assets, shall be presented in the statements of financial position by setting up the grant as deferred income. Grants that compensate the Group for expenses incurred are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants that compensate the Group for the cost of an asset are recognised as income on a systematic basis over the useful life of the asset.

**2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(27) 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.3 CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted by the Group and the Company are consistent with those of the previous financial year, except for the adoption of the following Amendments to MFRSs, effective for financial periods beginning on or after 1 January 2021:

- Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 - Interest Rate Benchmark Reform - Phase 2 and MFRS 139

The adoption of the above Amendments to MFRSs did not have any effect on the financial performance or position of the Group and of the Company.

### 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 and Annual Improvements to MFRSs 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 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
- Amendments to MFRS1, MFRS 9, MFRS 16 and MFRS 141: 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 4: Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9
- Amendments to MFRS 17: Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 101: Presentation of Financial Statements – Disclosure of Accounting Policies
- Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112: Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

#### Effective for financial periods beginning on or after 1 January 2024

- Amendments to MFRS 101: Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to MFRS 16: Leases - Lease Liability in a Sale and Leaseback

#### 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)



## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES

The new MFRSs, Amendments to MFRSs and Annual Improvements to MFRSs 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 and Annual Improvements to MFRSs.

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 for the Toto betting operations in Malaysia 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(b), 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").

GMOC had, on 21 May 2020, obtained a favourable arbitration award from the HKIAC ("Final Award") and proceeded to seek recognition and enforcement of the Final Award in all jurisdictions. The details of the Final Award are disclosed in Note 42(b). The courts in the People's Republic of China and Hong Kong have ordered the recognition and enforcement of the Final Award and have frozen various assets of Beijing SkyOcean and its Guarantors, SkyOcean Holdings Group Limited and Mr Zhou Zheng.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 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)

- (ii) Recoverability of balance cash consideration for the disposal of project by Berjaya (China) Great Mall Co Ltd ("GMOC") ("Final Instalment") (Cont'd)

The Group assesses the credit risk of the Final Instalment based on the ECL model of provision of impairment loss, to determine whether or not there has been significant increase in credit risk since the initial recognition of the Final Instalment. The continued COVID-19 lockdowns in the People's Republic of China had disrupted the enforcement process. In view of the prolonged and arduous enforcement procedures of the arbitration award, the Group has recognised an impairment loss amounting to RM197,808,000 in the current financial year.

- (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.

- (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(a). 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(d). 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.

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

#### (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, the annual impairment review resulted in the Group recognising an impairment loss in respect of goodwill as disclosed in Note 33. No impairment is required for Gaming Rights, Dealerships and Customer Relationships.

The carrying amounts of Gaming Rights, Dealerships, Customer Relationships and goodwill of the Group as at 30 June 2022 are disclosed in Note 11.

##### (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 Company recognising an impairment loss in respect of its investments in subsidiary companies, as disclosed in Note 33. No impairment is required for investments in associated companies and joint ventures.

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 ECL model, 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 associated companies and certain subsidiary companies respectively. The Group and the Company recognised impairment losses on these balances as disclosed in Note 33.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

#### (b) Key Sources of Estimation Uncertainty (Cont'd)

- (iii) Recoverability of amounts owing by subsidiary companies, associated companies and joint ventures (Cont'd)

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")

The Group and the Company conduct an annual impairment review of their property, plant and equipment and ROU Assets. The Group and the Company estimated the recoverable amounts of the property, plant and equipment and ROU Assets based on the respective assets' or CGU's fair value less costs to sell or based on the estimated VIU of the CGU. Estimating the VIU requires the Group and the Company 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. 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, no impairment is required for property, plant and equipment and ROU Assets.

The carrying amounts of property, plant and equipment and ROU Assets of the Group as at 30 June 2022 are disclosed in Notes 3 and 4.

- (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 2022. 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 46(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).

## 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 ECLs of trade and other receivables and contract assets

The Group uses the simplified approach to estimate a lifetime ECL 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.

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 RM47.81 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## PROPERTY, PLANT AND EQUIPMENT

3

GROUP	2022							Net carrying amount at end of financial year RM'000		
	Net carrying amount at beginning of financial year RM'000	Reclassification RM'000	Transfers/ Adjustments RM'000	Additions RM'000	Acquisition of subsidiary companies RM'000	Impairment losses RM'000	Write-off/ Disposals RM'000		Depreciation RM'000	Exchange differences RM'000
Freehold land	180,110	-	-	-	-	-	-	-	(11,452)	168,658
Buildings	1,312,041	351	-	37,244	-	-	-	(42,826)	(12,175)	1,294,635
Plant and equipment	35,596	912	-	9,068	-	-	(261)	(10,239)	(1,521)	33,555
Computer equipment	19,698	(654)	-	2,744	-	-	(45)	(6,031)	67	15,779
Renovation	57,629	27,309	-	18,957	-	-	(212)	(18,488)	(3,045)	82,150
Furniture and fittings	59,781	(28,935)	-	5,544	-	-	(113)	(8,852)	(997)	26,428
Office equipment	8,340	2,704	-	4,834	-	-	(279)	(2,947)	(90)	12,562
Motor vehicles	26,862	-	-	4,185	-	-	(1,364)	(6,029)	(12)	23,642
Aircraft	47,426	-	-	-	-	-	-	(2,926)	-	44,500
Golf course development expenditure	65,934	-	-	-	-	-	-	(1,149)	-	64,785
Capital work-in-progress	119,260	(317)	-	83,756	-	-	-	-	(7,815)	194,884
Others	6,276	(1,370)	-	4,034	-	-	-	(476)	(47)	8,417
	1,938,953	-	-	170,366	-	-	(2,274)	(99,963)	(37,087)	1,969,995
2021							Net carrying amount at end of financial year RM'000			
Net carrying amount at beginning of financial year RM'000	Reclassification RM'000	Transfers/ Adjustments RM'000	Additions RM'000	Acquisition of subsidiary companies RM'000	Impairment losses RM'000	Write-off/ Disposals RM'000		Depreciation RM'000	Exchange differences RM'000	
Freehold land	162,519	-	(37,376)	57,408	-	-	-	-	(2,441)	180,110
Buildings	1,317,723	(1,020)	3,054	2,434	-	(403)	-	(45,604)	35,857	1,312,041
Plant and equipment	31,370	648	-	12,676	15	-	(274)	(9,820)	981	35,596
Computer equipment	25,650	(339)	-	1,702	79	(45)	(3)	(7,520)	174	19,698
Renovation	54,153	3,123	-	6,565	97	-	(12)	(13,821)	7,524	57,629
Furniture and fittings	68,290	(685)	800	4,729	23	(178)	(377)	(17,555)	4,734	59,781
Office equipment	9,911	-	-	1,204	-	(57)	(40)	(2,997)	319	8,340
Motor vehicles	30,428	4	-	3,161	-	-	(485)	(6,538)	292	26,862
Aircraft	76,659	-	-	-	-	(10,015)	(13,435)	(5,783)	-	47,426
Golf course development expenditure	67,081	-	-	-	-	(325)	-	(1,147)	-	65,934
Capital work-in-progress	48,770	(2,105)	-	73,070	-	-	-	-	(150)	119,260
Others	4,641	374	468	1,281	-	(44)	(2)	(682)	240	6,276
	1,897,195	-	(33,054)	164,230	214	(11,067)	(14,628)	(111,467)	47,530	1,938,953

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

GROUP	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Net carrying amount RM'000
<b>2022</b>				
Freehold land	171,770	-	3,112	168,658
Buildings	1,845,151	540,571	9,945	1,294,635
Plant and equipment	182,705	149,125	25	33,555
Computer equipment	92,127	76,255	93	15,779
Renovation	252,381	170,231	-	82,150
Furniture and fittings	217,984	191,552	4	26,428
Office equipment	58,257	45,692	3	12,562
Motor vehicles	95,228	71,586	-	23,642
Aircraft	179,114	74,833	59,781	44,500
Golf course development expenditure	108,253	29,631	13,837	64,785
Capital work-in-progress	198,886	-	4,002	194,884
Others	24,940	14,171	2,352	8,417
	<b>3,426,796</b>	<b>1,363,647</b>	<b>93,154</b>	<b>1,969,995</b>
<b>2021</b>				
Freehold land	183,222	-	3,112	180,110
Buildings	1,817,904	495,511	10,352	1,312,041
Plant and equipment	186,014	150,402	16	35,596
Computer equipment	89,369	69,430	241	19,698
Renovation	200,480	142,851	-	57,629
Furniture and fittings	272,460	212,500	179	59,781
Office equipment	50,303	41,906	57	8,340
Motor vehicles	97,633	70,771	-	26,862
Aircraft	179,114	71,907	59,781	47,426
Golf course development expenditure	108,253	28,482	13,837	65,934
Capital work-in-progress	123,590	-	4,330	119,260
Others	23,605	14,935	2,394	6,276
	<b>3,331,947</b>	<b>1,298,695</b>	<b>94,299</b>	<b>1,938,953</b>

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) In the previous financial year, an impairment loss of RM11,067,000 was recognised, out of which RM10,015,000 was in relation to 2 units of aircraft. The recoverable amounts of the impaired aircrafts were RM47,481,000 (categorised as Level 3 in the fair value hierarchy) which were based on the estimated fair value less costs to sell.
- (b) In the previous financial year, the Group had written off RM13,435,000 million in relation to an aircraft which was damaged in an air traffic accident. The Group was then awarded an aviation insurance claim of approximately RM17,848,000.
- (c) Included in the transfers/adjustments of property, plant and equipment of the previous financial year were:
- an amount of RM7,529,000 which was reclassified to non-current asset classified as held for sale. Further details are disclosed in Note 18; and
  - an amount of RM29,847,000 which was transferred to right-of-use assets after it was determined these assets qualified as right-of-use assets.
- (d) Properties of the Group with carrying amounts totalling RM1,253,133,000 (2021 : RM1,184,775,000) 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	
	2022 RM'000	2021 RM'000
Motor vehicles	4,092	4,602
Plant and equipment	351	430
Aircraft	38,580	40,882
	43,023	45,914

COMPANY	Net carrying amount at beginning of financial year RM'000	Additions RM'000	Depreciation RM'000	Net carrying amount at end of financial year RM'000
<b>2022</b>				
Furniture and fittings	87	-	(16)	71
Office equipment	394	148	(174)	368
Renovation	178	-	(40)	138
Motor vehicles	1,000	-	(369)	631
	1,659	148	(599)	1,208



3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY	Net carrying amount at beginning of financial year	Additions	Disposals	Depreciation	Net carrying amount at end of financial year
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2021</b>					
Furniture and fittings	104	-	-	(17)	87
Office equipment	557	14	-	(177)	394
Renovation	213	8	-	(43)	178
Motor vehicles	1,032	375	(3)	(404)	1,000
	<u>1,906</u>	<u>397</u>	<u>(3)</u>	<u>(641)</u>	<u>1,659</u>

	Cost	Accumulated depreciation	Net carrying amount
	RM'000	RM'000	RM'000
<b>2022</b>			
Furniture and fittings	2,177	2,106	71
Office equipment	8,067	7,699	368
Renovation	3,337	3,199	138
Motor vehicles	6,671	6,040	631
	<u>20,252</u>	<u>19,044</u>	<u>1,208</u>

	Cost	Accumulated depreciation	Net carrying amount
	RM'000	RM'000	RM'000
<b>2021</b>			
Furniture and fittings	2,177	2,090	87
Office equipment	7,921	7,527	394
Renovation	3,336	3,158	178
Motor vehicles	6,670	5,670	1,000
	<u>20,104</u>	<u>18,445</u>	<u>1,659</u>

Motor vehicles of the Company with carrying amounts totalling RM628,000 (2021 : RM1,000,000) are held under hire purchase arrangements.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### (a) Right-of-use assets

GROUP	Leasehold land RM'000	Buildings RM'000	Aircraft and others RM'000	Total RM'000
<b>2022</b>				
At beginning of financial year	132,165	1,033,068	7,750	1,172,983
Additions during the financial year	5,260	12,333	154	17,747
Depreciation	(2,405)	(98,565)	(4,301)	(105,271)
Modification/Termination	-	(161)	-	(161)
Reassessment/Adjustments	346	69,073	5,152	74,571
Reclassification	(190)	128	62	-
Exchange differences	(498)	(29,128)	792	(28,834)
At end of financial year	<u>134,678</u>	<u>986,748</u>	<u>9,609</u>	<u>1,131,035</u>
<b>At 30 June 2022</b>				
Cost	179,786	1,226,955	21,505	1,428,246
Accumulated depreciation	(45,108)	(236,768)	(11,896)	(293,772)
Accumulated impairment	-	(3,439)	-	(3,439)
	<u>134,678</u>	<u>986,748</u>	<u>9,609</u>	<u>1,131,035</u>
<b>2021</b>				
At beginning of financial year	125,973	1,028,147	11,262	1,165,382
Additions during the financial year	97	8,864	1,153	10,114
Depreciation	(5,247)	(88,153)	(3,801)	(97,201)
Termination	-	(1,595)	(174)	(1,769)
Impairment during the financial year	(451)	(587)	-	(1,038)
Transfer from property, plant and equipment	29,847	-	-	29,847
Transfer to prepayments in receivables	(16,296)	-	-	(16,296)
Reassessment/Adjustments	(2,022)	22,800	(193)	20,585
Exchange differences	264	63,592	(497)	63,359
At end of financial year	<u>132,165</u>	<u>1,033,068</u>	<u>7,750</u>	<u>1,172,983</u>
<b>At 30 June 2021</b>				
Cost	177,443	1,227,703	15,223	1,420,369
Accumulated depreciation	(44,815)	(191,267)	(7,473)	(243,555)
Accumulated impairment	(463)	(3,368)	-	(3,831)
	<u>132,165</u>	<u>1,033,068</u>	<u>7,750</u>	<u>1,172,983</u>

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 RM268,348,000 (2021 : RM237,884,000) was pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

**4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)**

**(a) Right-of-use assets (Cont'd)**

Other than the above, the Group has right-of-use assets classified under Inventories as land held for property development amounting to RM176,030,000 (2021 : RM190,185,000) at the reporting date.

**(b) Lease liabilities**

<b>GROUP</b>	<b>2022 RM'000</b>	<b>2021 RM'000</b>
At beginning of financial year	1,020,852	1,020,813
Additions during the financial year	14,793	10,114
Interest expense (Note 34)	36,854	32,847
Lease payments	(118,899)	(74,697)
Modification/Termination	(582)	(1,808)
Reassessment	74,571	20,778
Deferred lease payment	-	(44,156)
Exchange differences	(49,331)	56,961
At end of financial year	<u>978,258</u>	<u>1,020,852</u>
Analysed as follows:		
<b>Current</b>	84,287	77,922
<b>Non-Current</b>	893,971	942,930
	<u>978,258</u>	<u>1,020,852</u>

**5 INVESTMENT PROPERTIES**

	<b>Group</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
At beginning of financial year	704,115	712,071
Additions during the financial year	-	5,889
Disposals during the financial year	(23,000)	-
Net fair value adjustments (Notes 32,33)	5,475	(14,703)
Exchange differences	(768)	858
At end of financial year	<u>685,822</u>	<u>704,115</u>

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 RM36,650,000 (2021 : RM36,650,000) 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. The valuations make reference to market evidence of transaction prices of similar properties or comparable available market data.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 5 INVESTMENT PROPERTIES (CONT'D)

Fair value hierarchy disclosures for investment properties have been provided in Note 46(a).

Investment properties with carrying amounts totalling RM458,956,000 (2021 : RM471,345,000) are pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

### 6 INVENTORIES

	Group	
<u>NON-CURRENT</u>	2022 RM'000	2021 RM'000
Land held for property development, at cost (Note a)	1,220,530	1,179,891
<u>CURRENT</u>		
Property development costs, at cost (Note b)	90,511	106,879
Other inventories, at cost:		
Vehicles	263,825	217,365
Completed properties	88,093	99,812
Stores and consumables	17,786	11,188
Gaming equipment components and parts	321	246
Ticket inventories	3,026	4,544
Work-in-progress	889	883
Raw materials	30,343	22,956
Finished goods and inventories for resale	2,491	1,861
	406,774	358,855
At net realisable value:		
Vehicles	81,294	60,427
Completed properties	91,615	91,615
Stores and consumables	15,923	18,019
	595,606	528,916
	1,906,647	1,815,686

The cost of other inventories recognised as an expense during the current financial year amounted to RM2,678,055,000 (2021 : RM2,222,962,000).

The carrying amounts of vehicles inventories pledged for vehicle stocking loans amounted to RM325,519,000 (2021 : RM255,193,000).

**6 INVENTORIES (CONT'D)**

The following inventories are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Land held for property development	290,239	269,389
Property development costs	64,091	81,430
Completed properties	40,241	61,151
	<b>394,571</b>	<b>411,970</b>

**(a) Land held for property development**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
At cost:		
At beginning of financial year:		
- freehold land	771,481	706,574
- leasehold land	178,446	210,289
- land use rights/land lease premium	11,739	12,065
- development costs	218,225	166,155
	1,179,891	1,095,083
Additions:		
- freehold land	66,601	46,834
- leasehold land	2,306	-
- development costs	21,500	57,630
	90,407	104,464
Adjustments during the financial year:		
- freehold land	-	24,940
- leasehold land	-	(24,940)
	-	-
Disposal:		
- leasehold land	-	(4,763)
	-	-
Exchange differences:		
- freehold land	(16,801)	(6,867)
- leasehold land	(17,048)	(2,140)
- land use rights/land lease premium	587	(326)
- development costs	(16,506)	(4,904)
	(49,768)	(14,237)
Total costs at end of financial year	<b>1,220,530</b>	<b>1,180,547</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 6 INVENTORIES (CONT'D)

### (a) Land held for property development (Cont'd)

	Group	
	2022 RM'000	2021 RM'000
Write-down in value	-	(656)
Carrying amount at end of financial year:		
- freehold land	821,281	771,481
- leasehold land	163,704	178,446
- land use rights/land lease premium	12,326	11,739
- development costs	223,219	218,225
	<u>1,220,530</u>	<u>1,179,891</u>

### (b) Property development costs

	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year:		
- freehold land	5,165	6,102
- land use rights	960	612
- development costs	100,754	66,385
	<u>106,879</u>	<u>73,099</u>
Costs incurred during the financial year:		
- development costs	55,388	100,447
Transferred during the financial year:		
- (to)/from inventories	(53)	1,125
- to contract cost assets	(72,390)	(67,626)
	<u>(72,443)</u>	<u>(66,501)</u>
Exchange differences	687	(166)
Carrying amount at end of financial year	<u>90,511</u>	<u>106,879</u>

## 7 SUBSIDIARY COMPANIES

	Company	
	2022 RM'000	2021 RM'000
Quoted shares, at cost	335,440	335,440
Unquoted shares, at cost	3,646,452	3,487,255
Capital contribution	4,135	4,135
	<u>3,986,027</u>	<u>3,826,830</u>
Less: Accumulated impairment losses of unquoted shares	(314,432)	(309,362)
	<u><u>3,671,595</u></u>	<u><u>3,517,468</u></u>

Details of the subsidiary companies are set out in Note 51.

In the current financial year, an amount of RM293,826,000 (2021 : RM157,090,000) has been capitalised from the amount due from certain subsidiary companies. The Company also carried out an internal reorganisation exercise whereby, Berjaya Hartanah Berhad ("BHartanah") acquired the total equity interests in Berjaya Land Development Sdn Bhd, Berjaya Tagar Sdn Bhd and Alam Baiduri Sdn Bhd from the Company, for a total consideration of RM860.56 million, satisfied via a share swap of 796.81 million new BHartanah ordinary shares at RM1.08 per BHartanah share. As a result, BHartanah became a direct subsidiary of the Company. The internal reorganisation exercise has no impact to the Group's financial statements.

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.

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 RM5,070,000 (2021 : RM3,259,000) as disclosed in Note 33 based on recoverable amount of RMNil (2021 : RM9,152,000).

Certain quoted shares in subsidiary companies of the Group and of the Company with carrying amounts totalling RM1,158,093,000 and RM325,846,000 (2021 : RM1,199,502,000 and RM332,074,000) 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 2022**

Several new subsidiary companies were incorporated during the financial year. None of these are material to the Group.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 7 SUBSIDIARY COMPANIES (CONT'D)

### a) Acquisition of subsidiary companies

#### For the previous financial year ended 30 June 2021

- (i) Berjaya Construction Berhad (formerly known as Berjaya Engineering Construction Sdn Bhd), a wholly-owned subsidiary of 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 financial effects of the acquisition of MDSB which qualified as a business combination were as follows:

<b>Group</b>	<b>2021 RM'000</b>
Property, plant and equipment	214
Other investment	2,850
Current assets	7,346
Current liabilities	(5,392)
Non-controlling interests	(2,459)
Total net assets acquired	<u>2,559</u>
Negative goodwill on acquisition	(2,309)
Total cost of acquisition	<u><u>250</u></u>
Purchase consideration satisfied by cash	(250)
Cash and cash equivalents of a subsidiary company acquired	<u>685</u>
Net cash inflow on acquisition of a subsidiary company	<u><u>435</u></u>

- (ii) On 22 March 2021, Berjaya Vacation Club Berhad ("BVC"), a wholly-owned subsidiary of the Company, acquired the remaining 30% equity interest in Hotel Integrations Sdn Bhd ("HISB") (now known as Berjaya Pictures Sdn Bhd) for a cash consideration of RM7,400. Consequently, HISB became a wholly-owned subsidiary of the Group.
- (iii) Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of the Company completed the acquisition of the remaining 25% equity interest in Icelandair Hotels hf ("Icelandair") for a total cash consideration of USD3.40 million (equivalent to approximately RM14.11 million), thus making Icelandair a wholly-owned subsidiary of the Group.



**7 SUBSIDIARY COMPANIES (CONT'D)**

**b) Disposal of subsidiary companies**

**For the current financial year ended 30 June 2022**

Several subsidiary companies were partially disposed, struck off or dissolved during the financial year. None of these are material to the Group.

**For the previous financial year ended 30 June 2021**

- (i) On 28 August 2020, the Company announced that the JDC Lawsuit has been fully settled and resolved with the receipt of Settlement Sum by Berjaya Leisure (Cayman) Limited and accordingly, Berjaya Jeju Resort Limited ("BJeju") ceased to be a subsidiary of the Group on even date.

The effects of the disposal of BJeju on cash flows were as follows:

<b>Group</b>	<b>2021 RM'000</b>
Assets and liabilities previously classified as disposal group	423,143
Non-controlling interests disposed	<u>(128,493)</u>
	294,650
Accrual of withholding tax	45,125
Excluding: Cash and cash equivalents of disposed subsidiary company	(967)
Add: Gain on disposal recognised in profit or loss (Note 32)	<u>67,096</u>
Net cash inflow from disposal of a subsidiary company	<u><u>405,904</u></u>

**c) For the period subsequent to the financial year end**

There was no acquisition or disposal of subsidiary companies in the period subsequent to the financial year end to the date of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 7 SUBSIDIARY COMPANIES (CONT'D)

### d) 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	
	2022 %	2021 %
SPToto (on a consolidated basis)	59.25	59.64
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 2022	SPToto RM'000	GMOC RM'000
Non-current assets	4,660,689	157
Current assets	1,523,966	442,921
Non-current liabilities	(2,068,759)	-
Current liabilities	(1,061,329)	(133,676)
Net assets	3,054,567	309,402
Equity attributable to:		
- owners of the Parent	1,219,679	157,615
- non-controlling interests	1,834,888	151,787
Total equity	3,054,567	309,402
<b>At 30 June 2021</b>		
Non-current assets	4,617,892	152
Current assets	1,179,702	626,220
Non-current liabilities	(1,645,533)	-
Current liabilities	(1,176,850)	(129,679)
Net assets	2,975,211	496,693
Equity attributable to:		
- owners of the Parent	1,182,354	253,299
- non-controlling interests	1,792,857	243,394
Total equity	2,975,211	496,693

7 SUBSIDIARY COMPANIES (CONT'D)

d) Subsidiary companies with material non-controlling interests (Cont'd)

Group	SPToto RM'000	GMOC RM'000
<b>Year ended 30 June 2022</b>		
Revenue	5,229,328	-
Profit/(Loss) for the financial year	170,215	(198,466)
Other comprehensive income	(22,598)	11,175
Total comprehensive income	147,617	(187,291)
Profit/(Loss) for the financial year attributable to:		
- owners of the Parent	65,462	(101,218)
- non-controlling interests	104,753	(97,248)
	170,215	(198,466)
Total comprehensive income attributable to:		
- owners of the Parent	61,561	(95,518)
- non-controlling interests	86,056	(91,773)
	147,617	(187,291)
Net cash generated from/(used in):		
- operating activities	280,138	(995)
- investing activities	(102,513)	-
- financing activities	29,358	990
Net change in cash and cash equivalents	206,983	(5)
Dividends issued to non-controlling interests	31,797	-
<b>Year ended 30 June 2021</b>		
Revenue	4,829,148	-
Profit/(Loss) for the financial year	187,397	(6,041)
Other comprehensive income	24,102	28,786
Total comprehensive income	211,499	22,745
Profit/(Loss) for the financial year attributable to:		
- owners of the Parent	73,421	(3,081)
- non-controlling interests	113,976	(2,960)
	187,397	(6,041)

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 7 SUBSIDIARY COMPANIES (CONT'D)

### d) Subsidiary companies with material non-controlling interests (Cont'd)

Group	SPToto RM'000	GMOC RM'000
<b>Year ended 30 June 2021 (Cont'd)</b>		
Total comprehensive income attributable to:		
- owners of the Parent	79,478	11,600
- non-controlling interests	132,021	11,145
	<u>211,499</u>	<u>22,745</u>
Net cash generated from/(used in):		
- operating activities	508,329	(16,565)
- investing activities	(66,349)	-
- financing activities	(391,010)	16,547
Net change in cash and cash equivalents	<u>50,970</u>	<u>(18)</u>
Dividends issued to non-controlling interests	<u>63,836</u>	-

## 8 ASSOCIATED COMPANIES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Quoted shares in Malaysia, at cost	127,602	127,602	43,339	43,339
Unquoted shares, at cost	347,257	336,837	-	-
Exchange differences	13,498	20,496	-	-
	<u>488,357</u>	<u>484,935</u>	<u>43,339</u>	<u>43,339</u>
Share of post-acquisition reserves	(127,035)	(110,884)	-	-
	<u>361,322</u>	<u>374,051</u>	<u>43,339</u>	<u>43,339</u>
Less: Accumulated impairment losses				
- quoted shares in Malaysia	(2,936)	(2,936)	-	-
- unquoted shares	(46,514)	(46,514)	-	-
	<u>(49,450)</u>	<u>(49,450)</u>	<u>-</u>	<u>-</u>
Total investments in associated companies	<u>311,872</u>	<u>324,601</u>	<u>43,339</u>	<u>43,339</u>
Represented by:				
Carrying amount of:				
- quoted shares in Malaysia	171,567	179,853	43,339	43,339
- unquoted shares	140,305	144,748	-	-
	<u>311,872</u>	<u>324,601</u>	<u>43,339</u>	<u>43,339</u>
Fair value of quoted shares in Malaysia (Level 1 fair value hierarchy)	<u>71,561</u>	<u>65,497</u>	<u>22,568</u>	<u>20,655</u>

**8 ASSOCIATED COMPANIES (CONT'D)**

Details of the associated companies are set out in Note 51.

In the previous financial year, the Group recognised a total impairment loss amounting to RM3,412,000 as disclosed in Note 33, mainly in respect of one of its quoted associated company, Berjaya Assets Berhad ("BAssets"), based on the recoverable amount of RM179,853,000 (determined by the Group's share of net assets after accounting for the fair values less costs to sell of BAssets' investment properties, which are its principal assets) and one other unquoted associated company.

During the current financial year, there are no significant changes to associated companies of the Group.

Certain quoted shares of the Group and of the Company with carrying amounts of RM94,310,000 and RM40,031,000 (2021 : RM58,709,000 and RM25,867,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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.

<b>Group</b>	<b>BKDS</b>	<b>BAssets</b>
<b>At 30 June 2022</b>	<b>RM'000</b>	<b>RM'000</b>
Non-current assets	193,622	2,821,335
Current assets	407,380	284,352
Non-current liabilities	(441,296)	(952,596)
Current liabilities	(123,636)	(280,610)
Capital contribution of fellow shareholder not proportionate of its equity interest	(109,474)	-
Net (liabilities)/assets	<u>(73,404)</u>	<u>1,872,481</u>
Equity attributable to:		
Owners of the associated companies	(73,404)	1,873,591
Non-controlling interests of the associated companies	-	(1,110)
	<u>(73,404)</u>	<u>1,872,481</u>
	<b>BKDS</b>	<b>BAssets</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At 30 June 2021</b>		
Non-current assets	198,888	2,900,594
Current assets	545,621	286,963
Non-current liabilities	(484,769)	(980,141)
Current liabilities	(157,614)	(254,765)
Capital contribution of fellow shareholder not proportionate of its equity interest	(106,943)	-
Net (liabilities)/assets	<u>(4,817)</u>	<u>1,952,651</u>
Equity attributable to:		
Owners of the associated companies	(4,817)	1,952,438
Non-controlling interests of the associated companies	-	213
	<u>(4,817)</u>	<u>1,952,651</u>
	<b>BKDS</b>	<b>BAssets</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Year ended 30 June 2022</b>		
Revenue	<u>126,706</u>	<u>174,056</u>
Loss for the financial year	(64,414)	(55,878)
Other comprehensive income	(4,059)	(21,979)
Total comprehensive income	<u>(68,473)</u>	<u>(77,857)</u>

**8 ASSOCIATED COMPANIES (CONT'D)**

<b>Group</b>	<b>BKDS</b>	<b>BAssets</b>
<b>Year ended 30 June 2022 (Cont'd)</b>	<b>RM'000</b>	<b>RM'000</b>
Loss for the financial year attributable to:		
- owners of the associated companies	(64,414)	(54,958)
- non-controlling interests of the associated companies	-	(920)
	<u>(64,414)</u>	<u>(55,878)</u>
Total comprehensive income attributable to:		
- owners of the associated companies	(68,473)	(76,534)
- non-controlling interests of the associated companies	-	(1,323)
	<u>(68,473)</u>	<u>(77,857)</u>
Group's share of losses and other comprehensive income for the financial year attributable to owners of the associated companies	<u>(34,237)</u>	<u>(7,255)</u>
Dividends received during the financial year	-	-
	<u>-</u>	<u>-</u>
	<b>BKDS</b>	<b>BAssets</b>
<b>Year ended 30 June 2021</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	128,928	178,400
Loss for the financial year	(65,377)	(107,954)
Other comprehensive income	(23,092)	48,065
Total comprehensive income	<u>(88,469)</u>	<u>(59,889)</u>
Loss for the financial year attributable to:		
- owners of the associated companies	(65,377)	(107,632)
- non-controlling interests of the associated companies	-	(322)
	<u>(65,377)</u>	<u>(107,954)</u>
Total comprehensive income attributable to:		
- owners of the associated companies	(88,469)	(60,036)
- non-controlling interests of the associated companies	-	147
	<u>(88,469)</u>	<u>(59,889)</u>
Group's share of losses and other comprehensive income for the financial year attributable to owners of the associated companies	<u>(44,235)</u>	<u>(5,691)</u>
Dividends received during the financial year	71,019	-
	<u>71,019</u>	<u>-</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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

<b>Group</b> <b>30 June 2022</b>	<b>BKDS</b> <b>RM'000</b>	<b>BAssets</b> <b>RM'000</b>
Attributable to owners of the associated companies:		
Net (liabilities)/assets at beginning of financial year	(4,817)	1,952,438
Loss for the financial year	(64,414)	(54,958)
Other comprehensive income	(4,059)	(23,889)
Exchange differences	(114)	-
Net (liabilities)/assets at end of financial year	<u>(73,404)</u>	<u>1,873,591</u>
Group's equity interest	50%	9.48%
Interest in net (liabilities)/assets of the associated companies	(36,702)	177,616
Unrecognised accumulated share of losses and other comprehensive income	35,409	-
Less: Impairment loss	-	(2,936)
Less: Intragroup adjustments	1,293	(3,113)
Carrying amount of Group's interest in the associated companies	<u>-</u>	<u>171,567</u>
<b>Group</b> <b>30 June 2021</b>	<b>BKDS</b> <b>RM'000</b>	<b>BAssets</b> <b>RM'000</b>
Attributable to owners of the associated companies:		
Net assets at beginning of financial year	224,743	2,012,474
Loss for the financial year	(65,377)	(107,632)
Other comprehensive income	(23,092)	47,596
Dividend paid during the financial year	(142,038)	-
Exchange differences	947	-
Net (liabilities)/assets at end of financial year	<u>(4,817)</u>	<u>1,952,438</u>
Group's equity interest	50%	9.48%
Interest in net (liabilities)/assets of the associated companies	(2,408)	185,091
Unrecognised accumulated share of losses and other comprehensive income	1,115	-
Less: Impairment loss	-	(2,936)
Less: Intragroup adjustments	1,293	(2,302)
Carrying amount of Group's interest in the associated companies	<u>-</u>	<u>179,853</u>



**8 ASSOCIATED COMPANIES (CONT'D)**

Aggregate information of associated companies that are not individually material

<b>Group</b>	<b>2022 RM'000</b>	<b>2021 RM'000</b>
The Group's share of loss for the financial year, representing total comprehensive income	(4,104)	(24,442)
Aggregate carrying amount of the Group's interests in these associated companies	<u>140,305</u>	<u>144,748</u>

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 RM35,746,000 (2021 : RM5,448,000) and the Group's cumulative share of unrecognised losses of these associated companies amounted to RM74,315,000 (2021 : RM38,569,000).

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 9 JOINT VENTURES

	Group	
	2022 RM'000	2021 RM'000
Contributed legal capital/cost of investment	160,239	158,711
Share of post-acquisition reserves	(116,558)	(111,241)
Exchange differences	5,361	4,068
	<u>49,042</u>	<u>51,538</u>
Less: Accumulated impairment losses	(7,849)	(7,849)
	<u>41,193</u>	<u>43,689</u>

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 losses of these joint ventures amounting to RM5,630,000 (2021 : RM567,000) and the Group's cumulative share of unrecognised losses of these joint ventures amounted to RM8,350,000 (2021 : RM2,720,000).

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 represent 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	
	2022 RM'000	2021 RM'000
Non-current assets	173,590	182,247
Current assets	14,261	10,816
Non-current liabilities	(109,538)	(102,905)
Current liabilities	(38,375)	(33,662)
Net assets	<u>39,938</u>	<u>56,496</u>
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	7,844	7,059
Current financial liabilities (excluding trade and other payables and provision)	24,676	23,644
Non-current financial liabilities (excluding trade and other payables and provision)	85,498	79,150
Revenue	<u>27,998</u>	<u>36,155</u>

9 JOINT VENTURES (CONT'D)

Group	BHotay	
	2022 RM'000	2021 RM'000
Loss for the financial year, representing total comprehensive income for the financial year	(14,866)	(18,245)
The above loss for the financial year include the following:		
Depreciation and amortisation	15,599	17,345
Finance costs	1,582	3,322
Dividends received from the joint venture during the financial year	-	-

Reconciliation of the summarised financial information presented above to the carrying value of the Group's interest in the joint venture

Group	BHotay	
	2022 RM'000	2021 RM'000
Net assets at beginning of financial year	56,496	76,922
Loss for the financial year, representing total comprehensive income for the financial year	(14,866)	(18,245)
Exchange differences	(1,692)	(2,181)
Net assets at end of financial year	39,938	56,496
Group's equity interest	50%	50%
Carrying amount of Group's interest in the joint venture	19,969	28,248

Aggregate information of joint ventures that are not individually material

Group	Group	
	2022 RM'000	2021 RM'000
The Group's share of profit for the financial year, representing total comprehensive income for the financial year	2,116	213
Aggregate carrying amount of the Group's interests in these joint ventures	21,224	15,441

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 10 INVESTMENTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At fair value				
Quoted shares:				
- in Malaysia	111,346	134,477	56,559	50,946
- outside Malaysia	4,010	6,341	-	-
	115,356	140,818	56,559	50,946
Quoted warrants in Malaysia	1,648	5,125	499	1,497
Malaysian Government Securities	3,040	3,275	-	-
	120,044	149,218	57,058	52,443
At fair value				
Unquoted shares:				
- in Malaysia	15,459	15,459	5,958	5,958
- outside Malaysia	33,331	33,598	-	-
	48,790	49,057	5,958	5,958
Unquoted non-redeemable convertible loans	-	9,745	-	-
Total investments	168,834	208,020	63,016	58,401

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% (2021 : 4.50%) per annum.

Further details on fair value hierarchy and classification of equity investments are disclosed in Notes 46 and 47 respectively.

Certain quoted investments of the Group and of the Company with carrying amount of RM77,870,000 and RM56,368,000 respectively (2021 : RM9,561,000) 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
<b>2022</b>						
Cost:						
At beginning of financial year	4,400,000	59,556	927,466	3,396	20,694	5,411,112
Addition during the financial year	-	-	-	-	385	385
Exchange differences	-	(4,293)	(5,903)	(245)	160	(10,281)
At end of financial year	4,400,000	55,263	921,563	3,151	21,239	5,401,216
Accumulated amortisation/impairment:						
At beginning of financial year	(965,317)	-	(819,626)	(1,895)	(14,964)	(1,801,802)
Impairment for the financial year	-	-	(11,755)	-	-	(11,755)
Amortisation for the financial year	-	-	-	(331)	(1,411)	(1,742)
Exchange differences	-	-	-	152	-	152
At end of financial year	(965,317)	-	(831,381)	(2,074)	(16,375)	(1,815,147)
Carrying amount at 30 June 2022	<u>3,434,683</u>	<u>55,263</u>	<u>90,182</u>	<u>1,077</u>	<u>4,864</u>	<u>3,586,069</u>
<b>2021</b>						
Cost:						
At beginning of financial year	4,400,000	54,712	918,066	3,158	18,079	5,394,015
Addition during the financial year	-	-	-	-	2,508	2,508
Deferred tax liability recognised - changes in tax rate	-	-	3,480	-	-	3,480
Exchange differences	-	4,844	5,920	238	107	11,109
At end of financial year	4,400,000	59,556	927,466	3,396	20,694	5,411,112
Accumulated amortisation/impairment:						
At beginning of financial year	(965,317)	-	(800,637)	(1,468)	(13,726)	(1,781,148)
Impairment for the financial year	-	-	(18,989)	-	-	(18,989)
Amortisation for the financial year	-	-	-	(329)	(1,238)	(1,567)
Exchange differences	-	-	-	(98)	-	(98)
At end of financial year	(965,317)	-	(819,626)	(1,895)	(14,964)	(1,801,802)
Carrying amount at 30 June 2021	<u>3,434,683</u>	<u>59,556</u>	<u>107,840</u>	<u>1,501</u>	<u>5,730</u>	<u>3,609,310</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Motor vehicle dealerships	77,612	82,995
Property development and property investment	4,102	4,102
Club, recreation and others (inclusive of facilitator and licensor for training and examination centres)	-	11,755
Hotels and resorts	8,468	8,988
	<u>90,182</u>	<u>107,840</u>

#### Recognition of impairment

The Group has assessed that the carrying amounts of the CGUs of facilitator and licensor for training and examination centres business were in excess of their recoverable amounts. Consequently, an impairment loss of RM11,755,000 (2021 : RM4,663,000) was recognised in respect of goodwill allocated to the facilitator and licensor for training and examination centres business following the subsidiary company's intention to cease the private education business in Singapore.

In the previous financial year, the Group has assessed that the carrying amounts of the CGUs hotels and resorts business were in excess of their recoverable amounts. The Group recognised an impairment loss of RM14,326,000 in respect of goodwill allocated to the hotels and resorts business based on the recoverable amount of RM83,790,000 (categorised as Level 3 in the fair value hierarchy).

The Group has assessed that its recoverable amounts of the CGUs of the Gaming Rights, Dealerships and Customer Relationships are sufficiently above the carrying amounts of these CGUs.

#### Key assumptions used in VIU calculations and fair value 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 with a terminal value thereafter. 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 value 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 margins

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin and the expected future growth rate based on average growth rate achieved in the years before the budgeted year, adjusted for market and economic conditions and internal resource efficiency.

(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 7.8% to 10.3% (2021 : 7.8% to 10.3%), of which 9.0% (2021 : 9.0%) have been applied to the gaming business segment.

(iii) Terminal growth rates

The terminal growth rates used for identified CGUs are based on the anticipated average growth rate of the respective economies. The applicable terminal growth rate is in the range of 1.0% to 1.5% (2021 : 1.0% to 1.5%), of which 1.5% (2021 : 1.5%) has been applied to the gaming business segment.

(iv) Fair values less costs to sell

The fair values are estimated based on observable market prices of similar assets within the same industry and similar locations. These are 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, 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 increase by 0.1% 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, as management has assessed the future trends of this CGU based on the cautious recovery post COVID-19 pandemic.

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 12 CONTRACT COST ASSETS

	Group	
	2022 RM'000	2021 RM'000
Property development activities:		
Costs to obtain contracts with customers	7,861	4,775
Costs to fulfill contracts with customers	4,556	8,055
	12,417	12,830

### (a) Costs to obtain contracts with customers

	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year	4,775	6,430
Additions during the financial year	9,587	6,115
Amortisation for the financial year	(6,505)	(7,610)
Exchange differences	4	(160)
At end of financial year	7,861	4,775

### (b) Costs to fulfill contracts with customers

	Group	
	2022 RM'000	2021 RM'000
At cost:		
At beginning of financial year		
- freehold land	11,959	11,686
- development costs	181,302	107,424
	193,261	119,110
Costs incurred during the financial year:		
- development costs	27,787	9,523
	27,787	9,523
Cumulative costs recognised in profit or loss:		
- at beginning of financial year	(185,206)	(7,283)
- recognised during the financial year	(103,980)	(177,923)
- at end of financial year	(289,186)	(185,206)
Transferred during the financial year:		
- from property development costs	72,390	67,626
	72,390	67,626
Exchange differences	304	(2,998)
	4,556	8,055



13 RECEIVABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b><u>NON-CURRENT</u></b>				
<b>Other receivables</b>				
Amounts owing by :				
- subsidiary companies	-	-	1,045,523	1,082,996
- associated company	107,096	106,640	-	-
- joint ventures	210,045	193,947	-	-
	317,141	300,587	1,045,523	1,082,996
Less: Allowance for impairment				
- amounts owing by subsidiary companies	-	-	(155,615)	(152,887)
- amount owing by an associated company	(11,976)	(7,757)	-	-
	305,165	292,830	889,908	930,109
Sundry receivables (Note c)	37,452	22,007	-	-
<b>Total non-current receivables</b>	342,617	314,837	889,908	930,109
<b><u>CURRENT</u></b>				
<b>Trade receivables</b>				
Amount owing by:				
- third parties	218,693	176,664	-	-
- related company	136,557	120,131	-	-
- joint venture	2,929	2,666	-	-
	358,179	299,461	-	-
Less: Allowance for impairment				
	(22,359)	(23,093)	-	-
	335,820	276,368	-	-
<b>Other receivables</b>				
Sundry receivables	202,512	127,786	426	1,148
Amount receivable from disposal of GMOC Project (Note b(i))	640,198	625,695	-	-
Refundable deposits	20,897	36,038	379	418
Amounts owing by :				
- subsidiary companies	-	-	332,747	528,640
- related companies	85,513	96,627	92	433
- associated companies	174,976	182,622	693	750
- joint ventures	94,389	90,905	-	-
	1,218,485	1,159,673	334,337	531,389
Less: Allowance for impairment:				
- Sundry receivables	(9,409)	(8,657)	(299)	(299)
- Amount receivable from disposal of GMOC Project (Note b(i))	(197,808)	-	-	-
- Amounts owing by:				
- subsidiary companies	-	-	(116,465)	(85,671)
- associated companies	(6,010)	(4,438)	(9)	(9)
- joint ventures	-	(353)	-	-
	1,005,258	1,146,225	217,564	445,410
<b>Total receivables at amortised cost</b>	1,683,695	1,737,430	1,107,472	1,375,519

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 13 RECEIVABLES (CONT'D)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Other current assets</b>				
Sundry receivables	2,168	2,074	-	-
Prepayments (Note d)	316,063	305,548	1,827	1,798
Deposits for acquisition of assets	12,182	3,566	-	-
Dividend receivable	21,203	47,517	25,259	50,840
	<u>351,616</u>	<u>358,705</u>	<u>27,086</u>	<u>52,638</u>
<b>Total current receivables</b>	<b>1,692,694</b>	<b>1,781,298</b>	<b>244,650</b>	<b>498,048</b>
<b>Total receivables</b>	<b><u>2,035,311</u></b>	<b><u>2,096,135</u></b>	<b><u>1,134,558</u></b>	<b><u>1,428,157</u></b>

### (a) Trade receivables

The Group's trade receivables are non-interest bearing with credit terms ranging from 1 to 90 (2021 : 1 to 90) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition. As at 30 June 2022, 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 to a foreign subsidiary company of the Group amounting to RM136,557,000 (2021 : RM120,131,000).

### Ageing analysis of trade receivables

The ageing analysis of trade receivables is as follows:

	Group	
	2022 RM'000	2021 RM'000
Current	125,332	66,184
1 to 30 days	31,713	15,759
31 to 60 days	10,973	8,849
61 to 90 days	14,440	3,410
Over 90 days	149,069	181,154
	206,195	209,172
Impaired	26,652	24,105
	<u>358,179</u>	<u>299,461</u>

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	
	2022 RM'000	2021 RM'000
Trade receivables	26,652	24,105
Less: Allowance for impairment	(22,359)	(23,093)
	4,293	1,012

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	
	2022 RM'000	2021 RM'000
At beginning of financial year	23,093	22,845
Charge for the financial year (Note 35)	557	2,019
Reversal of impairment loss (Note 31)	(954)	(1,994)
Written off	(396)	(21)
Exchange differences	59	244
At end of financial year	22,359	23,093

(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(b). In the previous financial year, GMOC had commenced to seek the recognition and enforcement of the arbitration award in all jurisdictions.

During the current financial year, the Group has accounted for a partial impairment amounting to RM197,808,000 on the Final Instalment in view of the prolonged and arduous enforcement procedures of the arbitration award. The continued COVID-19 lockdowns in the People's Republic of China ("PRC") had disrupted the enforcement process. Notwithstanding the impairment made, GMOC is vigorously pursuing enforcements in both jurisdictions in the PRC and Hong Kong.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 13 RECEIVABLES (CONT'D)

(b) Other receivables: current and non-current (cont'd)

(ii) Movement in allowance accounts

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
At beginning of financial year	21,205	15,147	238,866	182,221
Charge for the financial year (Notes 33, 35)	205,098	13,061	49,665	80,411
Reversal of impairment loss (Note 31)	(397)	(203)	-	-
Transfer to investment in subsidiaries upon capitalisation	-	-	(841)	(23,766)
Written off	-	(7,059)	(15,302)	-
Exchange differences	(703)	259	-	-
At end of financial year	<u>225,203</u>	<u>21,205</u>	<u>272,388</u>	<u>238,866</u>

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 RM442,390,000 (2021 : RM625,695,000) 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 RM355,631,000 (2021 : RM404,349,000) 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 are unsecured, repayable on demand and non-interest bearing except for a gross amount totalling RM269,701,000 (2021 : RM289,868,000) which are interest bearing.

The amounts owing by joint ventures are unsecured and non-interest bearing, except for a gross amount of RM285,964,000 (2021 : RM265,000,000) which is interest bearing.

(c) Included in sundry receivables of the Group is an advance payments of RM21,233,000 (2021 : RM22,007,000) made in respect of property development project of the Group's foreign venture.

**13 RECEIVABLES (CONT'D)**

(d) Included in the prepayments of the Group is:

- (i) an amount of RM227,742,000 (2021 : 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(a).
- (ii) an amount of RM10,682,000 (2021 : RM11,512,000) 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 RM21,363,000 (2021 : RM23,024,000) with a balance outstanding sum of RM10,681,000 (2021 : RM11,512,000) to complete the transaction.

**14 CONTRACT ASSETS/(LIABILITIES)**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>NON-CURRENT</b>		
Contract liabilities	(185,047)	(205,375)
<b>CURRENT</b>		
Contract assets	97,693	52,702
Contract liabilities	(338,988)	(221,485)
	(241,295)	(168,783)
Total	(426,342)	(374,158)

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Contract assets by business segments:</b>		
Property development activities (Note a)	92,953	45,231
Wagering and voting systems contracts (Note c)	4,740	7,471
	97,693	52,702
<b>Contract liabilities by business segments:</b>		
Property development activities (Note a)	(6,401)	(8,385)
Club and vacation time share memberships (Note b)	(193,126)	(213,595)
Wagering and voting systems contracts (Note c)	(13,002)	(577)
Deposits received from customers for sale of motor vehicles (Note d)	(279,151)	(169,341)
Hotel operations activities (Note e)	(28,208)	(29,462)
Franchisor and licensor for computer and commercial training centres and examination facilitators activities (Note f)	(4,147)	(5,500)
	(524,035)	(426,860)
Total	(426,342)	(374,158)

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Contract assets and contract liabilities from property development activities

	Group	
	2022 RM'000	2021 RM'000
Contract assets	92,953	45,231
Contract liabilities	(6,401)	(8,385)
	<u>86,552</u>	<u>36,846</u>
At beginning of financial year	36,846	(108,368)
Consideration payable to the customers	3,229	6,096
Revenue recognised during the financial year	178,165	169,013
Progress billings during the financial year	(131,688)	(29,895)
At end of financial year	<u>86,552</u>	<u>36,846</u>

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 2022 is RM247,248,000 (2021 : RM238,271,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2022 RM'000	2021 RM'000
Within 1 year	247,248	224,124
More than 1 year	-	14,147
	<u>247,248</u>	<u>238,271</u>

(b) Contract liabilities from club and vacation time share memberships

	Group	
	2022 RM'000	2021 RM'000
Contract liabilities	(193,126)	(213,595)
At beginning of financial year	(213,595)	(233,250)
Revenue recognised during the financial year	20,469	19,655
At end of financial year	<u>(193,126)</u>	<u>(213,595)</u>

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 2022 is RM193,126,000 (2021 : RM213,595,000). The remaining performance obligations are expected to be recognised as follows:

	<b>Group</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Within 1 year	8,163	8,382
More than 1 year	184,963	205,213
	193,126	213,595

(c) Contract assets and contract liabilities from wagering and voting systems contracts

	<b>Group</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Contract assets	4,740	7,471
Contract liabilities	(13,002)	(577)
	(8,262)	6,894
At beginning of financial year	6,894	5,714
Revenue recognised during the financial year	1,554	1,846
Deferred during the financial year	(12,833)	(498)
Progress billings during the financial year	(4,271)	-
Exchange differences	394	(168)
At end of financial year	(8,262)	6,894

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 2022 is RM13,002,000 (2021 : RM577,000). The remaining performance obligations are expected to be recognised as follows:

	<b>Group</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Within 1 year	12,918	415
More than 1 year	84	162
	13,002	577

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(d) Contract liabilities from deposits received from customers for sale of motor vehicles

	Group	
	2022 RM'000	2021 RM'000
Contract liabilities	(279,151)	(169,341)
At beginning of financial year	(169,341)	(177,523)
Revenue recognised during the financial year	171,631	180,496
Deferred during the financial year	(283,587)	(162,303)
Exchange differences	2,146	(10,011)
At end of financial year	(279,151)	(169,341)

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 2022 is RM279,151,000 (2021 : RM169,341,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2022 RM'000	2021 RM'000
Within 1 year	279,151	169,341

(e) Contract liabilities from hotels operation activities

	Group	
	2022 RM'000	2021 RM'000
Contract liabilities	(28,208)	(29,462)
At beginning of financial year	(29,462)	(22,015)
Revenue recognised during the financial year	253,526	80,393
Progress billings during the financial year	(252,272)	(87,840)
At end of financial year	(28,208)	(29,462)

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 2022 is RM28,208,000 (2021 : RM29,462,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2022 RM'000	2021 RM'000
Within 1 year	28,208	29,462



**14 CONTRACT ASSETS/(LIABILITIES) (CONT'D)**

- (f) Contract liabilities from franchisor and licensor for computer and commercial training centres and examination facilitators activities

	<b>Group</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Contract liabilities	(4,147)	(5,500)
At beginning of financial year	(5,500)	(7,190)
Revenue recognised during the financial year	15,448	16,318
Progress billings during the financial year	(14,095)	(14,628)
At end of financial year	(4,147)	(5,500)

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 2022 is RM4,147,000 (2021 : RM5,500,000). The remaining performance obligations are expected to be recognised as follows:

	<b>Group</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Within 1 year	4,147	5,500

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 15 SHORT TERM INVESTMENTS

	Group	
	2022 RM'000	2021 RM'000
Unit trust funds in Malaysia, at fair value	8,727	11,207

## 16 DEPOSITS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Deposits with:				
- Licensed banks	340,955	278,591	36,826	35,756
- Other financial institutions	112,126	92,410	-	-
	<u>453,081</u>	<u>371,001</u>	<u>36,826</u>	<u>35,756</u>

Included in deposits are:

(a) amounts which are restricted in usage:

- (i) RM39,212,000 (2021 : RM38,353,000) and RM36,826,000 (2021 : RM35,756,000) held in debt service reserve accounts for the Group and the Company respectively; and
- (ii) RM2,351,000 (2021 : RM5,308,000) pledged for credit and other facilities granted to certain subsidiary companies of the Group.

(b) RM9,385,000 (2021 : RM4,592,000) being deposits with maturity more than 3 months held by the Group.

(c) RM17,579,000 (2021 : RM17,522,000) 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	
	2022 %	2021 %	2022 %	2021 %
Licensed banks	1.99	1.70	1.77	1.60
Other financial institutions	5.94	5.90	-	-

The weighted average maturities of deposits as at the end of financial year are as follows:

	Group		Company	
	2022 Days	2021 Days	2022 Days	2021 Days
Licensed banks	14	17	15	23
Other financial institutions	31	30	-	-

## 17 CASH AND BANK BALANCES

Included in cash and bank balances are:

- (a) amounts which are restricted in usage amounting to RM8,156,000 (2021 : RM4,422,000) and RM5,283,000 (2021 : RM3,562,000) held in debt service reserve accounts for the Group and the Company respectively.
- (b) amounts totalling RM47,330,000 (2021 : RM44,260,000) 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 RM206,000 (2021 : RM179,000).

## 18 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

The 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, on 4 June 2018, entered into a Capital Transfer Agreement ("CTA") to dispose the remaining 32.5% of the capital contribution in 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"). BLCL had received a refundable deposit of USD15.0 million (equivalent to about RM64.54 million).

Initially, BLCL's capital contribution of VND967.31 billion represented 100% of the charter capital of BVFC. Following the conditions imposed by the Vietnamese authorities whereby BVFC was required to increase its charter capital, Vinhomes had, in March 2018, injected fresh capital contribution of VND2,008.69 billion (equivalent to approximately RM352 million) into BVFC which accordingly resulted in a dilution of BLCL's holding in the charter capital of BVFC to 32.5%.

- (b) the net carrying amount of an investment in Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT"). This investment with carrying amount of RM5,376,000 was fully impaired in the prior financial years due to uncertainties of its recoverability.

In conjunction with the Proposed BVFC Disposal, Vinhomes and its affiliates are also being considered as potential purchasers of BVIUT and had, 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 holding in the charter capital of BVIUT has also been diluted from 100% to 0.8%.

- (c) of a freehold land with carrying amount of RM6,986,000 (2021: RM7,529,000) transferred from property, plant and equipment as disclosed in Note 3. The disposal is still in the process.

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, were yet to be fulfilled. 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 18 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (CONT'D)

Details of non-current assets classified held for sale are as follows:

	Group	
	2022 RM'000	2021 RM'000
<u>Assets</u>		
Property, plant and equipment (Note 3)	6,986	7,529
Associated company	145,373	145,373
Receivables	36,609	34,866
Non-current assets classified as held for sale	188,968	187,768
Analysed as follows:		
<u>Assets</u>		
Investment in BVFC and BVIUT	145,373	145,373
Amounts due from BVFC and BVIUT	36,609	34,866
Relating to a disposal of property, plant and equipment	6,986	7,529
	188,968	187,768

## 19 SHARE CAPITAL

	Group and Company			
	No. of ordinary shares		Amount	
	2022 '000	2021 '000	2022 RM'000	2021 RM'000
<b>Issued and fully paid:</b>				
At beginning and the end of the financial year	5,000,337	5,000,337	2,500,168	2,500,168

	Group and Company	
	2022 No. of shares '000	2021 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)	(79,837)
	4,920,500	4,920,500

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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Non-distributable:				
Foreign currency translation reserve (Note a)	171,639	129,661	-	-
Fair value reserve (Note b)	1,054,940	1,054,940	-	-
Consolidation reserve (Note c)	89,067	85,664	-	-
FVTOCI reserve (Note d)	(44,134)	(47,681)	(3,552)	(6,026)
Capital reserve (Note e)	116,528	116,528	-	-
(Accumulated losses)/Distributable retained earnings (Note f)	(201,330)	37,229	347,269	571,029
	<u>1,186,710</u>	<u>1,376,341</u>	<u>343,717</u>	<u>565,003</u>

- (a) This reserve represents the foreign currency translation differences 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 SPToto Group in prior financial years.
- (c) This reserve represents the effects arising from changes in the Group's ownership interest in subsidiary companies that do not result in loss of control.
- (d) 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) The entire retained earnings of the Company, subject to Section 131 of the Companies Act 2016 and after consideration of the implied reduction effect of treasury shares balance, is available for distribution as single tier dividends.

**21 TREASURY SHARES**

	Group and Company			
	2022 No. of shares '000	2021 No. of shares '000	2022 RM'000	2021 RM'000
At beginning and end of the financial year	79,837	79,837	33,643	33,643

Pursuant to an Extraordinary General Meeting held on 30 July 2008, the Company obtained a shareholders' mandate to undertake the purchase of up to 10% of the issued and paid-up share capital of the Company at the time of purchase.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 21 TREASURY SHARES (CONT'D)

The renewal of the Company's plan and mandate relating to the share buyback was approved by the shareholders of the Company on 14 December 2021, 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.

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		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<u>Secured:</u>				
Term loans	1,166,117	974,186	368,688	235,873
Amount repayable within 12 months included in short term borrowings (Note 28)	(223,246)	(199,452)	(79,073)	(78,771)
	942,871	774,734	289,615	157,102
Medium term notes (Note a)	1,023,785	1,098,213	225,000	299,914
Amount repayable within 12 months included in short term borrowings (Note 28)	(75,000)	(554,650)	(75,000)	(224,914)
	948,785	543,563	150,000	75,000
Sukuk Wakalah MTNs (Note b)	132,650	85,360	-	-
Amount repayable within 12 months included in short term borrowings (Note 28)	(52,650)	(35,360)	-	-
	80,000	50,000	-	-
Other bank borrowings	426,751	310,325	217,304	224,607
	2,398,407	1,678,622	656,919	456,709
<u>Unsecured:</u>				
Other bank borrowings	161	229	-	-
<u>Secured:</u>				
Hire purchase and finance lease liabilities (Note c)	45,711	52,011	568	861
Amount repayable within 12 months included in short term borrowings (Note 28)	(9,348)	(9,473)	(279)	(293)
	36,363	42,538	289	568
	2,434,931	1,721,389	657,208	457,277

**22 LONG TERM BORROWINGS (CONT'D)**

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 2.50% to 7.92% (2021 : 2.50% to 7.92%) per annum for the Group and from 2.92% to 5.95% (2021 : 4.14% to 5.50%) per annum for the Company.

Maturity analysis of long term borrowings (excluding hire purchase and finance lease liabilities) are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Long term borrowings</b>				
Amounts repayable within :				
More than 1 year				
but not later than 2 years	680,924	290,617	216,109	208,422
More than 2 years				
but not later than 5 years	1,085,897	861,024	427,149	248,287
More than 5 years	631,747	527,210	13,661	-
	<u>2,398,568</u>	<u>1,678,851</u>	<u>656,919</u>	<u>456,709</u>

(a) Medium term notes

- (i) STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd) ("STM"), a wholly-owned subsidiary company of SPToto undertook a MTN programme of up to RM800,000,000 in nominal value ("STM MTN"). As at 30 June 2022, STM MTN totalling RM800,000,000 (2021 : 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 SPToto.

- (ii) The Company undertook a MTN programme of up to RM650,000,000 in nominal value ("BLB MTN"). As at 30 June 2022, BLB MTN totalling RM225,000,000 (2021 : RM300,000,000) 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 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:

<u>CURRENT</u>		Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
	<b>Maturity</b>				
Secured with fixed rate:					
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
4.82% p.a.	June 2022	-	40,000	-	-
4.90% p.a.	June 2022	-	64,933	-	-
4.95% p.a.	June 2022	-	79,919	-	-
4.95% p.a.	June 2022	-	114,884	-	-
3.10% p.a.	December 2022	75,000	-	75,000	-
Amount repayable within 12 months included in short term borrowings (Note 28)		75,000	554,650	75,000	224,914
<u>NON-CURRENT</u>					
Secured with fixed rate:					
3.10% p.a.	December 2022	-	75,000	-	75,000
3.60% p.a.	December 2023	75,000	-	75,000	-
Amount repayable more than 1 year but not later than 2 years		75,000	75,000	75,000	75,000
5.14% p.a.	January 2024	25,000	25,000	-	-
4.20% p.a.	June 2024	25,000	25,000	-	-
5.05% p.a.	June 2024	39,923	39,888	-	-
4.15% p.a.	September 2024	30,000	-	-	-
3.69% p.a.	December 2024	75,000	-	75,000	-
4.99% p.a.	June 2025	200,000	-	-	-
5.25% p.a.	June 2026	139,499	139,390	-	-
Amount repayable more than 2 years but not later than 5 years		534,422	229,278	75,000	-
5.45% p.a.	June 2028	54,723	54,685	-	-
5.65% p.a.	June 2029	100,000	-	-	-
5.55% p.a.	June 2029	124,640	124,600	-	-
4.98% p.a.	June 2030	60,000	60,000	-	-
Amount repayable more than 5 years		339,363	239,285	-	-
Total non-current MTNs		948,785	543,563	150,000	75,000



**22 LONG TERM BORROWINGS (CONT'D)**

(b) Sukuk Wakalah MTNs

BGRB Venture Sdn Bhd ("BVSB"), a wholly-owned subsidiary of BHartanah has established an Islamic medium term notes programme under the Sukuk Wakalah structure with a limit of RM1.0 billion and a tenure of 99 years ("Sukuk Wakalah MTNs"). The Sukuk Wakalah MTNs are secured with a corporate guarantee from BHartanah. As at 30 June 2022, Sukuk Wakalah MTNs totalling RM132,650,000 (2021 : RM85,360,000) in nominal value remains outstanding.

The maturities of the Sukuk Wakalah MTNs as at the reporting date are as follows:

	Maturity	Group	
		2022 RM'000	2021 RM'000
Secured with fixed rate:			
7.00% p.a.	August 2021	-	15,600
7.00% p.a.	October 2021	-	5,530
7.00% p.a.	November 2021	-	2,250
7.00% p.a.	March 2022	-	8,000
7.00% p.a.	May 2022	-	3,980
7.00% p.a.	August 2022	4,650	-
7.00% p.a.	September 2022	3,530	-
7.00% p.a.	October 2022	16,000	-
7.00% p.a.	November 2022	4,000	-
7.00% p.a.	February 2023	10,000	-
7.00% p.a.	March 2023	10,670	-
7.00% p.a.	May 2023	3,800	-
Amount repayable within 12 months included in short term borrowings (Note 28)		52,650	35,360
<b><u>NON-CURRENT</u></b>			
Amount repayable more than 1 year but not later than 3 years			
7.00% p.a.	*	50,000	50,000
7.00% p.a.		30,000	-
		80,000	50,000

\* This tranche of Sukuk Wakalah MTNs will also be secured with certain properties of the Group in addition to the corporate guarantee from BHartanah.

(c) Hire purchase and finance lease liabilities

Approximately RM1,620,000 (2021 : RM1,655,000) and RM289,000 (2021 : RM568,000) included in the hire purchase and finance lease liabilities of the Group and of the Company respectively are owing to a related company.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 22 LONG TERM BORROWINGS (CONT'D)

#### (c) Hire purchase and finance lease liabilities

The hire purchase and finance lease liabilities bear interest at rates ranging from 2.33% to 5.47% and from 4.75% to 5.25% (2021 : 1.51% to 8.80% and 4.75% to 5.25%) per annum respectively for the Group and the Company.

Maturity analysis of hire purchase and finance lease liabilities as at the reporting date are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
1 year after reporting date	9,348	9,473	279	293
More than 1 year but but not later than 2 years	35,119	9,087	284	499
More than 2 years but not later than 5 years	1,244	33,451	5	69
	<u>45,711</u>	<u>52,011</u>	<u>568</u>	<u>861</u>

### 23 LONG TERM LIABILITIES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Club members' deposits (Note a)	17,720	18,595	-	-
Retention sum				
- property development projects	26,013	26,131	-	-
Rental deposits	298	646	-	-
Other payable	4,905	-	-	-
Amount owing to subsidiary companies (Note b)	-	-	1,105,572	394,021
Amount owing to an associated company (Note c)	36,031	51,382	-	-
	<u>84,967</u>	<u>96,754</u>	<u>1,105,572</u>	<u>394,021</u>

(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 amounts owing to certain subsidiary companies which are interest bearing, except for an amount of RM65,064,000 which is non-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.

(c) The amount owing to an associated company by a foreign subsidiary company is unsecured and non-interest bearing. The portion repayable within 12 months from the reporting date is included in payables as disclosed in Note 27.

24 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS)

Retirement benefit obligations/(assets) recognised by the Group is analysed into:

Group 2022		Funded RM'000	Unfunded RM'000	Total RM'000
Current	- retirement benefit obligations	-	98	98
Non-current	- retirement benefit assets	(25,294)	-	(25,294)
	- retirement benefit obligations	455	5,449	5,904
		(24,839)	5,449	(19,390)
		(24,839)	5,547	(19,292)
<b>2021</b>				
Current	- retirement benefit obligations	-	115	115
Non-current	- retirement benefit assets	(9,927)	-	(9,927)
	- retirement benefit obligations	608	5,105	5,713
		(9,319)	5,105	(4,214)
		(9,319)	5,220	(4,099)

(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 obligations/(assets).

The movements in the funded defined benefit obligations/(assets) recognised are as follows:

	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year	(9,319)	2,267
Recognised in statement of profit or loss	(19)	1,244
Recognised in statement of other comprehensive income	(14,848)	(11,974)
Employer's contribution	(1,187)	(1,259)
Exchange differences	534	403
At end of financial year	(24,839)	(9,319)
Presented after appropriate offsetting as follows:		
Retirement benefit assets	(25,294)	(9,927)
Retirement benefit liabilities	455	608
	(24,839)	(9,319)

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 24 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (CONT'D)

#### (a) Funded Defined Benefit Plan (Cont'd)

The amounts of funded defined benefit obligations/(assets) recognised in the statement of financial position are determined as follows:

	Group	
	2022 RM'000	2021 RM'000
Present value of the obligation	54,516	80,955
Fair value of plan assets	(79,355)	(90,274)
Surplus over plan assets	<u>(24,839)</u>	<u>(9,319)</u>

The movements in present value of the funded defined benefit obligation recognised are as follows:

	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year	80,955	75,177
Current service cost and interest cost	1,570	1,628
Actuarial gain	(20,491)	(984)
Benefits paid by the plan	(1,467)	(2,509)
Past service costs	-	837
Exchange differences	(6,051)	6,806
At end of financial year	<u>54,516</u>	<u>80,955</u>

The movements in fair value of plan assets are presented below:

	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year	90,274	72,910
Interest income	1,589	1,221
(Deficit)/Return on plan assets	(5,643)	10,990
Employer's contribution	1,187	1,259
Benefits paid by the plan	(1,467)	(2,509)
Exchange differences	(6,585)	6,403
At end of financial year	<u>79,355</u>	<u>90,274</u>

The plan assets consist of the following:

	Group	
	2022 RM'000	2021 RM'000
Equity instruments	58,402	63,473
Fixed income assets	20,732	26,547
Cash in bank	221	254
	<u>79,355</u>	<u>90,274</u>

**24 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (CONT'D)**

(a) Funded Defined Benefit Plan (Cont'd)

The components of amounts recognised in the statements of profit or loss and in other comprehensive income in respect of the funded defined benefit post-employment plan are as follows:

Recognised in the statements of profit or loss:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Current service costs (net of gains on settlements) recognised in directors' remuneration and employee benefit expenses (Note 37)	152	1,192
Net interest (income)/expense (Note 34)	(171)	52
Retirement benefits recognised in profit or loss	(19)	1,244

Recognised in the statements of other comprehensive income:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Remeasurement gain arising from:		
Actuarial changes in financial assumptions	21,531	773
Actuarial changes in demographic assumptions	108	153
(Deficit)/return on plan assets	(5,643)	10,990
Experience adjustments arising from defined benefit obligations	(1,148)	58
Actuarial gain recognised in other comprehensive income	14,848	11,974
Deferred tax liabilities	(3,712)	(2,977)
	11,136	8,997

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.

For the determination of the funded defined benefit obligation, the following actuarial assumptions were used:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
Discount rate	3.80% - 6.71%	1.90% - 4.50%

Sensitivity analysis for retirement benefit obligation

Should the discount rate decrease by 0.25% with all other variables held constant, the retirement benefit obligation liabilities would increase by 4.1%.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 24 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (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	
	2022 RM'000	2021 RM'000
At beginning of financial year	5,220	4,958
Recognised in profit or loss	640	477
Benefits paid by the plans	(313)	(215)
At end of financial year	<u>5,547</u>	<u>5,220</u>
Analysed as follows:		
Current	98	115
Non-current	5,449	5,105
	<u>5,547</u>	<u>5,220</u>

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	
	2022 RM'000	2021 RM'000
Current service cost (Note 37)	346	336
Interest cost (Note 34)	294	141
Retirement benefits recognised in profit or loss	<u>640</u>	<u>477</u>

	Group	
	2022	2021
Principal actuarial assumptions to determine benefit obligations:		
Discount rate in Malaysia (%)	4.20	4.20
Expected rate of salary increase (%)	<u>5.00</u>	<u>5.00</u>

24 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (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	
	2022 %	2021 %	2022 RM'000	2021 RM'000
Discount rate	1	1	(749)	(716)
Future salary increase	1	1	983	881
Discount rate	(1)	(1)	902	868
Future salary decrease	(1)	(1)	(824)	(741)

The duration of the unfunded defined benefit obligations as at 30 June 2022 is between 8 and 15 (2021 : 9 and 16) years.

25 DERIVATIVE ASSET/(LIABILITY)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Non-hedging derivatives</b>				
<b>(a) Derivative asset</b>				
<b>Current</b>				
Call Option	-	80	-	80
<b>(b) Derivative liability</b>				
<b>Current</b>				
Put Option	(595)	(640)	(595)	(640)

In prior years, the Company entered into a call and put option agreement on certain quoted shares with a third party. The call option which granted the Company the rights to buy the said quoted shares at an agreed price within the option period was accounted for as derivative asset. The put option granted by the Company, gave rights to a third party to sell the said quoted shares at an agreed price within the option period. The put option was accounted for as derivative liability.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 26 DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year	916,717	933,668
Recognised in profit or loss (Note 38)	4,083	(21,893)
Recognised in other comprehensive income	3,712	2,977
Recognised in intangible assets	-	3,480
Exchange differences	(1,015)	(1,515)
At end of financial year	<u>923,497</u>	<u>916,717</u>
Presented after appropriate offsetting as follows:		
Deferred tax assets	(72,576)	(77,241)
Deferred tax liabilities	996,073	993,958
	<u>923,497</u>	<u>916,717</u>



26 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial year 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 2021	138,132	839,214	1,099	10,395	4,607	9,134	44,191	5,348	1,052,120
Recognised in profit or loss	(408)	-	(277)	(597)	(1,687)	164	541	(2,114)	(4,378)
Exchange differences	857	(882)	-	1,523	(1,858)	-	(169)	420	(109)
	138,581	838,332	822	11,321	1,062	9,298	44,563	3,654	1,047,633
Less: Set-off of deferred tax assets									(51,560)
At 30 June 2022									996,073
At 1 July 2020	131,391	835,262	17,792	10,036	2,920	7,131	46,722	8,027	1,059,281
Recognised in profit or loss	8,357	-	(16,693)	631	1,258	1,576	(2,531)	(2,679)	(10,081)
Recognised in intangible assets	-	3,480	-	-	-	-	-	-	3,480
Exchange differences	(1,616)	472	-	(272)	429	427	-	-	(560)
	138,132	839,214	1,099	10,395	4,607	9,134	44,191	5,348	1,052,120
Less: Set-off of deferred tax assets									(58,162)
At 30 June 2021									993,958

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 26 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial year are as follows (Cont'd):

	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
<u>Deferred Tax Assets of the Group:</u>						
At 1 July 2021	(53,583)	(39,557)	(507)	(39,437)	(2,319)	(135,403)
Recognised in profit or loss	4,558	654	(769)	3,539	479	8,461
Recognised in other comprehensive income	-	-	-	-	3,712	3,712
Exchange differences	(359)	(299)	(35)	-	(213)	(906)
	(49,384)	(39,202)	(1,311)	(35,898)	1,659	(124,136)
Less: Set-off of deferred tax liabilities						
At 30 June 2022						51,560
						(72,576)
At 1 July 2020	(46,343)	(28,269)	(454)	(42,813)	(7,734)	(125,613)
Recognised in profit or loss	(6,409)	(11,230)	(21)	3,376	2,472	(11,812)
Recognised in other comprehensive income	-	-	-	-	2,977	2,977
Exchange differences	(831)	(58)	(32)	-	(34)	(955)
	(53,583)	(39,557)	(507)	(39,437)	(2,319)	(135,403)
Less: Set-off of deferred tax liabilities						
At 30 June 2021						58,162
						(77,241)

**26 DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)**

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unutilised tax losses	523,822	502,166	-	-
Unabsorbed capital allowances	277,591	279,420	-	-
Investment tax allowances	93,581	93,581	-	-
Others	253,436	240,078	-	-
	<u>1,148,430</u>	<u>1,115,245</u>	<u>-</u>	<u>-</u>

Deferred tax assets have not been recognised in respect of the items above as it is not probable that future taxable profits will be available against which the items above can be utilised.

The Malaysia Finance Act 2018 gazetted on 27 December 2018 imposed a time limit to restrict the carry forward of the unutilised tax losses to maximum period of 7 consecutive Year of Assessment ("YA"), effective YA 2019. Based on the latest Malaysian Finance Act 2021, gazetted on 31 December 2021, the time limit for the carry forward of the unutilised tax losses has been extended from 7 years to 10 years. As a result of this change, the unutilised tax losses accumulated up to the YA 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. from YA 2019 to 2028) and any balance of the unutilised tax losses thereafter shall be disregarded.

The foreign unutilised tax 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.

Pursuant to the relevant tax regulations, the unutilised tax losses at the end of the reporting period will expire as follows:

	Group	
	2022 RM'000	2021 RM'000
With no expiry	17,490	18,523
Within 12 months	-	-
More than 12 months	506,332	483,643
	<u>523,822</u>	<u>502,166</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 27 PAYABLES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Trade payables</b>	155,592	146,985	-	-
<b>Other payables</b>				
Other payables	290,614	261,979	1,917	2,984
Accruals	364,682	391,490	4,205	3,556
Payable for acquisition of assets	71,473	122,976	-	-
Agency deposits	39,148	37,957	-	-
Payable for acquisition of associated company	-	1,235	-	-
Refundable deposits received for proposed disposal of joint ventures	100,970	-	-	-
Refundable deposits received for disposal of investments	64,539	61,465	-	-
Refundable deposits	55,485	57,299	-	-
Amounts owing to:				
- subsidiary companies	-	-	25,667	638,285
- related companies	149,951	170,531	713	558
- associated companies	5,628	6,655	1,294	4,694
	<u>1,142,490</u>	<u>1,111,587</u>	<u>33,796</u>	<u>650,077</u>
Total payables at amortised cost	<u>1,298,082</u>	<u>1,258,572</u>	<u>33,796</u>	<u>650,077</u>
<b>Other current liabilities</b>				
Deposits	1,084	317	-	-
Deferred lease income	575	951	-	-
Pool betting duty payables	20,463	18,368	-	-
Other duties and taxes payable	97,621	83,999	-	-
Dividend payable to non-controlling interests	16,007	11,991	-	-
	<u>135,750</u>	<u>115,626</u>	<u>-</u>	<u>-</u>
<b>Total payables</b>	<u>1,433,832</u>	<u>1,374,198</u>	<u>33,796</u>	<u>650,077</u>

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit terms granted to the Group range from 1 to 184 (2021 : 1 to 184) days.

(b) Other payables

Included in other payables are advances from certain directors of subsidiary companies amounting to RM2,249,000 (2021 : RM3,981,000) which are non-interest bearing and repayable on demand.

**27 PAYABLES (CONT'D)**

(b) Other payables (Cont'd)

Included in accruals of the Group are accrued contribution to the National Sports Council 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.

The Group has entered into negotiation for the proposed disposal of several foreign joint ventures and received refundable deposits for the proposed disposal. The disposal agreements have yet to be finalised.

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 RM155,579,000 and RM3,637,000 (2021 : RM177,186,000 and RM86,186,000) which are non-interest bearing in respect of the Group and the Company respectively.

**28 SHORT TERM BORROWINGS**

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Secured:				
Amount repayable within 12 months:				
- Term loans (Note 22)	223,246	199,452	79,073	78,771
- Medium term notes (Note 22)	75,000	554,650	75,000	224,914
- Sukuk Wakalah MTNs (Note 22)	52,650	35,360	-	-
Other short term borrowings	293,419	362,898	186,587	239,923
Vehicle stocking loans	256,723	190,923	-	-
Bank overdrafts	13,210	14,579	4,731	4,802
	914,248	1,357,862	345,391	548,410
Unsecured:				
Other bank borrowings	54	59	-	-
	914,302	1,357,921	345,391	548,410
Secured:				
Hire purchase and finance lease liabilities (Note 22)	9,348	9,473	279	293
	923,650	1,367,394	345,670	548,703

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.

The short term borrowings bear floating interest at rates ranging from 1.88% to 9.45% (2021 : 1.25% to 9.45%) per annum for the Group and from 2.92% to 8.75% (2021 : 4.14% to 7.96%) per annum for the Company.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 28 SHORT TERM BORROWINGS (CONT'D)

The vehicle stocking loans obtained by foreign subsidiary companies bear interest at the rate of 3.24% to 4.63% (2021 : 2.23% to 3.25%) per annum.

Approximately RM884,000 (2021 : RM966,000) and RM279,000 (2021 : RM293,000) 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 RM'000	Restoration costs RM'000	Total RM'000
<b>2022</b>			
At beginning of financial year	473	1,735	2,208
Reversal during the financial year	(262)	-	(262)
Net additional provision during the financial year	-	14,021	14,021
Utilised during the financial year	(4)	-	(4)
Exchange differences	17	(690)	(673)
At end of financial year	224	15,066	15,290
Analysed as follows:			
<b>Current</b>	224	14,981	15,205
<b>Non-current</b>	-	85	85
	224	15,066	15,290
<b>2021</b>			
At beginning of financial year	1,041	1,990	3,031
Reversal during the financial year	(267)	-	(267)
Utilised during the financial year	(270)	(252)	(522)
Exchange differences	(31)	(3)	(34)
At end of financial year	473	1,735	2,208
Analysed as follows:			
<b>Current</b>	473	1,735	2,208

(a) Sales warranty

A foreign subsidiary company provides 3 to 12 (2021 : 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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contracts with customers	6,020,098	5,379,856	940	940
Revenue from other sources:				
- Lease income from:				
- investment properties	19,898	22,179	-	-
- right-of-use assets	4,244	4,041	-	-
- Gross dividends				
- from a quoted subsidiary company	-	-	8,861	22,844
- from an unquoted subsidiary company	-	-	66,190	-
- from an unquoted associated company	-	-	-	71,019
- from quoted investments	-	-	1,006	728
- from unquoted investments	-	-	1,500	-
	<u>6,044,240</u>	<u>5,406,076</u>	<u>78,497</u>	<u>95,531</u>
<b>Disaggregation of the revenue from contracts with customers:</b>				
<b><u>By major goods and services:</u></b>				
Toto betting income	2,143,092	2,263,512	-	-
Sales of motor vehicles, charges for aftersales services, repairs and maintenance services rendered	3,012,563	2,501,939	-	-
Income from supply of goods and services from hotels, resorts and casino operations	506,232	179,187	-	-
Sale of property inventories	203,887	290,555	-	-
Income from chartered flights	1,454	931	-	-
Membership fees and subscriptions	68,559	71,616	-	-
Sale of lottery, voting systems, spare parts and licensing fees	60,153	46,696	-	-
Revenue from training course, examination and related fees	20,788	22,145	-	-
Management fees income	3,370	3,275	940	940
	<u>6,020,098</u>	<u>5,379,856</u>	<u>940</u>	<u>940</u>
<b><u>By geographical location:</u></b>				
Malaysia	2,521,710	2,495,511	940	940
Outside Malaysia	3,498,388	2,884,345	-	-
	<u>6,020,098</u>	<u>5,379,856</u>	<u>940</u>	<u>940</u>
<b><u>Timing of revenue recognition:</u></b>				
At a point in time	5,782,018	5,248,840	940	940
Over time	238,080	131,016	-	-
	<u>6,020,098</u>	<u>5,379,856</u>	<u>940</u>	<u>940</u>

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 31 OTHER INCOME

Included in other income are the following:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating lease income, other than those relating to investment properties	14,250	9,406	21	22
Reversal of impairment loss on receivables	1,351	2,197	-	-
Bad debts recovered	90	42	-	-
Finance income - loans and receivables and other liabilities at amortised costs	6,731	3,624	-	-
Government grant	19,300	39,269	-	-
Gain on disposal of property, plant and equipment	6,776	315	-	148
Gain on lease termination	421	39	-	-
Gain on foreign exchange	48,603	33,848	555	874

### 32 INVESTMENT RELATED INCOME

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest income on loans and receivables:				
- fixed and other deposits	5,827	8,208	818	1,206
- inter-company				
- subsidiary companies	-	-	48,783	50,054
- related companies	4,514	3,744	6	18
- joint ventures	16,962	18,112	-	-
- others	968	1,528	-	-
	28,271	31,592	49,607	51,278
Dividend income				
from FVTOCI investments				
- quoted in Malaysia	2,452	2,591	-	-
- unquoted in Malaysia	1,875	-	-	-
Fair value gains of fair value through profit or loss investments				
- unquoted outside Malaysia	1,345	-	-	-
- quoted in Malaysia	-	4,192	-	665
Fair value gain on the derecognition of derivative liability	-	14,128	-	-
Fair value gain on investment properties	5,475	-	-	-
Gain on disposal of a subsidiary company	-	67,096	-	-
Balance carried forward	39,418	119,599	49,607	51,943



32 INVESTMENT RELATED INCOME (CONT'D)

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Balance brought forward	39,418	119,599	49,607	51,943
Gain on disposal of:				
- investment properties	22,428	-	-	-
- associated companies	4,258	3	-	-
Write-back of previously written off amounts owing by subsidiary companies	-	-	5,221	-
Contribution arising from waiver of loan from an associated company	10,799	-	-	-
Awards of insurance claims	-	17,848	-	-
Negative goodwill on consolidation	-	2,309	-	-
	<u>76,903</u>	<u>139,759</u>	<u>54,828</u>	<u>51,943</u>

33 INVESTMENT RELATED EXPENSES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Impairment losses of:				
- goodwill	11,755	18,989	-	-
- investment in associated companies	-	3,412	-	-
- property, plant and equipment	-	11,067	-	-
- right-of-use assets	-	1,038	-	-
- investments in subsidiary companies	-	-	5,070	3,259
Loss on disposal of subsidiary companies	-	-	168,605	-
Impairment loss on balance of proceeds from GMOC Project	197,808	-	-	-
Fair value loss of fair value through profit or loss investments quoted:				
- in Malaysia	3,419	-	998	-
- outside Malaysia	-	1,295	-	-
Fair value loss on derivatives	35	140	35	140
Fair value loss on investment properties	-	14,703	-	-
Impairment loss on amounts owing by:				
- associated companies	6,098	10,691	-	-
- subsidiary companies	-	-	49,665	80,411
	<u>219,115</u>	<u>61,335</u>	<u>224,373</u>	<u>83,810</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 34 FINANCE COSTS

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest expense on financial liabilities at amortised cost:				
- bank and other borrowings	87,306	83,877	36,479	39,751
- hire purchase and finance lease	3,172	2,681	71	79
- inter-companies				
- subsidiary companies	-	-	45,414	31,561
- related companies	1	414	-	-
- medium term notes	50,694	55,641	10,007	14,640
- Sukuk Wakalah MTNs	6,558	3,482	-	-
- lease liabilities (Note 4)	36,854	32,847	-	-
- loan related expenses	5,589	3,590	1,625	1,338
- manufacturers' vehicle stocking loans	8,114	7,055	-	-
- defined benefit plans (Note 24)	123	193	-	-
- unwinding of discount and charge out of deferred transaction costs	7,065	7,709	3,377	4,490
	<u>205,476</u>	<u>197,489</u>	<u>96,973</u>	<u>91,859</u>

## 35 LOSS BEFORE TAX

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
In addition to the other transactions disclosed in the financial statements, loss before tax is stated after charging/(crediting):				
Depreciation of:				
- property, plant and equipment	99,963	111,467	599	641
- right-of-use assets	105,271	97,201	-	-
Auditors' remuneration				
- auditors of the Company				
- statutory audit	1,907	1,886	658	684
- underprovision				
in previous financial year	59	44	15	-
- other services	298	325	16	16
- other auditors				
other than Ernst & Young PLT				
- statutory audit	3,417	3,184	-	-
- (over)/underprovision				
in previous financial year	(22)	16	-	-
- other services	75	25	-	-
	<u>75</u>	<u>25</u>	<u>-</u>	<u>-</u>

**35 LOSS BEFORE TAX (CONT'D)**

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
In addition to the other transactions disclosed in the financial statements, loss before tax is stated after charging/(crediting) (Cont'd):				
Impairment loss on receivables	1,749	4,389	-	-
Receivables written off	243	756	-	-
Expenses relating to leases of:				
- short-term	4,169	2,689	-	16
- low-value assets	1,821	1,244	-	37
Contribution to National Sports Council	25,306	30,116	-	-
Property, plant and equipment written off	252	13,597	-	-
Inventories written down	23,689	29,531	-	-
Land held for				
property development written down	-	656	-	-
Amortisation of:				
- customer relationships	331	329	-	-
- computer software	1,411	1,238	-	-
Management fees payable				
to ultimate holding company	1,187	1,187	424	424
Loss on foreign exchange	91,252	41,004	-	750
Loss on disposal of				
property, plant and equipment	558	336	-	-
Direct operating				
expenses of investment properties *	7,177	5,900	-	-
Employee benefit expenses (Note 37)	539,559	453,211	16,720	17,233

\* 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.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 36 DIRECTORS' REMUNERATION

The aggregate Directors' remuneration paid or payable to all Directors of the Company, categorised into appropriate components for the financial year are as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Directors of the Company:</b>				
<u>Executive Directors</u>				
Salaries, bonuses and other emoluments	4,004	3,453	525	264
Defined contribution plan	539	410	63	31
Benefits-in-kind	65	37	32	25
<u>Non-Executive Directors</u>				
Fees	332	425	252	345
Other emoluments	586	653	45	99
Defined contribution plan	21	21	-	-
Benefits-in-kind	13	23	-	10
	<u>5,560</u>	<u>5,022</u>	<u>917</u>	<u>774</u>

### 37 EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Wages, salaries, bonuses and allowances (excluding directors' remuneration)	453,663	385,235	14,093	14,553
Social security costs and employee insurance	20,315	17,194	384	457
Retirement benefits				
- defined benefit plans (Note 24)	498	1,528	-	-
- defined contribution plan	36,243	27,784	1,780	1,776
Short term accumulating compensated absences	(116)	215	-	-
Other staff related expenses	28,956	21,255	463	447
	<u>539,559</u>	<u>453,211</u>	<u>16,720</u>	<u>17,233</u>

**38 TAXATION**

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Income tax:				
Malaysian income tax	107,306	94,470	4,410	5,185
Foreign tax	24,067	27,994	-	-
Under/(Over) provision in prior financial years:				
- Malaysian income tax	495	1,106	(96)	(31)
- Foreign tax	1,268	(1,646)	-	-
	<u>133,136</u>	<u>121,924</u>	<u>4,314</u>	<u>5,154</u>
Deferred tax (Note 26):				
Relating to origination and reversal of temporary differences	2,953	(22,929)	-	-
Effects of real property gains tax	2,291	1,707	-	-
Over provision in prior financial years	(1,161)	(671)	-	-
	<u>4,083</u>	<u>(21,893)</u>	<u>-</u>	<u>-</u>
	<u>137,219</u>	<u>100,031</u>	<u>4,314</u>	<u>5,154</u>

Malaysian income tax is calculated at the Malaysian statutory income tax rate of 24% (2021: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Pursuant to Finance Act 2021, a special one-off tax termed as "Cukai Makmur" or "Prosperity Tax" has been introduced for companies other than small and medium enterprises in Malaysia, where a 33% corporate income tax rate will be levied on chargeable income exceeding RM100 million for the year of assessment 2022.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 38 TAXATION (CONT'D)

A reconciliation of income tax expense applicable to 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:

<b>Group</b>	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Loss before tax	(100,296)	(42,232)
Tax at Malaysian statutory tax rate of 24% (2021 : 24%)	(24,072)	(10,136)
Effect of "Prosperity Tax"	14,555	-
Effect of different tax rates in other countries/tax regimes	(7,691)	(1,655)
Effect of income not subject to tax	(11,650)	(18,333)
Effect of income subject to real property gains tax	2,291	1,707
Effect of expenses not deductible for tax purposes	153,268	114,429
Effect of utilisation of previously unrecognised tax losses, unabsorbed capital allowances and unabsorbed investment tax allowances	(7,265)	(6,147)
Effect of share of associated companies' and joint ventures' results	3,433	17,694
Deferred tax assets not recognised in respect of current financial year tax losses, unabsorbed capital allowances and other deductible temporary differences	14,025	20,376
Deferred tax liability reversed on undistributed profits of an associated company	(277)	(16,693)
Overprovision of deferred tax in prior financial years	(1,161)	(671)
Under/(Over) provision of income tax expense in prior financial years	1,763	(540)
Taxation for the financial year	137,219	100,031
<b>Company</b>	<b>2022 RM'000</b>	<b>2021 RM'000</b>
Loss before tax	(219,446)	(59,490)
Tax at Malaysian statutory tax rate of 24% (2021 : 24%)	(52,667)	(14,278)
Effect of expenses not deductible for tax purposes	80,325	45,407
Effect of income not subject to tax	(23,248)	(25,944)
Over provision of income tax in prior financial years	(96)	(31)
Taxation for the financial year	4,314	5,154

**39 LOSS PER SHARE**

The loss per share is calculated as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
Loss attributable to the equity holders of the Parent (RM'000)	(242,964)	(247,644)
Weighted average number of ordinary shares with voting rights in issue (excluding treasury shares) ('000)	4,920,500	4,920,500
Basic loss per share (sen)	(4.94)	(5.03)

There are no potential ordinary shares outstanding as at 30 June 2022 and at 30 June 2021. As such, the fully diluted loss per share of the Group is equivalent to the basic loss 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 borrowings are secured by certain assets. As such, the Company did not ascribe any values to these corporate guarantees.

**41 COMMITMENTS**

**(a) Other Commitments**

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Capital expenditure:		
- approved and contracted for	136,111	135,988
Investment in a joint venture	8,000	8,000
	144,111	143,988

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 41 COMMITMENTS (CONT'D)

#### (b) Non-Cancellable Operating Lease Commitments - Group as Lessor

	Group	
	2022 RM'000	2021 RM'000
Future minimum rental receivable:		
Not later than 1 year	16,365	14,181
Later than 1 year and not later than 5 years	7,472	9,795
	<u>23,837</u>	<u>23,976</u>

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) 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;



**42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)****(a) STC Proposals Proceedings (Cont'd)**

Subsequently, on 28 June 2010, the Company announced the status of the conditions precedent ("CP") of the STC Proposals as follows (cont'd):

- 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.

On 29 January 2010, the Company announced that STC and BTSB had 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 2023 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.

**42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)****(a) STC Proposals Proceedings (Cont'd)**

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.

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 were allowed to proceed with the development.
3. The Applicants were required to submit the relevant documents to the relevant technical departments for comments.
4. The technical departments were directed to respond within 3 months from the receipt of these documents, and failing which would be deemed that they have no objection to these documents.
5. Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents were directed to retable 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 were 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 were ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation would 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") had 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 had 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 had applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the 1st and 5th respondents ("Extension of Time Application"). In addition, the Applicants had also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgement ("Assessment Proceedings").

The Court of Appeal had 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 would instead hear a motion by the Selangor State Government to adduce further evidence in this matter. The Court of Appeal had 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.

**42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)****(a) STC Proposals Proceedings (Cont'd)**

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 had fixed the hearing of the Appellants' application for leave to appeal on 13 April 2020.

The Appellants had 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 was refused by the Court of Appeal, the hearing of the Main Appeal would 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 State Government had withdrawn both the FC Leave Motion and the stay application at the Court of Appeal on 19 June 2020 and 2 July 2020 respectively. The hearing of the Main Appeal by the Court of Appeal was initially fixed on 14 December 2020. However, the Court of Appeal had postponed the hearing date of the Main Appeal to 29 June 2021. The implementation of FMCO beginning 1 June 2021 further postponed the hearing date to 27 September 2021. On 27 September 2021, the Court of Appeal postponed the hearing to 3 November 2021.

The Main Appeal was heard by the Court of Appeal on 3 November 2021. The Court of Appeal allowed the appeal of the Appellants and set aside the decision of the Shah Alam High Court rendered on 9 November 2017.

The Applicants do not agree with the decision of the Court of Appeal and filed a motion for leave to appeal to the Federal Court to set aside the decision of the Court of Appeal and restore the decision of the Shah Alam High Court on 9 November 2017 ("Motion for Leave"). With respect to the Assessment Proceedings and Extension of Time Application, the Shah Alam High Court had fixed a further case management date on 25 November 2021 for the Applicants to update the Shah Alam High Court as to their next course of action following the Court of Appeal's decision on 3 November 2021.

The case management date at the Shah Alam High Court was subsequently rescheduled to 8 December 2021 at which the Shah Alam High Court directed that in light of the Court of Appeal's decision, there are no further proceedings on both the Assessment Proceedings and the Extension of Time Application at the Shah Alam High Court. Hence, there is no basis for the applications to be kept in abeyance at the Shah Alam High Court. The Court then struck out both the Assessment Proceedings and the Extension of Time Application with no order as to costs.

Subsequently, the initial hearing date to hear the Motion for Leave at the Federal Court was fixed for 2 August 2022 which was postponed to a later date to be fixed by the Federal Court. At the case management on 3 October 2022, the Federal Court has fixed 12 January 2023 to hear the Motion for Leave.

The STC Proposals legal proceedings are still ongoing. Based on the opinion of the Applicants' external legal advisor, the Board of Directors are of the view that the Applicants have a strong arguable case to set aside the decision of the Court of Appeal and restore the judgement of the Shah Alam High Court, which was in favour of the Applicants.

**42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)****(b) 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 would 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.

On 27 May 2020, the Company announced that GMOC had 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.

On 18 December 2020, Beijing Fourth Intermediate People's Court ordered the recognition and enforcement of GMOC's Final Award under the Supplemental Arrangement Concerning Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region ("HKSAR"), which was entered between the Chinese Supreme People's Court and HKSAR.

On 2 June 2021, the Hong Kong Court ordered a bankruptcy order against Zhou Zheng. Subsequently, GMOC appointed Grant Thornton Recovery & Reorganisation Limited as joint and several trustees of the property of Zhou Zheng, to investigate and recover the Final Award.

## 42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

### (b) GMOC Project Arbitration Proceedings (Cont'd)

The courts in the People's Republic of China and Hong Kong have ordered that various assets of Beijing SkyOcean and its Guarantors to be frozen and will be appraised for auction to eventually recover the Final Award.

The abovementioned recognition and enforcement proceedings are still ongoing.

## 43 CONTINGENT LIABILITIES

### Amat Muhibah Tax Dispute

On 16 June 2021, the Inland Revenue Board of Malaysia ("IRB") issued Notice of Assessment ("Form JA") in accordance with Sections 4(c) and 4(f) of the Income Tax Act 1967 ("ITA 1967") to Amat Muhibah Sdn Bhd ("AMSB"), a 52.6% subsidiary company of the Company, on gains from the surrender of certain assets to authorities for the Year of Assessment (YA) 2017. The amount of additional tax assessed, inclusive of tax penalties, amounted to RM66.44 million ("Tax in Dispute"). Previously, the gains were brought to tax under Section 4(a) of the ITA 1967 by AMSB.

AMSB did not agree with the basis applied by the IRB and had filed an official appeal against the additional assessment for YA2017 through submission of the prescribed Form Q to the Special Commissioners of Income Tax ("SCIT"). SCIT had set 31 October 2022 as the next mention date of the appeal.

On 1 July 2021, AMSB wrote to the Ministry of Finance Malaysia ("MOF"), requesting MOF:

- (i) to give a general character direction to Director General of Inland Revenue ("DGIR") as to the exercise of the functions of the DGIR under Section 135 of the ITA 1967 and for the DGIR to give effect to the direction so given; or
- (ii) to grant an exemption under Section 127(3A) of the ITA 1967 with regards to Tax in Dispute, within the week.

As MOF did not respond to AMSB's request, AMSB had filed an application to the High Court of Kuala Lumpur ("High Court") for judicial review against MOF on 8 July 2021 ("MOF Judicial Review"). The High Court fixed 15 September 2021 for the first hearing of the MOF Judicial Review. AMSB had also been granted an interim stay on the payment of the Tax in Dispute until 15 September 2021. Subsequently, the hearing date had been rescheduled to 25 July 2022 and an interim stay has been granted till then.

At the hearing on 25 July 2022, the High Court granted leave for AMSB's application for judicial review and a stay until the final determination of the judicial review application.

On 8 August 2022, IRB informed the High Court that it had filed an application to intervene ("IRB Application to Intervene"). The next case management date had been fixed on 11 October 2022 for both parties to obtain instruction on filing of submissions and to fix hearing date for IRB Application to Intervene.

The next case management for MOF Judicial Review had also been fixed on 11 October 2022 pending the disposal of IRB Application to Intervene.

On 11 October 2022, the Attorney General Chambers informed the High Court that it had filed an appeal at the Court of Appeal against the High Court's decision to grant leave for the MOF Judicial Review. The High Court had fixed case management on 2 February 2023 to update the High Court on the status of the MOF Judicial Review.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 43 CONTINGENT LIABILITIES (CONT'D)

#### Amat Muhibah Tax Dispute (Cont'd)

In regards to the IRB Application to Intervene, the High Court had fixed the hearing date on 2 February 2023.

Based on the opinion of AMSB's external legal advisor, the Board of Directors are of the view, that AMSB has an arguable case that the IRB has no legal and factual basis to raise the Tax in Dispute.

### 44 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.

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Rental of premises and related services receivable from:					
- Singer (Malaysia) Sdn Bhd	b	(485)	(485)	-	-
- Inter-Pacific Securities Sdn Bhd	a	(647)	(647)	-	-
- Berjaya Higher Education Sdn Bhd	a	(2,373)	(2,393)	-	-
Purchase of land from Deru Klasik Sdn Bhd	f	-	38,450	-	-
Rental of premises and related services receivable from:					
- Sun Media Corporation Sdn Bhd	c	(399)	(399)	-	-
- 7-Eleven Malaysia Sdn Bhd	b	(2,895)	(2,847)	-	-
- Berjaya Starbucks Coffee Company Sdn Bhd	a	(1,454)	(1,485)	-	-
- U Mobile Sdn Bhd ("UMSB")	b	(1,569)	(1,574)	-	-
- BerjayaCity Sdn Bhd	a	(3,195)	(1,880)	-	-
Provision of security guard services to:					
- subsidiary companies of BCorp	a	(407)	(475)	-	-
- subsidiary companies of Berjaya Food Berhad	a	(398)	(421)	-	-
- Singer (Malaysia) Sdn Bhd	b	(197)	(230)	-	-
Supply of computerised lottery systems and related services to:					
- Berjaya Gia Think Investment Technology Joint Stock Company	a	(29,232)	(21,018)	-	-
- Natural Avenue Sdn Bhd ("NASB")	d	(710)	(690)	-	-

**44 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)**

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Rental of premises payable to					
- Berjaya Times Square Sdn Bhd ("BTSSB")	d	153	153	-	-
- Ambilan Imej Sdn Bhd	a	3,250	3,626	-	-
Procurement of Toto betting rolls, slips and other printing services from:					
- Graphic Press Group Sdn Bhd	a	141	416	-	-
- Berjaya Paper Trading Sdn Bhd	f	10,153	8,300	-	-
Share registration services rendered by Berjaya Registration Services Sdn Bhd	a	342	394	48	46
Advertising and publishing services charged by Sun Media Corporation Sdn Bhd	c	1,047	900	71	42
Information technology consultancy and management related services as well as purchase of hardware, software, network equipment from Qinetics Solutions Sdn Bhd, Qinetics Services Sdn Bhd and Qinetics MSP Sdn Bhd	e	3,574	2,845	2,146	1,249

Nature of Relationships

- (a) Related companies/member companies of BCorp Group other than subsidiary companies of the Company.
- (b) A company in which Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri Vincent Tan") has deemed interests.
- (c) 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 Chryseis Tan Sheik Ling ("CTSL") and the father-in-law of Tan Tee Ming, both of whom are Executive Directors of the Company.
- (d) BTSSB is a 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, whilst Tan Tee Ming is an Executive Director of BTSSB.
- (e) Subsidiary companies of MOL.com Sdn Bhd ("MOL"). Tan Sri Vincent Tan and BCorp are major shareholders of MOL.
- (f) A company where a substantial shareholder of the Company, Tan Sri Vincent Tan has interests.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 44 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

As at the reporting date, a foreign subsidiary company had deposit placements amounting to RM111,088,000 (2021 : RM90,939,000) with a foreign asset management firm of which a director 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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Short-term benefits	23,045	24,499	854	1,206
Post-employment benefits	3,355	3,428	63	83
	<u>26,400</u>	<u>27,927</u>	<u>917</u>	<u>1,289</u>

### 45 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.

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 write-off of property, plant and equipment, write-down of inventories and impairment loss on receivables.



45 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments:

Revenue	2022			2021		
	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	2,203,245	-	2,203,245	2,310,208	-	2,310,208
Motor vehicle dealership	3,012,563	-	3,012,563	2,501,939	-	2,501,939
Property development and property investment	227,227	22,852	250,079	316,009	43,966	359,975
Hotels and resorts	491,419	1,605	493,024	169,466	1,805	171,271
Club, recreation and others	109,786	14,536	124,322	108,454	13,968	122,422
Inter-segment eliminations	-	(38,993)	(38,993)	-	(59,739)	(59,739)
	<u>6,044,240</u>	<u>-</u>	<u>6,044,240</u>	<u>5,406,076</u>	<u>-</u>	<u>5,406,076</u>

Inter-segment revenue are eliminated on consolidation.

Results

	2022 RM'000	2021 RM'000
Toto betting and related activities	250,426	287,119
Motor vehicle dealership	106,992	83,024
Property development and property investment	(7,005)	10,606
Hotels and resorts	(38,724)	(153,017)
Club, recreation and others	4,062	(31,065)
Segment results	315,751	196,667
Unallocated corporate expenses	(54,054)	(46,109)
	<u>261,697</u>	<u>150,558</u>
Investment related income (Note 32)		
- toto betting and related activities	11,740	14,939
- property development and property investment	29,606	70,713
- hotels and resorts	4,601	14,681
- club, recreation and others	1,035	22,825
- unallocated	29,921	16,601
	<u>76,903</u>	<u>139,759</u>
Investment related expenses (Note 33)		
- toto betting and related activities	(751)	(550)
- property development and property investment	(197,824)	(15,749)
- hotels and resorts	(159)	(14,326)
- club, recreation and others	(11,755)	(15,172)
- unallocated	(8,626)	(15,538)
	<u>(219,115)</u>	<u>(61,335)</u>
	<u>119,485</u>	<u>228,982</u>
Finance costs	(205,476)	(197,489)
Share of results of associated companies	(8,988)	(64,815)
Share of results of joint ventures	(5,317)	(8,910)
Loss before tax	(100,296)	(42,232)
Taxation	(137,219)	(100,031)
Loss for the financial year	(237,515)	(142,263)
Non-controlling interests	(5,449)	(105,381)
Loss attributable to owners of the Parent	<u>(242,964)</u>	<u>(247,644)</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 45 SEGMENTAL INFORMATION (CONT'D)

### (a) Business Segments (Cont'd):

Assets and Liabilities	2022		2021	
	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Toto betting and related activities	3,753,884	215,100	3,590,628	214,235
Motor vehicle dealership	1,462,021	524,661	1,198,959	565,465
Property development and property investment	3,605,320	840,355	3,716,819	749,410
Hotels and resorts	2,628,620	1,201,720	2,567,767	1,163,041
Club, recreation and others	803,012	824,460	821,692	830,265
Inter-segment eliminations	(970,268)	(925,662)	(926,271)	(886,392)
Segment assets/liabilities	11,282,589	2,680,634	10,969,594	2,636,024
Investment in associated companies	311,872	-	324,601	-
Investment in joint ventures	41,193	-	43,689	-
Assets classified as held for sale	188,968	-	187,768	-
Unallocated corporate assets/liabilities	1,266,392	4,751,056	1,406,221	4,390,067
Consolidated assets/liabilities	13,091,014	7,431,690	12,931,873	7,026,091

Inter-segment assets and liabilities are eliminated on consolidation.

Other Information	2022			2021		
	Capital expenditure RM'000	Depreciation/ Amortisation RM'000	Other non- cash expenses RM'000	Capital expenditure RM'000	Depreciation/ Amortisation RM'000	Other non- cash expenses RM'000
Toto betting						
and related activities	21,177	14,498	120	8,167	15,629	3,111
Motor vehicle dealership	128,966	53,030	23,808	132,354	45,092	27,479
Property development						
and property investment	4,273	15,941	43	5,678	16,856	645
Hotels and resorts	28,431	107,241	959	13,666	112,639	2,419
Club, recreation and others	2,629	21,206	811	1,610	25,766	17,585
Unallocated	2,637	1,565	6,249	12,869	1,863	7,725
	188,113	213,481	31,990	174,344	217,845	58,964

Capital expenditure consists of additions to property, plant and equipment and right-of-use assets as disclosed in Notes 3 and 4 respectively.

Impairment Losses	2022 RM'000	2021 RM'000
Toto betting and related activities	-	90
Property development and property investment	197,808	1,526
Hotels and resorts	-	14,326
Club, recreation and others	11,755	15,152
Unallocated	6,098	14,103
	215,661	45,197

### (b) Geographical Locations:

	2022			2021		
	Revenue RM'000	Segment assets RM'000	Capital expenditure RM'000	Revenue RM'000	Segment assets RM'000	Capital expenditure RM'000
Malaysia	2,545,852	7,585,570	166,082	2,521,731	7,108,623	168,394
Outside Malaysia	3,498,388	3,697,019	22,031	2,884,345	3,860,971	5,950
	6,044,240	11,282,589	188,113	5,406,076	10,969,594	174,344

The Group operates principally in Malaysia. Outside Malaysia mainly comprises the Republic of Seychelles, United Kingdom, Iceland, Singapore, Sri Lanka, the Philippines, the Socialist Republic of Vietnam, Japan and United States of America.

**46 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:

<b>Group 2022</b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>	<b>Total RM'000</b>
Investment properties	-	-	685,822	685,822
<b>2021</b>				
Investment properties	-	-	704,115	704,115

- (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.

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 -61% and 15% (2021 : -56% and 18%) of the respective properties' comparables.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 46 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

<u>Investment Properties</u>	Group	
	2022 RM'000	2021 RM'000
At beginning of financial year	704,115	712,071
Additions during the financial year	-	5,889
Disposal during the financial year	(23,000)	-
Net fair value adjustments (Notes 32,33)	5,475	(14,703)
Exchange differences	(768)	858
At end of financial year	685,822	704,115

### (b) 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:

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>2022</b>				
<u>Financial assets</u>				
Investments	120,044	-	48,790	168,834
Short term investments	-	8,727	-	8,727
<hr/>				
<u>Financial liability</u>				
Derivative liability	-	595	-	595
<hr/>				
<b>2021</b>				
<u>Financial assets</u>				
Investments	149,218	-	58,802	208,020
Short term investments	-	11,207	-	11,207
Derivative asset	-	80	-	80
<hr/>				
<u>Financial liability</u>				
Derivative liability	-	640	-	640
<hr/>				

**46 FAIR VALUE MEASUREMENT (CONT'D)**

**(b) Financial instruments that are measured at fair value (Cont'd)**

The table below analyses the financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy (Cont'd):

<b>Company</b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>	<b>Total RM'000</b>
<b>2022</b>				
<u>Financial assets</u>				
Investments	57,058	-	5,958	63,016
<u>Financial liability</u>				
Derivative liability	-	595	-	595
<b>2021</b>				
<u>Financial assets</u>				
Investments	52,443	-	5,958	58,401
Derivative asset	-	80	-	80
<u>Financial liability</u>				
Derivative liability	-	640	-	640

The Level 3 investments consist certain equity 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 or estimated through discounted cashflows analysis of the respective investees.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 46 FAIR VALUE MEASUREMENT (CONT'D)

#### (b) Financial instruments that are measured at fair value (Cont'd)

Fair value reconciliation of financial assets - investments measured at Level 3

<b>2022</b>	<b>Group RM'000</b>	<b>Company RM'000</b>
At beginning of financial year	58,802	5,958
Additions during the financial year	274	-
Net fair value changes through other comprehensive income	2,871	-
Conversion of non-redeemable convertible loans to ordinary shares	(9,745)	-
Exchange differences	(3,412)	-
At end of financial year	<u>48,790</u>	<u>5,958</u>
<b>2021</b>	<b>Group RM'000</b>	<b>Company RM'000</b>
At beginning of financial year	51,821	5,958
Additions during the financial year	9,714	-
Net fair value changes through other comprehensive income	(2,406)	-
Exchange differences	(327)	-
At end of financial year	<u>58,802</u>	<u>5,958</u>

### 47 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:

47 FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

	Note	Group		Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b><u>Financial assets</u></b>					
<u>Fair value through other comprehensive income</u>					
Investments	10	167,186	193,150	62,517	56,904
<u>Fair value through profit or loss</u>					
Investments	10	1,648	14,870	499	1,497
Short term investments	15	8,727	11,207	-	-
Derivative asset	25	-	80	-	80
		10,375	26,157	499	1,577
<u>At amortised cost</u>					
Receivables	13	1,683,695	1,737,430	1,107,472	1,375,519
Deposits	16	453,081	371,001	36,826	35,756
Cash and bank balances	17	370,983	277,382	6,434	4,502
		2,507,759	2,385,813	1,150,732	1,415,777
<b>Total financial assets</b>		<b>2,685,320</b>	<b>2,605,120</b>	<b>1,213,748</b>	<b>1,474,258</b>
<b><u>Financial liabilities</u></b>					
<u>Fair value through profit or loss</u>					
Derivative liabilities	25	595	640	595	640
<u>At amortised cost</u>					
Long term borrowings	22	2,434,931	1,721,389	657,208	457,277
Long term liabilities	23	84,967	79,101	1,105,572	394,021
Lease liabilities	4	978,258	1,020,852	-	-
Payables	27	1,298,082	1,258,572	33,796	650,077
Short term borrowings	28	923,650	1,367,394	345,670	548,703
		5,719,888	5,447,308	2,142,246	2,050,078
<b>Total financial liabilities</b>		<b>5,720,483</b>	<b>5,447,948</b>	<b>2,142,841</b>	<b>2,050,718</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 47 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 46.

#### (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

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.

#### (iii) Financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximation of fair value

	Group			
	2022 Carrying amount RM'000	2022 Fair value RM'000	2021 Carrying amount RM'000	2021 Fair value RM'000
<u>Financial liabilities</u>				
Medium term notes	1,023,785	1,027,436	1,098,213	1,101,158
Sukuk Wakalah MTNs	132,650	133,170	85,360	85,442
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	Company			
	2022 Carrying amount RM'000	2022 Fair value RM'000	2021 Carrying amount RM'000	2021 Fair value RM'000
<u>Financial liabilities</u>				
Medium term notes	225,000	225,094	299,914	299,958
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>



#### 48 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.

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 (2021 : 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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<u>Fixed rate instruments</u>				
Financial assets	895,573	741,554	36,826	35,756
Financial liabilities	1,468,143	1,440,214	225,568	300,775
<u>Floating rate instruments</u>				
Financial assets	174,315	184,315	1,156,050	1,208,470
Financial liabilities	1,890,438	1,648,569	1,842,783	1,656,573

##### 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.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (a) Market risk (Cont'd)

##### (i) Interest Rate Risk (Cont'd)

###### Sensitivity analysis for floating rate instruments

An increase or a decrease of 25 basis points in interest rates at the reporting date would result in the loss before tax of the Group to be higher/lower by RM4,290,000 (2021 : RM3,661,000), and the loss before tax of the Company to be higher/lower by RM1,717,000 (2021 : RM1,120,000) respectively, assuming that all other variables remain constant.

48 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 ("USD"), Euro ("EUR"), Seychelles Rupees ("SCR"), Singapore Dollar ("SGD"), Vietnam Dong ("VND"), Thai Baht ("THB"), Icelandair Króna ("ISK") and Japanese Yen ("JPY").

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:

Functional Currency of Subsidiaries	Financial Assets/Liabilities Held in Non-Functional Currencies			
	Eur RM'000	USD RM'000	JPY RM'000	Total RM'000
<u>Receivables</u>				
RM	-	236,927	-	236,927
SGD	-	-	1,747	1,747
ISK	52	-	-	52
At 30 June 2022	52	236,927	1,747	238,726
RM	-	199,386	-	199,386
SGD	-	-	77	77
At 30 June 2021	-	199,386	77	199,463
<u>Cash and bank balances and deposits</u>				
SGD	-	47	27,439	27,486
RM	9	6,208	-	6,217
ISK	68	273	5	346
At 30 June 2022	77	6,528	27,444	34,049
SGD	-	37	15,227	15,264
RM	9	4,977	-	4,986
ISK	4,228	94	4,973	9,295
At 30 June 2021	4,237	5,108	20,200	29,545
<u>Payables</u>				
RM	-	101,397	-	101,397
SGD	-	-	6,964	6,964
ISK	395	966	-	1,361
At 30 June 2022	395	102,363	6,964	109,722
RM	-	1,103	-	1,103
SGD	-	-	9,618	9,618
ISK	13,894	1,609	-	15,503
At 30 June 2021	13,894	2,712	9,618	26,224

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (a) Market risk (Cont'd)

#### (ii) Foreign Currency Risk (Cont'd)

Functional Currency of Subsidiaries (cont'd)	Financial Assets/Liabilities Held in Non-Functional Currencies			
	EUR RM'000	USD RM'000	JPY RM'000	Total RM'000
<u>Borrowings</u>				
SGD	-	-	119,837	119,837
RM	-	52,029	-	52,029
ISK	244,371	-	-	244,371
At 30 June 2022	<u>244,371</u>	<u>52,029</u>	<u>119,837</u>	<u>416,237</u>
SGD	-	-	116,814	116,814
RM	-	55,711	-	55,711
ISK	249,432	-	-	249,432
At 30 June 2021	<u>249,432</u>	<u>55,711</u>	<u>116,814</u>	<u>421,957</u>

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in the USD, EUR, SGD, JPY and ISK exchange rates against the respective major functional currencies of the Group entities, with all other variables remaining constant:

Group		2022	2021
<u>Decrease/(increase) to loss before tax</u>		RM'000	RM'000
USD/RM	- strengthened 5% (2021 : 5%)	4,485	7,377
	- weakened 5% (2021 : 5%)	(4,485)	(7,377)
JPY/SGD	- strengthened 5% (2021 : 5%)	(4,881)	(5,556)
	- weakened 5% (2021 : 5%)	4,881	5,556
EUR/ISK	- strengthened 5% (2021 : 5%)	(12,235)	(12,955)
	- weakened 5% (2021 : 5%)	<u>12,235</u>	<u>12,955</u>

The impact of sensitivity analysis of the rest of the foreign currencies is not material to the Group.

**48 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. As the exposure to market price risk is not expected to be material, the sensitivity analysis has not been presented.

**(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

<b>Financial liabilities Group</b>	<b>On demand or within one year RM'000</b>	<b>One to five years RM'000</b>	<b>More than five years RM'000</b>	<b>Total RM'000</b>
<b>2022</b>				
Trade and other payables	1,298,082	-	-	1,298,082
Hire purchase and finance lease liabilities	11,962	38,461	-	50,423
Long term liabilities	680	67,853	24,471	93,004
Lease liabilities	94,674	308,532	718,572	1,121,778
Derivative liability	595	-	-	595
Loans and borrowings	1,039,844	1,860,795	825,804	3,726,443
	<u>2,445,837</u>	<u>2,275,641</u>	<u>1,568,847</u>	<u>6,290,325</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

### (b) Liquidity Risk (Cont'd)

Analysis of undiscounted financial instruments by remaining contractual maturities (Cont'd)

<b>Financial liabilities Group</b>	<b>On demand or within one year RM'000</b>	<b>One to five years RM'000</b>	<b>More than five years RM'000</b>	<b>Total RM'000</b>
<b>2021</b>				
Trade and other payables	1,258,572	-	-	1,258,572
Hire purchase and finance lease liabilities	12,580	46,880	-	59,460
Long term liabilities	-	78,183	25,676	103,859
Lease liabilities	87,938	488,053	601,400	1,177,391
Derivative liability	640	-	-	640
Loans and borrowings	1,425,922	1,332,970	626,686	3,385,578
	<u>2,785,652</u>	<u>1,946,086</u>	<u>1,253,762</u>	<u>5,985,500</u>
<b>Company</b>				
<b>2022</b>				
Other payables	33,796	-	-	33,796
Hire purchase and finance lease liabilities	345	358	-	703
Derivative liability	595	-	-	595
Long term liabilities	-	1,180,644	-	1,180,644
Loans and borrowings	349,303	647,945	13,704	1,010,952
	<u>384,039</u>	<u>1,828,947</u>	<u>13,704</u>	<u>2,226,690</u>
<b>2021</b>				
Other payables	650,077	-	-	650,077
Hire purchase and finance lease liabilities	363	704	-	1,067
Derivative liability	640	-	-	640
Long term liabilities	-	410,654	-	410,654
Loans and borrowings	532,784	423,876	55,057	1,011,717
	<u>1,183,864</u>	<u>835,234</u>	<u>55,057</u>	<u>2,074,155</u>

The Company has granted corporate guarantees to certain financial institutions for credit facilities granted to its subsidiary companies. The maximum amount that is required to be settled in the event of a default is RM916,703,000 (2021: RM891,306,000).

### (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.

**48 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 RM916,703,000 (2021: RM891,306,000) 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	2022		2021	
	RM'000	%	RM'000	%
Toto betting and related activities	159,731	48	122,356	44
Motor vehicle dealerships	57,461	17	46,693	17
Property development and property investment	50,325	15	72,344	26
Hotels and resorts	49,250	14	19,045	7
Club, recreation and others	19,053	6	15,930	6
	<u>335,820</u>	<u>100</u>	<u>276,368</u>	<u>100</u>

**49 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 2022 and 30 June 2021.

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.

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 49 CAPITAL MANAGEMENT (CONT'D)

The gearing ratios as at 30 June 2022 and 30 June 2021 were as follows:

		Group	
	Note	2022 RM'000	2021 RM'000
Short term borrowings	28	923,650	1,367,394
Long term borrowings	22	2,434,931	1,721,389
Total debt		<u>3,358,581</u>	<u>3,088,783</u>
Total equity		<u>5,659,324</u>	<u>5,905,782</u>
Gearing ratio (%)		<u>59</u>	<u>52</u>

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

### 50 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 26 November 2011, the Company announced that it had entered into a memorandum of understanding with Qhazanah Sabah Bhd ("QSB") to develop Bandar Digital Tun Said township located about 5km from Kota Belud town, Sabah ("Kota Belud MoU"). Under the Kota Belud MoU, QSB's role is to facilitate and participate in the investment via the land acquisition administrative matters while the Company will play a role as the developer of which, the scope will include preparing the development plan, design, planning and construction of the township.
- (b) On 30 November 2021, the Company announced that the setting up of a joint venture company, namely Landasan Lumayan Berjaya Sdn Bhd ("LLB") with Landasan Lumayan Sdn Bhd ("LLSB") which is a subsidiary company of Menteri Besar Incorporation Selangor, to undertake river cleaning, river rehabilitation and river developments ("River Initiatives") in the Klang Valley. The Company (via B Hartanah) and LLSB hold 55% and 45% equity interest respectively in LLB.

Among the River Initiatives which LLB will undertake is the Selangor Maritime Gateway, a high economic impact project which will see approximately 600 acres of land along about 56km of the Klang River to be developed over the next 8 years. The river cleaning initiative will encompass removal of all floating debris from the Klang River, as well as maintenance of the existing log booms located in Sungai Pinang, Sungai Kayu Ara, Sungai Kandis, Sungai Delek, Kinrara, Taman Sentosa and Aman Hilir. LLB will also undertake other cleaning-related initiatives or activities, including organising awareness and educational programmes aimed at rejuvenating the Klang River.

- (c) On 2 March 2022, the Company announced that its 80%-owned subsidiary company, BDS Smart City Co., Ltd, has on 1 March 2022 served a written notice on Government of Yangon Region, the Republic of the Union of Myanmar ("YRG") to terminate the concession agreement dated 7 February 2020 ("Concession Agreement") and withdraw from the collaboration with YRG, in undertaking a housing and mixed development project on 12 parcels of land in Dagon Seikkan Township, Yangon Region, Myanmar due to non-fulfilment of conditions precedent under the Concession Agreement.



**50 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)**

- (d) On 25 March 2022, the Company announced that it had entered into a memorandum of understanding with Sabapak Eco Sdn Bhd ("SESB") for the collaboration of a sustainable tourism destination development project in Sabah ("Sabapak MoU"). Under the Sabapak MoU, both parties will jointly formulate a comprehensive sustainable plan to develop and transform part of Gaya, Sapi and Bohey Dulang Islands into prime eco-tourism destinations.
- (e) On 30 June 2022, the Company announced that it had entered into a memorandum of understanding with QSB to explore the possible relocation of Kota Kinabalu International Airport to Kimanis (KKIA MoU). The KKIA MoU involves the construction and development of a new international airport in Kimanis as well as a sustainable development to be undertaken within Kimanis or on any other land deemed suitable by the Sabah State Government.
- (f) Following the global outbreak of COVID-19 pandemic, many countries had imposed various phases of movement control orders as a preventive measure to curb the pandemic. The pandemic has now moved into an endemic phase globally.

The Group's toto betting business segment operated by SPToto's subsidiary company, STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd ("STM Lottery")) was affected by the imposition of nationwide lockdown and subsequently the National Recovery Plan implemented by the Malaysian Government from 1 June 2021 to 13 September 2021. All the sales outlets of STM Lottery were temporarily closed from 1 June 2021 to 13 September 2021 with the cancellation of a total of 52 draws and only resumed business operations on 14 September 2021. The temporarily business closure during the said period has caused the cancellation of 37 draws in the current financial year and whilst 15 draws were cancelled in the previous financial year.

The hotels and resorts, clubs and recreation business segments continued to be adversely impacted by the prolonged closure of international borders and strict social distancing rules for most part of the financial year. These segments had mostly relied on domestic tourism whenever domestic travelling restrictions were eased. With the recent re-opening of international borders and the easing of social distancing in the endemic phase, the Group's hotels and resorts has reported higher occupancy and average room rates.

The progress of the Group's property developments are well underway despite being hampered by the imposition of lockdowns. Footfalls to the Group's shopping malls have also risen with the easing of social distancing rules.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>Subsidiary Companies</b>				
<b>(a) Subsidiaries of Berjaya Land Berhad ("BLand")</b>				
<i>a</i> * Alam Baiduri Sdn Bhd	Malaysia	Property development and investment	-	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	Dormant	100	100
* Berjaya Enamelware Sdn Bhd	Malaysia	Dormant	100	100
Berjaya Construction Berhad (formerly known as Berjaya Engineering Construction Sdn Bhd)	Malaysia	Provision of civil engineering contracting works	100	100
* Berjaya Fukuoka Development (S) Pte Ltd	Singapore	Investment holding	100	100
* Berjaya Guard Services Sdn Bhd	Malaysia	Provision of security services	100	100
<i>b</i> Berjaya Hartanah Berhad ("BHartanah")	Malaysia	Property development and investment and operator of golf and recreation club	72.65	-
* Berjaya Holiday Cruise Sdn Bhd	Malaysia	Investment holding	86.36	86.36

*a* Disposed to BHartanah following an internal restructuring exercise.

*b* Additional 27.35% being held by Berjaya Vacation Club Berhad and remains a wholly-owned subsidiary of the Group.

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(a) Subsidiaries of Berjaya Land Berhad (Cont'd)</b>				
* Berjaya Hotels and Resorts (Seychelles) Limited	Republic of Seychelles	Struck off during the financial year	-	100
Berjaya Hotels & Resorts Vietnam Sdn Bhd	Malaysia	Investment holding	100	100
Berjaya Jet Charter Sdn Bhd	Malaysia	Jet charter	100	100
* 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
c Berjaya Land Development Sdn Bhd	Malaysia	Property development, project management and investment holding	-	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, 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

c Disposed to BHartanah following an internal restructuring exercise.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(a) Subsidiaries of Berjaya Land Berhad (Cont'd)</b>				
Berjaya Property Management Sdn Bhd	Malaysia	Investment holding	100	100
* Berjaya Property Ireland Limited	Ireland	Investment holding	100	100
<i>d</i> * Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	60	60
* Berjaya Reykjavik Investment Limited	Ireland	Investment holding	100	100
<i>e</i> Berjaya Tagar Sdn Bhd	Malaysia	Property development project management and investment holding	-	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

*d* Additional 20% being held by Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad).

*e* Disposed to BHartanah following an internal restructuring exercise.

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(a) Subsidiaries of Berjaya Land Berhad (Cont'd)</b>				
* 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
* 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
<i>f</i> * Landasan Lumayan Berjaya Sdn Bhd ("LLB")	Malaysia	River cleaning and property development	-	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

*f* Disposed to BHartanah in an internal restructuring exercise.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(a) Subsidiaries of Berjaya Land Berhad (Cont'd)</b>				
<i>g</i> * Regnis Industries (Malaysia) Sdn Bhd	Malaysia	Investment and rental of property	57.12	57.12
Rumah Mampu Berjaya Sdn Bhd	Malaysia	Affordable housing property development, under striking off process	100	-
Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad)	Malaysia	Investment holding	40.75	40.63
Securiservices Sdn Bhd	Malaysia	Property development	100	100
* Semakin Sinar Sdn Bhd	Malaysia	Dormant, under striking off process	51	51
* Semangat Cergas Sdn Bhd	Malaysia	Property development	100	100
* Stephens Properties Plantations Sdn Bhd	Malaysia	Investment holding	100	100
* Taaras Spa Sdn Bhd	Malaysia	Spa management	100	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>(b) Subsidiaries of Berjaya Fukuoka Development (S) Pte Ltd</b>				
* Berjaya Hakkoda Resort Development Godo Kaisha	Japan	Hotel and resort operation	100	100
* Berjaya Japan Kabushiki Kaisha	Japan	Operations of real estate	100	100

*g* Additional 30% being held by B.L. Capital Sdn Bhd.

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(c) Subsidiaries of Berjaya Hartanah Berhad</b>				
<i>h</i> * Alam Baiduri Sdn Bhd	Malaysia	Property development and investment	100	-
<i>h</i> Berjaya Land Development Sdn Bhd	Malaysia	Property development, project management and investment holding	100	-
* Berjaya Okinawa FS Sdn Bhd	Malaysia	Property investment, development, trading and construction.	100	-
<i>h</i> Berjaya Tagar Sdn Bhd	Malaysia	Property development, project management and investment holding	100	-
BGRB Venture Sdn Bhd	Malaysia	Investment holding	100	100
* Bukit Jalil Golf Club Sdn Bhd	Malaysia	Operations of golf club and property development	100	100
<b>(i) Subsidiaries of Berjaya Land Development Sdn Bhd</b>				
* Indra Ehsan Sdn Bhd	Malaysia	Property development	100	100
* Kim Rim Enterprise Sdn Bhd	Malaysia	Property development, ceased operations	100	100
Sri Panglima Sdn Bhd	Malaysia	Property development and provision of property management and maintenance services	100	100
<b>(d) Subsidiaries of Berjaya Leisure (Cayman) Limited</b>				
* Berjaya (China) Great Mall Co Ltd	People's Republic of China	Property investment and development, ceased operations	51	51
# Berjaya-D2D Company Limited	Socialist Republic of Vietnam	Property investment and development	100	100

*h* Acquired from Berjaya Land Berhad following an internal restructuring exercise.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(d) Subsidiaries of Berjaya Leisure (Cayman) Limited (Cont'd)</b>				
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 Mount Royal Beach Hotel Limited	Sri Lanka	Owner and operator of hotel	92.60	92.60
* 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
<b>(e) Subsidiary of Berjaya Leisure Capital (Cayman) Limited</b>				
# Informatics Education Limited	Singapore	Investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators	67.42	67.42
<b>(i) Subsidiaries of Informatics Education Limited</b>				
# Informatics Academy Pte Ltd	Singapore	Ceased operations during the financial year	100	100
* Informatics Computer Education Sdn Bhd	Malaysia	Dormant, under striking off process	100	100
* Informatics Education (HK) Ltd	Hong Kong	Computer education and training	100	100
* Informatics Education UK Ltd	United Kingdom	Investment holding	100	100



51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(e) Subsidiary of Berjaya Leisure Capital (Cayman) Limited (Cont'd)</b>				
<b>(i) Subsidiaries of Informatics Education Limited (cont'd)</b>				
# Informatics Global Campus Pte Ltd	Singapore	Dormant, under striking off process	100	100
# Informatics International Pte Ltd	Singapore	Struck off during the financial year	-	100
* Singapore Informatics Computer Institute (Pvt) Ltd	Sri Lanka	Dissolved during the financial year	-	100
<i>i</i> # NCC Education Limited	United Kingdom	Educational and business management consultancy	50.7	50.7
<b>(ii) Subsidiaries of Informatics Education UK Ltd</b>				
* NCC Education (Beijing) Consulting Co., Ltd	People's Republic of China	Consultancy	100	100
* NCC Education (M) Sdn Bhd	Malaysia	Marketing and consultancy	100	100
<b>(f) Subsidiaries of Berjaya Myanmar Holdings Sdn Bhd</b>				
* Berjaya HT Eco Company Limited	Myanmar	Ceased operations during the financial year	90	90
* BDS Smart City Co. Ltd	Myanmar	Ceased operations during the financial year	80	80
<b>(g) Subsidiary of Berjaya North Asia Holdings Pte Ltd</b>				
* Berjaya Okinawa Development Co Ltd	Japan	Resort hotel and residence development	100	100
<b>(h) Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd</b>				
* Berjaya Okinawa Hospitality Asset TMK	Japan	Voluntarily wound up during the financial year	-	100

*i* Additional 49.30% being held by Informatics Education UK Ltd.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(h) Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd (Cont'd)</b>				
* Berjaya Okinawa Investment Godo Kaisha	Japan	Investment holding	100	100
* Opportunity 24 TMK	Japan	Acquisition, management and disposition of asset	100	100
<b>(i) Subsidiary of Opportunity 24 TMK</b>				
* LAC ML2 GK	Japan	Sale and purchase, leasing and management of real estate	100	100
<b>(i) Subsidiary of Berjaya Property Ireland Limited</b>				
<i>j</i> * Icelandair Hotels hf	Iceland	Lease and hotel operator	89.82	100
<b>(i) Subsidiaries of Icelandair Hotels hf</b>				
* Asgardur hf	Iceland	Hotel and real estate assets	80	80
* Hljomalindarreitur ehf	Iceland	Hotel and real estate assets	100	100
<i>k</i> * GE11 ehf (formerly known as Geirsgata 11 ehf)	Iceland	Leasehold real estate	100	-
<b>(j) Subsidiary of Berjaya Reykjavik Investment Limited</b>				
<i>k</i> * GE11 ehf (formerly known as Geirsgata 11 ehf)	Iceland	Leasehold real estate	-	100
<b>(k) Subsidiary of Berjaya Property Management Sdn Bhd</b>				
Taman TAR Development Sdn Bhd	Malaysia	Property development	100	100
<b>(i) Subsidiary of Taman TAR Development Sdn Bhd</b>				
* Aces Parking Sdn Bhd	Malaysia	Provision for operations of parking services for motor vehicles	100	100

*j* Additional 10.18% being held by Berjaya Reykjavik Investment Limited.

*k* Acquired from Berjaya Reykjavik Investment Limited following an internal restructuring exercise.

**51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)**

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(I) Subsidiaries of Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad)</b>				
FEAB Equities Sdn Bhd	Malaysia	Dormant, under striking off process	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
STM Lottery Sdn Bhd (formerly known as 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	Ceased operation and became dormant during the financial year	100	100
<b>(i) Subsidiaries of Magna Mahsuri Sdn Bhd</b>				
Berjaya Sports Toto (Cayman) Limited ("BSTC")	Cayman Islands	Investment holding	100	100
Sports Toto Apparel Sdn Bhd	Malaysia	Dormant, under liquidation	100	100
Sports Toto Computer Sdn Bhd	Malaysia	Computer consultancy services	100	100
Sports Toto Products Sdn Bhd	Malaysia	Dormant, under liquidation	100	100
<b>(ii) Subsidiary of Berjaya Sports Toto (Cayman) Limited</b>				
# Berjaya Lottery Management (HK) Limited	Hong Kong	Investment holding	100	100
<b>(iii) Subsidiaries of Berjaya Lottery Management (HK) Limited</b>				
/ * Berjaya Philippines Inc.	Philippines	Investment holding	74.20	74.20

*/ Additional 14.06% being held by Berjaya Sports Toto (Cayman) Limited.*

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(I) Subsidiaries of Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad) (Cont'd)</b>				
<b>(iii) Subsidiaries of Berjaya Lottery Management (HK) Limited (cont'd)</b>				
* 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
<b>(iv) Subsidiaries of Berjaya Philippines Inc. ("BPI")</b>				
* eDoc Holdings Limited	United Kingdom	Dormant	100	100
* Floridablanca 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
<b>(v) Subsidiaries of H.R. Owen Plc</b>				
* Bradshaw Webb (Chelsea) Limited	United Kingdom	Investment holding	100	100
* Bodytechnics Limited	United Kingdom	Maintenance and repair of motor vehicles	100	100
* 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

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(l) Subsidiaries of Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad) (Cont'd)</b>				
<b>(v) Subsidiaries of H.R. Owen Plc (Cont'd)</b>				
* HR Owen Insurance Services Limited	United Kingdom	Provision of insurance agents and brokers services	95	60
* H.R. Owen Investments Limited	United Kingdom	Dormant	100	100
* H.R. Owen Leasing Limited	United Kingdom	Dormant, under striking off process	100	100
* H.R. Owen Motor Dealerships Limited	United Kingdom	Dormant, under striking off process	100	100
* H.R. Owen Motor Properties Limited	United Kingdom	Dormant, under striking off process	100	100
* H.R. Owen Vehicle Leasing Company Limited	United Kingdom	Dormant, under striking off process	100	100
* Hatfield 6939 Limited	United Kingdom	Property investment	100	100
* Jack Barclay Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
* London Lotus Centre Limited	United Kingdom	Dormant, under striking off process	100	100
* Malaya Dealerships Limited	United Kingdom	Dormant	100	100
<i>m</i> * Netprofit.com Limited ("Netprofit")	United Kingdom	Dormant, under striking off process	100	100
* Pangbourne 6939 Limited	United Kingdom	Property investment	100	100
* Shepperton 6939 Limited	United Kingdom	Dormant	100	100

*m* H.R. Owen Plc and Bradshaw Webb (Chelsea) Limited each holds 50% equity interest in Netprofit.

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(l) Subsidiaries of Sports Toto Berhad (formerly known as Berjaya Sports Toto Berhad) (Cont'd)</b>				
<b>(v) Subsidiaries of H.R. Owen Plc (cont'd)</b>				
* Upbrook Mews Limited	United Kingdom	Property investment	100	100
<b>(vi) Subsidiaries of International Lottery &amp; Totalizator Systems, Inc.</b>				
* 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
<b>(m) Subsidiaries of Berjaya Vacation Club Berhad ("BVC")</b>				
* ANSA Hotels & Resorts Sdn Bhd	Malaysia	Dormant	100	100
Berjaya Air Sdn Bhd	Malaysia	Provision of aviation services	100	100
* Berjaya Beau Vallon Bay (Cayman) Limited	Cayman Islands	Investment holding	100	100
<i>n</i> Berjaya Hartanah Berhad ("BHartanah")	Malaysia	Property development and investment and operator of golf and recreation club	-	100
* Berjaya Greenland Invest A/S	Greenland	Investment and operation of real estate activities	100	100
* Berjaya Hospitality Services Sdn Bhd	Malaysia	Hotel operator	100	100
* Berjaya Hotel & Resorts A/S	Greenland	Hotel business	100	100
# Berjaya Hotels and Resorts (HK) Limited	Hong Kong	Investment holding	60	60

*n* BVC's equity interest in BHartanah was diluted from 100% to 27.35% and became a subsidiary of the Company following an internal restructuring exercise.

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(m) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)</b>				
* Berjaya Hotels & Resorts (M) Sdn Bhd	Malaysia	Provision of management services, booking centre and marketing agent	100	100
# Berjaya International Casino Management (HK) Limited	Hong Kong	Investment holding	100	100
Berjaya Langkawi Beach Resort Sdn Bhd	Malaysia	Resort operator	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 (S) Pte Ltd	Singapore	Vacation time sharing	100	100
BTS Hotel Sdn Bhd	Malaysia	Owner of hotel	100	100
Bukit Kiara Resort Berhad	Malaysia	Promotion of equine activities and to carry on business as a proprietor of commercial recreation and health resort	100	100
Georgetown City Hotel Sdn Bhd	Malaysia	Hotel operator	100	100
* Berjaya Pictures Sdn Bhd (formerly known as Hotel Integrations Sdn Bhd)	Malaysia	Consultancy in hotel related industry and to carry on business as film maker, production house and related activities	100	100
Indah Corporation Berhad	Malaysia	Investment holding, operator of golf resort and property development	100	100
KDE Recreation Berhad	Malaysia	Provide recreation facilities to members	90	100

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(m) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)</b>				
* 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	Property development, golf and recreation club operator	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	Dormant	100	100
* Tioman Pearl Sdn Bhd	Malaysia	Hotel and resort operation	70	70
* Tioman Travel & Tours Sdn Bhd	Malaysia	Property investment	100	100
<b>(i) Subsidiary of Berjaya Air Sdn Bhd</b>				
* Berjaya Air Cargo Sdn Bhd	Malaysia	Dormant, under striking off process	100	100
<b>(ii) Subsidiary of Berjaya Beau Vallon Bay (Cayman) Limited</b>				
* Berjaya Beau Vallon Bay Beach Resort Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
<b>(iii) Subsidiary of Berjaya Praslin Beach (Cayman) Limited</b>				
* Berjaya Praslin Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
<b>(iv) Subsidiary of Berjaya Vacation Club (Cayman) Limited</b>				
* Berjaya Vacation Club (UK) Limited	United Kingdom	Hoteliers and hotel management	100	100



51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(m) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)</b>				
<b>(v) Subsidiaries of Georgetown City Hotel Sdn Bhd</b>				
Berjaya Georgetown Sharksfin Restaurant Sdn Bhd	Malaysia	Dormant	100	100
BG Karaoke Sdn Bhd	Malaysia	Dormant	68.97	68.97
<b>(vi) Subsidiary of KDE Recreation Berhad</b>				
* Infinity Worth Creation Sdn Bhd	Malaysia	Dormant	100	100
<b>(vii) Subsidiary of Redang Development Sdn Bhd</b>				
* Redang Infra Sdn Bhd	Malaysia	Infrastructure development	100	100
<b>(viii) Subsidiary of Sinar Merdu Sdn Bhd</b>				
* ANSA Hotel KL Sdn Bhd	Malaysia	Hotel operations and letting of properties	100	100
<b>(ix) Subsidiary of The Taaras Beach &amp; Spa Resort (Redang) Sdn Bhd</b>				
* Redang Island Golf and Country Club Berhad	Malaysia	Dormant	100	100
<b>(n) Subsidiary of Cerah Tropika Sdn Bhd</b>				
* Penstate Corp. Sdn Bhd	Malaysia	Property development	100	100
<b>(o) Subsidiary of Kota Raya Development Sdn Bhd</b>				
* Kota Raya Complex Management Sdn Bhd	Malaysia	Property management, ceased operations	100	100
<b>(p) Subsidiary of Noble Circle (M) Sdn Bhd</b>				
* Noble Circle Management Sdn Bhd	Malaysia	Property management, ceased operations	100	100
<b>(q) Subsidiary of Nural Enterprise Sdn Bhd</b>				
* Aras Klasik Sdn Bhd	Malaysia	Property management, ceased operations	100	100

# NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>(r) Subsidiaries of Tioman Island Resort Berhad</b>				
* 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
<b>(i) Subsidiary of Berjaya Hotels &amp; Resorts (Singapore) Pte Ltd</b>				
* BHR Okinawa Management Godo Kaisha	Japan	Hotel management	100	100
<b>(s) Subsidiary of Wisma Stephens Management Co Sdn Bhd</b>				
* Wujud Jaya Sdn Bhd	Malaysia	Dormant	100	100
<b>(t) Subsidiaries of Berjaya Construction Berhad (formerly known as Berjaya Engineering Construction Sdn Bhd)</b>				
* Mantra Design Sdn Bhd	Malaysia	Provision of interior design and consultancy services for land and building development projects	51	51
* 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
<b>Associated Companies</b>				
Aces Property Management Sdn Bhd	Malaysia	Property development	25	25
Aces Architects Sdn Bhd	Malaysia	Architectural services	30	30
Asian Atlantic Holdings Limited	British Virgin Islands	Investment holding	24.46	24.46

## 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>Associated Companies (Cont'd)</b>				
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	19.98	30
o Berjaya Assets Berhad	Malaysia	Investment holding	9.48	9.48
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	Dormant	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
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

o The Group regards Berjaya Assets Berhad as an associated company as disclosed in Note 2.5(a)(iii).

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2022

### 51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>Associated Companies (Cont'd)</b>				
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	Dissolved	-	32.50
Gufa ehf	Iceland	Disposed	-	31.50
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
Philippine Gaming Management Corporation	Philippines	Leasing of online lottery equipment and provision of software support	39.99	39.99
Perdana Land Philippines Inc.	Philippines	Acquire, develop and lease real estate	40	40
Resort Cruises (S) Pte Ltd	Singapore	Dormant	49	49
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	22.42	23.73
Ssangyong Berjaya Motor Philippines Inc.	Philippines	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines	21.67	21.67
Tioman Ferry Services Sdn Bhd	Malaysia	Dormant	20	20

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2022 %	2021 %
<b>Joint Ventures</b>				
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 Sdn Bhd (formerly known as Asia Jet Partners Malaysia Sdn Bhd)	Malaysia	Provision of business aviation charter management services	68.73	51
Landasan Lumayan Berjaya Sdn Bhd	Malaysia	River cleaning and property development	55	-
Pasdec Cempaka Sdn Bhd	Malaysia	Property development and investment	51	51

# 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

## 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 2022 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 83 to 243.

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 2022, and of their financial performance and their cash flows for the financial year 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 year. 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 represented 36% and 26% of the non-current assets and total assets of the Group as at 30 June 2022 respectively.

The Group's gaming rights are subject to an annual impairment test. The Group estimated 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 contained a number of significant judgements and estimates including estimates on revenue growth rate, payout ratio, discount rate and terminal growth rate.

We considered 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 these assumptions may lead to a significant change in the recoverable amount of the CGU.

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 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 comprised the revenue growth rate and payout ratio and the terminal growth rate were reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth in which the CGU operates;
- assessed, with the involvement of our internal valuation 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 in specific international markets in which the Group operates or equivalent data for peer companies; and
- analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions to the recoverable amount.

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BERJAYA LAND BERHAD

***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(b) to the financial statements.)

As disclosed in Note 42(b) 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 of the Great Mall Property in October 2016 to Beijing SkyOcean for a total consideration of RMB2.04 billion and has collected RMB1.07 billion from Beijing SkyOcean. The holding company of Beijing SkyOcean and one of its shareholders ("the Guarantor") have provided guarantees for the outstanding debt.

The Group has on 21 May 2020 obtained a favourable arbitration award and has subsequently obtained the recognition and enforcement of the final award, which includes the outstanding amount of RMB974.1 million (equivalent to RM625.7 million), liquidated damages on the outstanding balance and arbitration costs. Whilst the enforcement proceedings are still on going, the Group has faced certain challenges in recovering the debt amidst the Covid-19 pandemic and has recognised an impairment of RMB301 million (approximately RM197.8 million) for the year ended 30 June 2022 using a best estimate probability method.

We considered this to be an area of focus for our audit as the amount involved is significant and judgment and estimates were 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 the court's 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;
- 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 the court's enforcement of the final arbitration award, and the basis of their opinion on the outcome of this process.
- assessed and considered the reasonableness of the assumptions and judgements applied in the impairment assessment prepared by management.

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(b) 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 to account for such revenue. During the financial year, the Group recognised revenue of approximately RM2.14 billion from Toto betting operations, which accounted for 36% of the Group's revenue. The related cost of sales from Toto betting operations represents a significant portion of the Group's cost of sales.

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, and they involve large volume of transactions which are processed by the Group's information technology system.

In addressing this area of focus, we involved the component auditors 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 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 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.

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BERJAYA LAND BERHAD

***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 46(a) to the financial statements.)

As at 30 June 2022, the carrying amount of investment properties amounted to RM686 million representing 7% 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 adjustment 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 have also reviewed and assessed the adequacy of the Group's disclosures relating to investment properties.

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 2022, the carrying amount of the investment in subsidiary companies of the Company amounted to RM3.67 billion, representing 79% and 74% 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 considered 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; and
- 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 director's report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Group's annual report, which is expected to be made available to us after the date of this auditors' report.

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BERJAYA LAND BERHAD

***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 year 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.

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF BERJAYA LAND BERHAD

**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. 03236/04/2024 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
21 October 2022

# LIST OF MAJOR PROPERTIES

As at 30 June 2022

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	28.14 acres	Land for mixed development	N/A	31.03.2014	375,664
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 sq m	Hotel (112 guest rooms)	6 years 83 years 117 years 6 years 6 years 6 years	03.04.2020	339,538
399 parcels of land at Onna-Son Okinawa Island, Japan	Freehold	122,953 sq m	Land held for development	N/A	Since 15.07.2009	294,994
Lot 352 Seksyen 20 Bandar Kuantan District of Kuantan Pahang Darul Makmur	Freehold	5.46 acres	Shopping mall for rental	24 years	05.02.1991	233,740
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	19 years	06.01.1998	173,150
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	19 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	19 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	19 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	19 years	10.02.2010	
B44-04, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	3,821 sq ft	Penthouse	19 years	08.05.2012	

# LIST OF MAJOR PROPERTIES

As at 30 June 2022

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
HS(D) 52466-68 PT 4625-27 HS(D) 52471-75 PT 4630-34 Mukim Sungai Tinggi Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	871.1 acres	Land for mixed development	N/A	31.03.2017	161,672
GM 3 Lot 128, GM 4 Lot 129, GM 126 Lot 3, Lot 213 Geran 6440 Lot 4 Geran 6615 and Lot 558	Freehold	662.21 acres	Beach resort and land for resort development (189 guest rooms and a villa)	>26 years	Year 1990	115,967
GM PN 1339 Lot 212	Leasehold 60 years expiring on 06.05.2070				25.09.1991	
GM PN 1384 Lot 5	Leasehold 60 years expiring on 16.02.2067				25.09.1991	
Lot 50000 Lot 50001 Lot 50002 Lot 705	} 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	
HS(D) 4/94, PT 278	Leasehold expiring on 30.04.2069	85.83 acres	Beach resort (424 guest rooms/ chalets)	29 years	27.05.1994	107,980
HS(D) 1017, PT 140	Leasehold expiring on 29.03.2070				30.03.2010	
HS(D) 1018, PT 141 Mukim Padang Matsirat Daerah Langkawi Pulau Langkawi Kedah Darul Aman	Leasehold expiring on 29.03.2070				30.03.2010	
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	36 years	27.11.1989	99,635
Lot 5001 to 5005, 5006 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	205.68 acres	Land for hotel and resort operations	35 years	30.12.1985	92,831



# LIST OF MAJOR PROPERTIES

As at 30 June 2022

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
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 No. 72 to 78 Persiaran Jesselton Selatan Pulau Pinang	Freehold	51,418 sq ft	7 units of bungalow lots or sale	N/A	31.03.2014	80,210
Lot No. 108, 113, 120 to 127 Leboh Jesselton Selatan 2 Pulau Pinang	Freehold	76,693 sq ft	10 units of bungalow lots for sale	N/A	31.03.2014	
Lot PT 4805, 4806 HS(D) 81319, 81320 Mukim Petaling Kuala Lumpur	Freehold	163.67 acres	Club house and golf course	> 30 years	05.09.1991	78,777
10 parcels of land at Uruma-shi Okinawa Island, Japan	Freehold	57,479 sq m	Land with hotel building (123 guest rooms)	28 years	30.03.2017	75,946
Lot PTD No.4803 HS(D) No 81317 Mukim of Petaling Kuala Lumpur (The Tropika, Bukit Jalil, Kuala Lumpur)	Freehold	6.47 acres	Land for mixed development	N/A	05.09.1991	74,610
Title Reg No 215-1892 Pingvallastraeti 23, Akureyri, (Berjaya Akureyri Hotel)	Freehold	3,566 sq m	Hotel (99 guest rooms)	53 years	03.04.2020	66,950
Lot 100080, Geirsgata 11 Reykjavik, Iceland	Leasehold 60 years expiring on 31.12.2037	4,805 sq m	Land with warehouse	N/A	14.11.2019	66,045
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	19 years	06.01.1998	65,556
HSD 14866, PT 18998 Mukim and Daerah of Bentong Pahang Darul Makmur	Freehold	168.08 acres	Vacant development land	N/A	12.03.2021	64,926
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) (Berjaya Myvatn Hotel)	Freehold	3,963 sq m	Hotel (59 guest rooms)	74 years 111 years 59 years 80 years 71 years 45 years 45 years	03.04.2020	61,724

## LIST OF MAJOR PROPERTIES

As at 30 June 2022

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Plot 5000A Hatfield Business Park Hatfield AL10 9WN United Kingdom	Freehold	5.4 acres	Land with temporary showrooms currently on site and permanent building consisting headquarter office, multi-brand showrooms and aftersales centres under construction	N/A	23.12.2020	53,270
7835 Makati Avenue Corner Eduque Street Makati City, Philippines 1209	Freehold	586 sq m	Hotel (223 guest rooms)	21 yrs	04.12.2009	51,157
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	19 years	06.01.1998	50,981
ANSA Kuala Lumpur No. 101 Jalan Bukit Bintang Kuala Lumpur	Leasehold 60 years expiring on 30.04.2062	189,170 sq ft	Hotel (167 guest rooms)	> 43 years	05.05.2008	50,316
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	50,182

**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 in Notes 13, 27, 32, 33, 34, 35, 36, 37, 44 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 2022 amounted to RM373,000 (2021 : RM350,000).

# GROUP ADDRESSES

## BERJAYA HOTELS & RESORTS

### Corporate Office

Level 15 West  
Berjaya Times Square Hotel  
No. 1, Jalan Imbi  
55100 Kuala Lumpur, Malaysia  
Tel : +603-2142 9611  
Fax : +603-2144 2527  
Email : bhr@berjayahotel.com  
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  
Burai 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

1, Jalan Imbi  
55100 Kuala Lumpur  
Tel : +603-2117 8000  
Fax : +603-2143 3352  
Email : bth.rsvn@berjayahotel.com  
Website : www.berjayahotel.com/  
kualalumpur

### ANSA Hotel Kuala Lumpur

No. 101, Jalan Bukit Bintang  
55100 Kuala Lumpur  
Tel : +603-2146 5000  
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

### ACES Hotel Kuala Lumpur

Level 5, Kota Raya Complex  
10, Jalan Tun Tan Cheng Lock  
50050 Kuala Lumpur  
Tel : +603-2022 2808  
Email : customerservice@aceshotels.com  
Website : www.aceshotels.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  
Sri Lanka  
Tel : +94-11-273 9610  
Fax : +94-11-273 3030  
Email : colombo.rsvn@berjayahotel.com  
Website : www.berjayahotel.com/colombo

### Sheraton Hanoi Hotel – Vietnam

K5 Nghi Tam  
11, Xuan Dieu Road  
Tay Ho District, Hanoi  
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  
Fax : +81-75-541-8287  
Website : www.fourseasons.com/kyoto

### Hakkoda Resort & Spa - Japan

1-58 Kansuizawa Arakawa  
Aomori-shi, Aomori  
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  
Website : www.ansahotels.com/okinawa

### 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

### The Castleton Hotel, London – United Kingdom

164-166 Sussex Gardens  
London W2 1UD, United Kingdom  
Tel : +44-20-7706-4666  
Fax : +44-20-7706-2288  
Email : info@castletonhotel.com  
Website : www.thecastletonhotel.com

## Iceland Hotel Collection by Berjaya

### Canopy by Hilton Reykjavik City Centre

Smidjustigur 4  
101 Reykjavik, Iceland  
Tel : +354-528-7000  
Email : canopy@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/canopy-reykjavik

### Berjaya Herad Hotel

Midvangur 1-7  
700 Egilsstadir, Iceland  
Tel : +354-471-1500  
Email : herad@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/east/herad-hotel

### Berjaya Akureyri Hotel

Pingvallarstraeti 23  
600 Akureyri, Iceland  
Tel : +354-518-1000  
Email : akureyri@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/north/akureyri-hotel

**Iceland Hotel Collection by Berjaya (cont'd)**

**Berjaya Myvatn Hotel**

660 Reykjahlid - Myvatn  
Iceland  
Tel : +354-594-2000  
Email : myvatn@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/north/myvatn-hotel

**Hilton Reykjavik Nordica**

Sudurlandsbraut 2  
108 Reykjavik, Iceland  
Tel : +354-444-5000  
Email : hilton.reception@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/hilton-reykjavik-nordica

**Berjaya Reykjavik Natura Hotel**

Nautholsvegur 52  
102 Reykjavik, Iceland  
Tel : +354-444-4500  
Email : natura@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/reykjavik-natura

**Berjaya Reykjavik Marina Hotel**

Myrargata 2  
101 Reykjavik, Iceland  
Tel : +354-560-8000  
Email : marina@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/reykjavik-marina

**Reykjavik Konsúlat Hotel, Curio Collection by Hilton**

Hafnarstraeti 17-19  
101 Reykjavik, Iceland  
Tel : +354-514-6800  
Email : konsul@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/reykjavik-konsulat-hotel

**Alda Hotel Reykjavik**

Laugavegur 66-68  
101 Reykjavik, Iceland  
Tel : +354-553-9366  
Email : aldahotel@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/hotel-alda-reykjavik

**Iceland Parliament Hotel, Curio Collection by Hilton**

Thorvaldsenstraeti 2-6,  
101 Reykjavik, Iceland

**Hotel Edda Hofn**

Ranarslod 3, 780 Hofn, Iceland  
Tel : +354-444-4850  
Email : reservations@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/south/hofn

**Hotel Edda Akureyri**

Thorunnarstraeti, 600 Akureyri, Iceland  
Tel : +354-444-4900  
Email : reservations@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/north/akureyri

**Hotel Edda Egilsstadir**

Tjarnarbraut 25, 700 Egilsstadir, Iceland  
Tel : +354-444-4880  
Email : reservations@icehotels.is  
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/east/egilsstadir

**CLUBS & RECREATION**

**Tioman Island Golf Club, Pahang**

P.O. Box 4  
86807 Mersing  
Johor Darul Takzim  
Tel : +609-419 1000  
Email : tioman.golf@berjayahotel.com

**Bukit Banang Golf & Country Club, Johor**

No. 1, Persiaran Gemilang  
Bandar Banang Jaya  
83000 Batu Pahat  
Johor Darul Takzim  
Tel : +607-428 6001  
Email : banang@berjayaclubs.com

**Staffield Country Resort, Negeri Sembilan**

Batu 13, Jalan Seremban-Kuala Lumpur  
71700 Mantin  
Negeri Sembilan Darul Khusus  
Tel : +603-8766 6117  
Email : staffield@berjayaclubs.com

**Bukit Kiara Equestrian & Country Resort, Kuala Lumpur**

Jalan Bukit Kiara  
Off Jalan Damansara  
60000 Kuala Lumpur  
Tel : +603-2093 1222  
Email : kiara@berjayaclubs.com

**Bukit Jalil Golf & Country Resort, Kuala Lumpur**

Jalan Jalil Perkasa 3, Bukit Jalil  
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**

Berjaya Hangar  
Sultan Abdul Aziz Shah Airport  
47200 Subang  
Selangor Darul Ehsan, Malaysia  
Tel : +603-7847 1338  
Fax : +603-7842 2038  
Email : enquiry@berjaya-air.com  
Website : www.berjaya-air.com

**Asia Jet Sdn Bhd (formerly known as Asia Jet Partners Malaysia Sdn Bhd)**

Lot M6 & M7, Mezzanine Floor,  
Skypark Terminal  
Sultan Abdul Aziz Shah Airport  
47200 Subang  
Selangor Darul Ehsan, Malaysia  
Tel : +603-7845 1888  
Email : inquiry@asiajet.com.my  
Website : www.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

**Berjaya – Handico12 Co., Ltd.**

The Pavilion  
Hanoi Garden City  
Thach Ban New Urban Area  
Thach Ban Ward  
Long Bien District, Ha Noi City  
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

## GROUP ADDRESSES

### PROPERTY INVESTMENT & DEVELOPMENT (CONT'D)

#### 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 : propmgt@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

##### 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**
**STM Lottery Sdn Bhd  
(formerly known as 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.**

2310 Cousteau Court  
Vista (San Diego)  
California 92081 – 8346  
U.S.A.  
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

**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 2022

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 2022 (RM'000)
<b>Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:-</b>		
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	48
Berjaya Higher Education Sdn Bhd	Rental income receivable by Tiram Jaya Sdn Bhd for renting of Unit 8.5, 8 <sup>th</sup> Floor, Apartment Block Plaza Berjaya, Jalan Imbi, Kuala Lumpur	31
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	84
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	43
	Rental income receivable by SPSB for renting of shoplot at No. 3, Jalan Kinrara TK 4/13, Taman Kinrara, Seksyen 4, Puchong, Selangor	19
Inter-Pacific Trading Sdn Bhd	Purchase of stationery products by BLand Group	3
Inter-Pacific Securities Sdn Bhd	Provision of security guard services by BGSSB	98
	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 Sdn Bhd	Receipt of leasing and hire purchase facilities by BLand Group	169
Ambilan Imej Sdn Bhd	Rental payable by BLand for renting of office at Level 12, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	1,092



**RECURRENT RELATED PARTY TRANSACTIONS**  
of a Revenue or Trading Nature during the financial year ended 30 June 2022

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 2022 (RM’000)
<b>Berjaya Corporation Berhad (“BCorp”) and its unlisted subsidiary companies:- (Cont’d)</b>		
Cosway (M) Sdn Bhd	Rental income receivable by Nural Enterprise Sdn Bhd (“NESB”) for renting of shoplots at Lots 2.03, 2.04 & 2.11, 2 <sup>nd</sup> Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	85
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the various hotels and resorts in BLand Group	129
BLoyalty Sdn Bhd	Loyalty reward charges payable by BLand Group	75
Stephens Properties Sdn Bhd	Rental payable by: <ol style="list-style-type: none"> <li>1. BLand for renting of storage space at Lots 19D, E &amp; F, 25B, E &amp; F Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur</li> <li>2. Berjaya Hotel &amp; Resort (M) for renting of storage space at Lot 22F, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur</li> </ol>	17 3
	Provision of security guard services by Berjaya Guard Services Sdn Bhd (“BGSSB”)	201
Graphic Press Sdn Bhd	Provision of security guard services by BGSSB	108
E.V.A Management Sdn Bhd	Human resources management service fees payable by BLand Group	69
JL Morison (Malaya) Sdn Bhd	Purchase of consumer products by BLand Group	78
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
Berjaya City 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	3,164
	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 Berjantai, District of Batang Berjantai, Kuala Selangor	31
Berjaya Pharmacy Retail Sdn Bhd	Rental income receivable by NESB for renting of shoplots at Lots 1.01& 1.02, 1 <sup>st</sup> Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	45
<b>Total</b>		<b>6,731</b>

## RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature during the financial year ended 30 June 2022

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 2022 (RM'000)
<b>Berjaya Assets Berhad ("BAssets") and its unlisted subsidiary companies:-</b>		
Berjaya Times Square Sdn Bhd	Rental payable by: <ol style="list-style-type: none"> <li>Marvel Fresh Sdn Bhd for renting of storage space at G-31, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur</li> <li>Mantra Design Sdn Bhd for renting of office premises at Lots 09-13A, 09-14 &amp; 09-15, 9<sup>th</sup> Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur</li> </ol>	38 115
Berjaya Times Square Theme Park Sdn Bhd	Provision of security guard services by BGSSB	20
BTS Car Park Sdn Bhd	Parking charges paid by BLand Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur	121
<b>Total</b>		<b>294</b>
<b>Berjaya Food Berhad and/or its unlisted subsidiary companies:-</b>		
Berjaya Roasters (M) Sdn Bhd	Rental income receivable by Cempaka Properties Sdn Bhd ("CPSB") for renting of shoplot at Lot G-83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	89
Berjaya Starbucks Coffee Company Sdn Bhd	<ol style="list-style-type: none"> <li>NESB for renting of shoplots at Lot 1.07 &amp; 1.08, 1<sup>st</sup> Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur</li> <li>CPSB for renting of shoplot at Lot G15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan</li> <li>CPSB for renting of storage space at Lot S2.B, 2<sup>nd</sup> Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan</li> <li>ANSA Hotel KL Sdn Bhd ("ANSA") for renting of premise at Lot 03, Ground Floor, 101, Jalan Bukit Bintang, Kuala Lumpur</li> </ol>	75 314 3 1,033
	Provision of security guard services by BGSSB	398
Berjaya Food Trading Sdn Bhd	Purchase of bottled beverages and Joybean food and beverages by BLand Group	33
<b>Total</b>		<b>1,945</b>

**RECURRENT RELATED PARTY TRANSACTIONS**  
of a Revenue or Trading Nature during the financial year ended 30 June 2022

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 2022 (RM’000)
<b>7-Eleven Malaysia Holdings Berhad (“SEM”) and its unlisted subsidiary company:-</b>		
7-Eleven Malaysia Sdn Bhd (a)	Rental income receivable by:	
	1. Angsana Gemilang Sdn Bhd for renting of shoplot at No.32G, Jalan Sultan Ismail, Kuala Lumpur	156
	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, 3 <sup>rd</sup> Floor and Lot 4.01, 4 <sup>th</sup> Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	1,132
	4. NESB for renting of office at Lot 1.05, 1 <sup>st</sup> Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	143
	5. NESB for renting offices at Lots 5.01A & B, 5B, 5C, 5D & 5E, 5 <sup>th</sup> Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	573
	6. CPSB for renting of shoplots at G21, G22 & G22A, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	216
	7. NESB for renting office at Lots 5A, 5 <sup>th</sup> Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	37
	8. Berjaya Hartanah Berhad (“BHB”) for renting of shoplot at Lot 42, Upper Ground Floor, Jalil Link, 2, No.5, Jalan Jalil Perkasa 1, Bukit Jalil, Kuala Lumpur	25
	9. ANSA for renting of shoplot at Lot No. S.1. Sidewalk Island, 101, Jalan Bukit Bintang, Kuala Lumpur	495
	10. NESB for renting office at suite 5F, Office Tower, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	36
<b>Total</b>		<b>2,895</b>
<b>Other Related Parties:-</b>		
Sun Media Corporation Sdn Bhd (b)	Rental income receivable by Regnis Industries Sdn Bhd (“Regnis”) for renting of office at part of Ground Floor, whole of 4 <sup>th</sup> 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	71

## RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature during the financial year ended 30 June 2022

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 2022 (RM'000)
<b>Other Related Parties:- (Cont'd)</b>		
Singer (Malaysia) Sdn Bhd ("Singer") (c)	Rental income receivable by Regnis for renting of: <ol style="list-style-type: none"> <li>offices at Part of G/F, 1/F and 2/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor</li> <li>offices at Part of 3/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor</li> </ol> Provision of security guard services by BGSSB Purchase of products and services by BLand Group	404 81 197 806
U Mobile Sdn Bhd (d)	Rental income receivable by: <ol style="list-style-type: none"> <li>Regnis for renting of rooftop at Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor</li> <li>BHB for renting of watchtower at Bukit Jalil Golf &amp; Country Resort, Jalan 3/155B, Kuala Lumpur</li> <li>Bukit Kiara Resort Berhad for renting of broadcasting facility at Bukit Kiara Equestrian &amp; Country Resort, Off Jalan Damansara, Kuala Lumpur</li> <li>Georgetown City Hotel Sdn Bhd for renting of rooftop at Berjaya Penang Hotel, Jalan Burmah, Pulau Pinang</li> <li>NESB for renting of office at Lot 2.12, 2<sup>nd</sup> Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur</li> </ol> Parking charges received by NESB for leasing of parking at basement of Plaza Berjaya, Jalan Imbi, Kuala Lumpur	29 54 53 92 19 12
Qinetics MSP Sdn Bhd (e)	Receipt of information technology consultancy and management related services & purchases of equipment by BLand Group	2,146
UPC Management Services Sdn Bhd ("UPC") (f)	Rental income receivable by NEmbun for renting of office at part of Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	101
<b>Total</b>		<b>4,496</b>
<b>Grand Total</b>		<b>16,361</b>

### Notes:

- A wholly-owned subsidiary of SEM. SEM is deemed a related party by virtue of Tan Sri Dato' Seri Vincent Tan Chee Yiuon's ("TSVT") direct and indirect interests in SEM. TSVT is the father of Chryseis Tan Sheik Ling and the father-in-law of Tan Tee Ming, both of whom are Executive Directors of BLand.
- A wholly-owned subsidiary of Berjaya Media Berhad. Deemed a related party by virtue of TSVT's and BCorp's direct and indirect interests in Berjaya Media Berhad.
- Singer (Malaysia) Sdn Bhd is 100% owned by Berjaya Retail Berhad, a wholly-owned subsidiary of Premier Merchandise which in turn is a wholly-owned subsidiary of Intan Utilities Sdn Bhd. TSVT is a deemed major shareholder of Intan Utilities Sdn Bhd.
- TSVT, the Chairman of U Mobile Sdn Bhd ("UMSB") is a major shareholder of UMSB by virtue of his interest in UMSB.
- Qinetics MSP Sdn Bhd is a 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.
- UPC is a 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 3 October 2022

## THE COMPANY

	Direct Interest	No. of Ordinary Shares %	Deemed Interest	%
Datuk Robert Yong Kuen Loke	360,808	0.01	-	-
Chryseis Tan Sheik Ling	5,000,000	0.10	-	-
Tan Tee Ming	-	-	2,000,000 <sup>#</sup>	0.04

## ULTIMATE HOLDING COMPANY BERJAYA CORPORATION BERHAD

	Direct Interest	No. of Ordinary Shares %	Deemed Interest	%
Datuk Robert Yong Kuen Loke	3,610,614	0.06	-	-
Chryseis Tan Sheik Ling	486,026	0.01	-	-
Tan Tee Ming	-	-	132,000 <sup>#</sup>	- <sup>@</sup>

## RELATED COMPANY SPORTS TOTO BERHAD (FORMERLY KNOWN AS BERJAYA SPORTS TOTO BERHAD)

	Direct Interest	No. of Ordinary Shares %	Deemed Interest	%
Datuk Robert Yong Kuen Loke	124,903	0.01	-	-

Notes:

<sup>#</sup> Indirect interests pursuant to Section 59(11)(c) of the Companies Act 2016.

<sup>@</sup> Less than 0.01%

Other than as disclosed above, none of the other Directors of the Company had any interests in the shares, warrants and debentures of the Company or its related corporations as at 3 October 2022.

# STATISTICS ON SHAREHOLDINGS

As at 3 October 2022

## ANALYSIS OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF ORDINARY SHARES	%
less than 100	438	6.12	8,570	-#
100 - 1,000	1,412	19.74	677,835	0.01
1,001 - 10,000	2,530	35.37	13,997,522	0.28
10,001 - 100,000	2,235	31.25	77,095,651	1.57
100,001 - 246,024,999	537	7.51	4,359,342,326	88.60
246,025,000* and above	1	0.01	469,378,096	9.54
Total	7,153	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	%
<b>1 RHB NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD	469,378,096	9.54
<b>2 INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD</b> EXEMPT AN FOR INTER-PACIFIC ASSET MANAGEMENT SDN BHD	209,741,000	4.26
<b>3 TERAS MEWAH SDN BHD</b>	203,391,914	4.13
<b>4 JUARA SEJATI SDN BHD</b>	155,939,850	3.17
<b>5 INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD</b> IPM FOR JUARA SEJATI SDN BHD	153,000,000	3.11
<b>6 BBL NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD	145,000,000	2.95
<b>7 ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR BIZURAI BIJAK (M) SDN BHD	132,000,000	2.68
<b>8 RHB NOMINEES (TEMPATAN) SDN BHD</b> OSK CAPITAL SDN BHD FOR BIZURAI BIJAK (M) SDN BHD	126,000,000	2.56
<b>9 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD	125,000,000	2.54
<b>10 HLIB NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR BERJAYA CORPORATION BERHAD	110,800,000	2.25
<b>11 AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR BIZURAI BIJAK (M) SDN BHD	107,500,000	2.18
<b>12 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51401114879C)	105,000,000	2.13
<b>13 MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR BERJAYA CORPORATION BERHAD (MGNBCB0001M)	103,208,000	2.10
<b>14 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEGDED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51401172844C)	95,900,000	1.95
<b>15 RHB NOMINEES (TEMPATAN) SDN BHD</b> OSK CAPITAL SDN BHD FOR JUARA SEJATI SDN BHD	92,000,000	1.87

## STATISTICS ON SHAREHOLDINGS

As at 3 October 2022

### LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
<b>16 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD (01408432026D)	87,900,000	1.79
<b>17 RHB NOMINEES (TEMPATAN) SDN BHD</b> BANK OF CHINA (MALAYSIA) BERHAD PLEDGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD	82,000,000	1.67
<b>18 AMSEC NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR TERAS MEWAH SDN BHD	81,000,000	1.65
<b>19 MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD (MGN-BCB0001M)	80,522,904	1.64
<b>20 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR BERJAYA BRIGHT SDN BHD (41408491163A)	78,000,000	1.59
<b>21 RHB NOMINEES (TEMPATAN) SDN BHD</b> BANK OF CHINA (MALAYSIA) BERHAD PLEDGED SECURITIES ACCOUNT FOR INTER-PACIFIC CAPITAL SDN BHD	75,000,000	1.52
<b>22 ABB NOMINEE (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (BGROUP OD FACILITY)	67,950,000	1.38
<b>23 CIMB GROUP NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR BIZURAI BIJAK (M) SDN BHD (BCB CBM-C2-SBLC)	66,636,220	1.35
<b>24 RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD</b> TEOH EWE JIN	66,208,400	1.35
<b>25 BERJAYA CORPORATION BERHAD</b>	63,636,000	1.29
<b>26 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51408445822D)	63,500,000	1.29
<b>27 BIZURAI BIJAK (M) SDN BHD</b>	58,800,000	1.20
<b>28 CIMB GROUP NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (BERJAYA GROUP)	57,205,000	1.16
<b>29 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51435681347A)	56,000,000	1.14
<b>30 MAYBANK NOMINEES (TEMPATAN) SDN BHD</b> PLEDGED SECURITIES ACCOUNT FOR BERJAYA TIMES SQUARE SDN BHD	55,881,000	1.14
	<b>3,374,098,384</b>	<b>68.57</b>

# SUBSTANTIAL SHAREHOLDERS

As Per Register of Substantial Shareholders as at 3 October 2022

Names of Substantial Shareholder	←		→		Notes
	Direct	%	Indirect	%	
Teras Mewah Sdn Bhd	936,488,914	19.03	0	0.00	
Juara Sejati Sdn Bhd	1,429,360,850	29.05	273,300,112	5.55	(a)
Bizurai Bijak (M) Sdn Bhd	606,686,220	12.33	271,300,112	5.51	(b)
Berjaya Capital Berhad	0	0.00	271,300,112	5.51	(c)
Berjaya Group Berhad	105,786,400	2.15	3,245,836,096	65.97	(d)
Berjaya Corporation Berhad	418,100,000	8.50	3,351,622,496	68.12	(e)
Tan Sri Dato' Seri Vincent Tan Chee Yioun	54,660,400	1.11	4,015,170,372	81.60	(f)

## Notes:

- (a) Deemed interested by virtue of its interests in Berjaya Capital Berhad and Redtone Digital Berhad.
- (b) Deemed interested by virtue of its interest in Berjaya Capital Berhad.
- (c) Deemed interested by virtue of its interests in Berjaya Sompoo 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 Digital Berhad as well as its interests in Berjaya Sompoo Insurance Berhad.
- (e) Deemed interested by virtue of its 100% interests in Berjaya Group 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, 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 Berjaya Retail Sdn Bhd and Desiran Unggul Sdn Bhd) and U Telemedia Sdn Bhd.



# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Second Annual General Meeting of the Company will be conducted on a virtual basis through live streaming from the broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur ("Broadcast Venue") on Tuesday, 13 December 2022 at 10.00 a.m. for the following purposes:-

## AGENDA

As Ordinary Business:-

1. To receive the Audited Financial Statements for the financial year ended 30 June 2022 and the Directors' and Auditors' Reports thereon. (Please refer to Note 1 of the Explanatory Notes)
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 14 December 2022 until the next Annual General Meeting of the Company to be held in 2023. 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 RM373,500.00 for the period from 14 December 2022 until the next Annual General Meeting of the Company to be held in 2023. Resolution 2
4. To re-elect the following Directors retiring pursuant to Clause 117 of the Company's Constitution:-
  - a) Syed Ali Shahul Hameed Resolution 3
  - b) Chryseis Tan Sheik Ling Resolution 4
5. To re-elect the following Directors retiring pursuant to Clause 107 of the Company's Constitution:-
  - a) Datuk Abdul Rahim Bin Mohd Zin Resolution 5
  - b) Tan Tee Ming Resolution 6
6. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. Resolution 7

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.

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 60 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the Company to be offered new shares ranking pari passu in all respects with the existing ordinary shares arising from the issuance and allotment of the shares pursuant to Sections 75 and 76 of the Companies Act 2016."

Resolution 8

## NOTICE OF ANNUAL GENERAL MEETING

### (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 2022 ("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 9

### (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 ("BLand 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 BLand Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BLand Shares so purchased by the Company in the following manner:-

- (a) cancel all the BLand Shares so purchased; or
- (b) retain all the BLand 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 10

**(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 twelve (12) years.”

Resolution 11

By Order of the Board

THAM LAI HENG MICHELLE  
(SSM PC No. 202008001622) (MAICSA 7013702)  
Secretary

Kuala Lumpur  
28 October 2022

# NOTICE OF ANNUAL GENERAL MEETING

## 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. Hence, this item on the Agenda is not put forward for voting.

### 2. Directors' Fees

The quantum of the Directors' fees for each of the Independent Non-Executive Director is the same as the previous financial year ended 30 June 2021.

### 3. Directors' Remuneration (excluding Directors' Fees)

Section 230(1) of the Companies Act 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' Remuneration (excluding Directors' fees) payable to the Non-Executive Directors of the Company for the period from 14 December 2022 until the next AGM of the Company to be held in 2023 under Resolution 2.

The current Directors' Remuneration (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises of meeting allowances and other emoluments.

In determining the estimated amount of 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.

In the event, where the payment of 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.

### 4. Re-election of Retiring Directors

Resolution 3 to Resolution 6 are to seek shareholders' approval at this AGM for the re-election of Directors who retire by rotation pursuant to Clause 117 and Clause 107 of the Company's Constitution.

Pursuant to Clause 117 of the Company's Constitution, one third (1/3) of the Directors shall retire from office at least once in every three (3) years at each AGM of the Company and the retiring Directors can offer themselves for re-election. Clause 107 of the Company's Constitution also provides that a Director who is appointed during the year shall retire and subject to re-election at the next AGM to be held following his/her appointment.

The Board through the Nomination Committee ("NC") had undertaken an annual assessment and evaluation on the retiring Directors namely, Syed Ali Shahul Hameed, Chryseis Tan Sheik Ling, Datuk Abdul Rahim Bin Mohd Zin and Tan Tee Ming ("Retiring Directors"), who are seeking for re-election as Directors of the Company pursuant to Clause 117 and Clause 107 of the Company's Constitution. Based on the assessment conducted, the NC was satisfied with the performance and contribution of each of the Retiring Directors and has accordingly recommended to the Board for re-election of all the Retiring Directors. The Board has endorsed the NC's recommendation and support the re-election of all Retiring Directors and recommended the re-election of all Retiring Directors for approval by the shareholders at the forthcoming Thirty-Second AGM.

The profiles of all Retiring Directors who are standing for re-election are set out in the Profile of Directors in the Company's 2022 Annual Report.

**5. Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

Resolution 8 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.

Resolution 8, if passed, will exclude shareholder’s pre-emptive right to be offered such new shares and/or convertible securities to be issued by the Company pursuant to the resolution.

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 Thirty-First Annual General Meeting held on 14 December 2021 and which will lapse at the conclusion of the Thirty-Second 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 current and/or future investment/project(s), working capital and/or acquisitions or issuance of shares for such other application(s) as the Directors may deem fit and in the best interest of the Company.

**6. Proposed Renewal of and New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

Resolution 9, 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 2022 which can be viewed and downloaded from the website of the Company at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/) and/or Bursa Malaysia Securities Berhad at <https://www.bursamalaysia.com>.

**7. Proposed Renewal of Authority for the Company to Purchase its Own Shares**

Resolution 10, 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 2022 which can be viewed and downloaded from the website of the Company at [www.berjaya.com/berjaya-land/](http://www.berjaya.com/berjaya-land/) and/or Bursa Malaysia Securities Berhad at <https://www.bursamalaysia.com>.

**8. Proposed Retention of Independent Non-Executive Director**

Resolution 11 is proposed pursuant to 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 2022 Annual Report.

## NOTICE OF ANNUAL GENERAL MEETING

### 9. Proxy and Entitlement of Attendance

- (i) The Thirty-Second Annual General Meeting (“AGM”) of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities provided by the poll administrator, SS E Solutions Sdn Bhd, which are available on Securities Services e-Portal at <https://sshbs.net.my/>. **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 Sunday, 11 December 2022 at 10.00 a.m.**
- (x) Only members whose names appear in the Record of Depositors as at 6 December 2022 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.

### 10. Poll Voting

Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.92A(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 way of poll. The Company has appointed Poll Administrator and Independent Scrutineers to conduct the polling process and verify the results of the poll respectively.

**BERJAYA LAND BERHAD**

[Registration No. 199001010193 (201765-A)]

**FORM OF PROXY**I/We \_\_\_\_\_  
(Name in full)I.C. or Company No. \_\_\_\_\_ CDS Account No. \_\_\_\_\_  
(New and Old I.C. Nos. or Company No)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 Thirty-Second Annual General Meeting ("AGM") of the Company to be conducted on a 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 Tuesday, 13 December 2022 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.		
RESOLUTION 2	To approve payment of Directors' remuneration (excluding Directors' fees) for the period from 14 December 2022 until the next Annual General Meeting of the Company in 2023.		
RESOLUTION 3	To re-elect Syed Ali Shahul Hameed as Director.		
RESOLUTION 4	To re-elect Chryseis Tan Sheik Ling as Director.		
RESOLUTION 5	To re-elect Datuk Abdul Rahim Bin Mohd Zin as Director.		
RESOLUTION 6	To re-elect Tan Tee Ming as Director.		
RESOLUTION 7	To re-appoint Auditors.		
RESOLUTION 8	To approve authority to issue and allot shares.		
RESOLUTION 9	To renew and to seek shareholders' mandate for Recurrent Related Party Transactions.		
RESOLUTION 10	To renew authority for the Company to purchase its own shares.		
RESOLUTION 11	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 \_\_\_\_\_ 2022.

## Notes:

- The Thirty-Second Annual General Meeting ("AGM") of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by the poll administrator, SS E Solutions Sdn Bhd, which are available on Securities Services e-Portal at <https://sshsb.net.my/>. **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.**
- 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.
- 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.
- 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.
- A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
- 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.
- 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.
- 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.
- 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 Sunday, 11 December 2022 at 10.00 a.m.**
- Only members whose names appear in the Record of Depositors as at 6 December 2022 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.
- Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.92A(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 way of poll. The Company has appointed Poll Administrator and Independent Scrutineers to conduct the polling process and verify the results of the poll respectively.

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

---

2nd fold here

---

1st fold here



