



BERJAYA

BERJAYA LAND BERHAD

[Registration No. 199001010193 (201765-A)]



TRANSITIONING WITH STRENGTH

Annual Report 2021



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.

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Form of Proxy

CORPORATE PROFILE

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

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

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

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

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

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

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



The Taaras Beach & Spa Resort, Redang, Malaysia.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Datuk Seri Panglima Richard Malanjum
Chairman

Syed Ali Shahul Hameed
Chief Executive Officer

Executive Directors
Nerine Tan Sheik Ping
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
Tan Sri Datuk Seri Panglima Richard Malanjum
Datuk Kee Mustafa

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

SECRETARIES

Tham Lai Heng Michelle (SSM PC No. 202008001622)
(MAICSA 7013702)
Wong Siew Guek (SSM PC No. 202008001490)
(MAICSA 7042922)

PRINCIPAL BANKERS

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

SHARE REGISTRAR

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

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK SHORT NAME

BJLAND (4219)

AUDITORS

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

PLACE OF INCORPORATION AND DOMICILE

Malaysia

PROFILE OF DIRECTORS



**TAN SRI DATUK SERI PANGLIMA
RICHARD MALANJUM**

69 years of age, Malaysian, Male
Chairman (Independent/Non-Executive)

Tan Sri Datuk Seri Panglima Richard Malanjum was appointed as Director and Chairman to the Board on 9 December 2019. He graduated with (LLB) (Hons) from University of London, London in 1975 and 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.

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

PROFILE OF DIRECTORS



SYED ALI SHAHUL HAMEED

50 years of age, Indian, Male

Chief Executive Officer (Non-Independent)

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

His initial career as a lecturer in a Technical Institution lasted for a short stint of 2 years before he embarked his journey in the Hospitality Industry under Berjaya Land Berhad's Group ("BLand Group") on 4 September 1997 as an Assistant Engineer at Berjaya Tioman Resort. Due to his outstanding performance he rose to the position of Chief Engineer on 4 September 2003 and subsequently as a Director of Engineering & Technical Services on 20 January 2009. On 1 April 2009, Mr Syed Ali was appointed as Corporate Director, Engineering & Technical Services of Berjaya Hotels & Resorts Division and on 11 March 2019, he was appointed as Director, Property Development and Complexes, Property Division.

During his 24 years stint in BLand Group, he has a myriad of exposure in the area of due diligence and technical involvement with Inter-Continental and Sheraton Hotels in Hanoi as well as Four Seasons and Ritz Carlton projects. Besides, he was also actively involved in the Four Seasons project at Kyoto, and Ritz Carlton Residences in Kuala Lumpur.

In overseeing the operations of Berjaya Hotels & Resorts, both domestic and international properties, Mr Syed Ali has acquired tremendous experience in managing interior design projects, enhancing engineering values as well as corporate purchasing ranging from designer's products, construction items and food & beverages. Under his purview, Mr Syed Ali had also spearheaded many enhancement projects to the hotels and resorts, creating aesthetic value. In addition to this Mr Syed Ali also oversees the operations of Berjaya Air Sdn Bhd and Asia Jet Partners Malaysia Sdn Bhd.

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

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

PROFILE OF DIRECTORS



NERINE TAN SHEIK PING

45 years of age, Malaysian, Female

Non-Independent/Executive Director

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

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

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

In February 2007, she was appointed as the General Manager (Sales & Marketing) of Sports Toto Malaysia Sdn Bhd (“Sports Toto”) and was subsequently promoted as an Executive Director of Sports Toto in April 2010. She oversees the sales and marketing activities of Sports Toto including dealings with Government authorities, as well as manages various operations within Sports Toto.

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

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



CHRYSEIS TAN SHEIK LING

32 years of age, Malaysian, Female

Non-Independent/Executive Director

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

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

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

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

PROFILE OF DIRECTORS



**DATUK ROBERT
YONG KUEN LOKE**

69 years of age, Malaysian, Male
Independent/Non-Executive Director

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, audit, treasury and financial management. He started his career in London in 1973 and worked there for more than five years with chartered accounting firms. Subsequently, he was with Price Waterhouse, Singapore from 1979 to 1982. From 1983 to 1986, he served as the Group Finance Manager in UMW Holdings Berhad and Group Treasurer in Edaran Otomobil Nasional Bhd. He joined Berjaya Group of companies in 1987 until his retirement as an Executive Director on 30 November 2007 and is currently an Independent Non-Executive Director of the Company.

He is also a Director of Berjaya Corporation Berhad, Berjaya Sports Toto Berhad 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

71 years of age, Malaysian, Male
Independent/Non-Executive Director

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

*56 years of age, Malaysian
Male*

**Corporate Director, Finance
Berjaya Hotels & Resorts Division**

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

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

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

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

KHOR POH WAA

*65 years of age, Malaysian
Male*

**President / Director
of Berjaya Clubs
Berjaya Vacation Club Berhad**

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

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

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

Currently, he is also a Director of Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad), Bukit Kiara Resort Berhad, KDE Recreation Berhad and Staffield Country Resort Berhad.

SEOW SWEE PIN

*64 years of age, Malaysian
Male*

**Non-Independent/ Executive
Director
Berjaya Sports Toto Berhad**

He was appointed to the Board of Berjaya Sports Toto Berhad on 17 December 2007 as an Executive Director. He is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He worked with Ernst & Young from 1976 to 1984 where he last held the position of an Audit Manager.

Prior to joining Berjaya Group in 1991, he was Group Financial Controller of Island & Peninsular Berhad, Group Chief Accountant of Sime Darby Berhad and Group Chief Accountant of Lion Corporation Berhad. In 1993, he was appointed as General Manager (Finance) of Sports Toto Malaysia Sdn Bhd. He was promoted to Senior General Manager in 1996 and Executive Director in 2008.

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

Seow Swee Pin is a member of the Risk Management Committee and the Sustainability Committee of Berjaya Sports Toto Berhad.

KEY SENIOR MANAGEMENT

TAN SRI DATO' SERI VINCENT TAN CHEE YIOUN

*69 years of age, Malaysian
Male*

**Managing Director /
Chief Executive Officer
of Sports Toto Malaysia Sdn Bhd**

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, Berjaya Capital Berhad and U Mobile Sdn Bhd. He is also the Managing Director/CEO of Sports Toto Malaysia Sdn Bhd. He also holds directorships in several other private limited companies and also in Berjaya Corporation group of companies.

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

TAN TEE MING

*45 years of age, Malaysian
Male*

**Senior General Manager,
Property Sales & Marketing
Division
Berjaya Land Berhad**

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

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

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

Save as disclosed, none of the Key Senior Management has:-

1. any directorship in public companies and listed issuers;
2. any family relationship with any Directors and/or major shareholders of the Company;
3. any conflict of interest with the Company;
4. any conviction for offences within the past 5 years other than traffic offences; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors of Berjaya Land Berhad ("B-Land"), I am pleased to present the annual report and financial statements for the financial year ended 30 June 2021.

It has been more than 18 months since COVID-19 first erupted, causing unprecedented disruptions to most businesses across the globe, including ours. In the face of this exceptional environment, the Group is doing everything possible to remain financially resilient, care for and protect the wellbeing of our employees and continue to support local communities affected by the pandemic. While the year under review has been challenging, it has also, to some extent, amplified the shortcomings and accelerated the need for the Group to review and reinvent its business strategy to withstand future challenges.

FINANCIAL RESULTS

The unprecedented series of lockdowns and movement restrictions throughout the financial year 2021 has adversely impacted the various business segments under the Group, particularly the hotels and resorts business segment. For the financial year ended 30 June 2021, the Group reported about 5% increase in revenue to RM5.41 billion and pre-tax loss of RM42.23 million compared to revenue of RM5.16 billion and pre-tax profit of RM213.62 million registered in the previous financial year. The increase in revenue was primarily from H.R. Owen's higher new and used car sales with backlog orders fulfilment from the earlier COVID-19 pandemic lockdown in the United Kingdom, and the property development and investment business segment, particularly arising from the completion and handover of a mixed development project located in Dong Nai, Vietnam.

The above has offset the 8.2% drop in revenue reported by Sports Toto Malaysia (M) Sdn Bhd ("Sports Toto") primarily due to the prolonged impact of the COVID-19 pandemic and the imposition of various phases of lockdown, which resulted in partial and full business closures across Malaysia. Notwithstanding that, there were a total of 157 draws conducted in the current financial year under review as compared to only 126 draws conducted in the previous financial year. The prolonged lockdown and irregular business disruptions had somewhat dampened the consumer sentiments and excitement, causing a shift in punters' spending behaviour.

Meanwhile, the hotels and resorts business segment registered lower revenue arising from lower average occupancy rates as a result of continued international border closures and domestic travel restrictions.



Lamborghini Huracan STO distributed by H.R. Owen.

CHAIRMAN'S STATEMENT

Against this backdrop, despite the increase in revenue, the Group reported a pre-tax loss of RM42.23 million in the current financial year mainly due to the losses incurred by the hotels and resorts business segment, unfavourable foreign currency translation effects, and the high share of losses from associated companies and joint ventures.

The above factors were mitigated by the higher profit contribution from Sports Toto in spite of its lower revenue mainly due to the marginally lower prize payouts and lower operating expenses incurred and the correspondingly higher profit contribution from H.R. Owen arising from its higher revenue.

The pre-tax profit of RM213.62 million registered in the previous financial year was mainly contributed by the Group's share of the substantial gain reported by Berjaya Kyoto Development (S) Pte Ltd arising from the disposal of the hotel component of Four Seasons, Kyoto, Japan as well as the negative goodwill of RM28.23 million recognised on the acquisition of 75% equity interest in Icelandair Hotels Group ehf.

DIVIDEND

The Board did not recommend any dividend for the financial year ended 30 June 2021.

Significant Corporate Developments

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 ("BTSB"), STC has granted an extension of time to 18 January 2022 to fulfil the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi land by BTSB.

FUTURE OUTLOOK

The COVID-19 pandemic has weighed heavily on the global economy with unprecedented lockdowns, travel restrictions, and disruptions to the global supply chain. The gradual relaxation of movement restrictions in various countries is expected to stimulate an increase in economic activities and provide the much-needed support for a rebound in various economic sectors, though the recovery of tourism-related travels may take some time as international borders remain closed.

In Malaysia, all states were placed under a full movement control order beginning 1 June 2021, which has dampened the recovery rate of the Group's business operations. However, the economy is expected to pick up soon, thanks to the acceleration of the ongoing National COVID-19 Immunisation Programme and the implementation of the National Recovery Plan, which allow for the reopening of businesses in phases. Notwithstanding that, the pandemic is still a major risk factor. The economy is expected to recover at a slower pace given the prevailing weak business environment and consumer sentiments. Against this backdrop, the Directors anticipate that the Group's business operations will gradually move into the recovery phase in the financial year ending 2022.

As we chart our course through the pandemic, we will remain vigilant in managing our key business risks such as liquidity, operational and cyber-security risks, and prudent costs management.

APPRECIATION

On behalf of the Board, I would like to extend our sincere appreciation to our Non-Executive Directors, Dato' Ng Sooi Lin who retired from his role effective 11 December 2020, and Mr. John V Pridjian who resigned from his role effective 28 February 2021, for their contributions throughout their tenure on the Board.

I wish to express my appreciation to all my fellow members of the Board for their invaluable contributions and support during this unprecedented time. I wish to also take this opportunity to acknowledge the dedication and contributions of our management team and employees in overcoming the challenges during the year. I am proud of how they went above and beyond the call of duty.

To all our valued customers, business associates, financiers, and shareholders as well as the relevant government and regulatory bodies, I thank you for your continued support towards the Group.

Please stay safe and keep well.

Tan Sri Datuk Seri Panglima Richard Malanjum
Chairman
18 October 2021

MANAGEMENT DISCUSSION & ANALYSIS



The Tropika at Bukit Jalil, Kuala Lumpur.

OVERVIEW

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

PERFORMANCE REVIEW BY BUSINESS SEGMENT

GAMING

The toto betting and related activities business segment of B-Land is operated via Berjaya Sports Toto Berhad (“B-Toto”). The core businesses of Berjaya Sports Toto Berhad (“BToto”) are operations of Toto betting under Sports Toto Malaysia Sdn Bhd (“Sports Toto”), 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 a revenue of RM4.8 billion and pre-tax profit of RM282.9 million, mainly attributed to revenue from Sports Toto and H.R. Owen. The group’s results were negatively impacted by the COVID-19 pandemic extending from the previous financial year, which led to the implementation of various phases of lockdown measures by various countries which affected the operations of its main subsidiaries. During the implementation of the second Movement Control Order (“MCO”), all Sports Toto outlets in the country, except for

those in the state of Sarawak were temporarily closed from 13 January 2021 to 18 February 2021; whilst Sports Toto cancelled 15 draws from 1 June 2021 to 30 June 2021 upon the imposition of the total lockdown nationwide. H.R. Owen shut down its showrooms for about 4 months in compliance with the United Kingdom (“UK”) government’s lockdown order from 5 November 2020 to 2 December 2020 and from 5 January 2021 to 12 April 2021.

Malaysia

Sports Toto, the principal operating subsidiary of BToto, has 680 outlets operating throughout the country, offering 8 games namely Toto 4D, Toto 4D Jackpot, Toto 4D Zodiac, Toto 5D, Toto 6D, Star Toto 6/50, Power Toto 6/55 and Supreme Toto 6/58, which are drawn three days a week. For the financial year ended 30 June 2021, Sports Toto recorded a revenue of RM2.26 billion with 157 draws conducted, a decrease of 8.2% as compared to a revenue of RM2.47 billion in the previous financial year with 126 draws conducted. The lower revenue in the financial year under review was due to the extended impact of the COVID-19 pandemic as various Movement Control Orders (“MCO”) were enforced by the Malaysian Government resulting in the temporary closure of Sports Toto’s operations beyond the financial year end.

MANAGEMENT DISCUSSION & ANALYSIS



A Sports Toto outlet.

While there were more draws conducted in the financial year under review as compared to the previous year, the prolonged lockdown and irregular business disruptions dampened consumer sentiment and excitement for the draws as well as causing a change in punters' spending behaviour. Sports Toto registered a decline of 26.4% in average sales per draw compared to the previous financial year. Sports Toto reported a profit before tax of RM271.1 million for the financial year under review as compared to RM258.2 million in the previous financial year, an increase of 5.0%. This was mainly due to marginally lower prize payouts and lower operating expenses in the financial year under review.

The business environment is expected to recover at a slower pace and customer sentiment remains weak with the surge in infections due to new and more contagious COVID-19 variants. With the recent efforts by the Malaysian Government in speeding up the vaccination rate and the launch of the National Recovery Plan, Sports Toto is cautiously optimistic that its business will remain resilient as sales outlets are allowed to resume operations again. Sports Toto is confident that it will continue to maintain its market share in the NFO business for the upcoming financial year 2022.

The United Kingdom

In the UK, H.R. Owen, a subsidiary of Berjaya Philippines Inc. ("BPI"), is a luxury car distributor which operates a number of vehicle franchises in the prestige and specialist car market for both sales and after-sales, predominantly in Central London. The company has 17 showrooms and 17 service centres for Bugatti, Rolls-Royce, Aston Martin, Bentley, Ferrari, Maserati, Lamborghini, BAC and Rimac. For the financial year ended 30 June 2021, H.R. Owen recorded a revenue of £448.5 million with a total of 1,150 new prestige cars and 1,621 pre-owned cars sold, as compared to a revenue of £388.7 million with 1,058 new prestige cars and 1,472 pre-owned cars sold in the previous financial year. The 15.4% increase in revenue was mainly attributed to higher sales generated from the new and used car sectors, and primarily due to the sale of new model cars during the current year coupled with the backlog order fulfilment from the earlier COVID-19 pandemic lockdown in the UK.

H.R. Owen registered a profit before tax of £13.7 million in the financial year under review as compared to a profit before tax of £1.9 million in the previous financial year ended 30 June 2020. The increase was due to the increased revenue and lower operating expenses incurred because of certain austerity measures undertaken by H.R. Owen coupled with support fee income received from franchises as well as certain governmental grants and business reliefs obtained arising from the lockdown.

H.R. Owen remains optimistic about its prospects in the medium to longer term due to the unique position of its operations and relationships with the brands it represents. The company has also taken sufficient measures to adapt to changes in the environment due to the pandemic, by rebalancing its resources and trading practices, especially with the UK Government phasing out COVID-19 related support in the financial year 2022.

The United States of America

In the United States of America ("USA"), International Lottery & Totalizator Systems, Inc. ("ILTS"), a subsidiary of BToto, 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 recorded significantly lower revenue and profit before tax for the financial period under review. The substantial decrease was primarily due to the lower contract activities in the voting segment and the decreased turnkey lottery system sales.

MANAGEMENT DISCUSSION & ANALYSIS

For its voting business segment, Unisyn continued to make progress with additional sales through its authorized sales representatives and its own direct sales efforts to counties in many states in the USA. Unisyn has delivered more than 16,000 OpenElect® digital optical scan election systems and voting machines to more than 250 counties throughout the states of Arizona, Illinois, Indiana, Iowa, Kansas, Missouri, Ohio, Pennsylvania, Tennessee, Utah and Virginia. Its OpenElect® election systems and voting machines were implemented and successfully used to run the elections in the aforesaid states in the November 2020 USA Presidential election, state and local elections and various private elections.

ILTS will continue its research and development for new wagering 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.



Unisyn electronic voting machines.

HOTELS & RESORTS

The hotels and resorts business segment of B-Land is operated via the Berjaya Hotels and Resorts Division (“BHR”). Currently, the Group owns and operates 26 hotels and resorts locally and internationally.

As COVID-19 significantly impacted global travel during the financial year under review, the occupancy rates and business activities at both our local and overseas properties decreased dramatically. For the financial year under review, BHR’s combined gross revenue declined 31.8% to RM157.6 million from RM231.3 million registered in the previous financial year. The decreased in revenue has resulted in a significant reduction in gross operating profit. Consequently, BHR incurred a higher loss before tax of RM195.8 million compared to RM68.5 million registered in the previous financial year.

The room night bookings were primarily contributed by the leisure segment of the domestic market due to international border closures. Overall, the average room rate (“ARR”) improved marginally by 13.6% with occupancy rate of 18.3% compared to 42.8% registered in the previous financial year. However, the increase in ARR was insufficient to mitigate the decrease in occupancy rate, resulting in a decrease in Revenue per Available Room (“RevPAR”) to RM75 from RM154 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, and ANSA Hotel Kuala Lumpur.

Revenue and Loss Before Tax

International border closures and domestic travel restrictions has adversely impacted the financial performance of our Malaysian-based properties for the current financial year under review, despite the short window of domestic tourism between June 2020 to December 2020. As a result, BHR recorded a significant decline in revenue across all departments due to the lower tourist arrivals and disrupted business operations. The total gross revenue for the financial year under review decreased 63.5% to RM60.8 million from RM166.6 million registered in the previous financial year. Consequently, the Malaysian-based properties registered a higher loss before tax of RM61.3 million compared to RM16.0 million in the previous financial year.

During the financial year under review, occupancy declined to 15.9% from 42.6%, while RevPAR declined to RM61 from RM153 registered in the previous financial year due to the significant decline in demand from the leisure individual and corporate group market segments.



Berjaya Times Square Hotel, Kuala Lumpur.

MANAGEMENT DISCUSSION & ANALYSIS



Berjaya Langkawi Resort, Kedah.

Berjaya Langkawi Resort, Langkawi

During the financial year under review, the resort's occupancy decreased to 12.0% compared to 48.9% in the previous financial year due to a significant decline in visitor arrivals from its key markets of India, China, Europe, and Malaysia. As a result, the resort registered a significantly lower total gross revenue of RM6.65 million compared to RM58.05 million in the previous financial year, which resulted in a loss before tax of RM14.11 million compared to a profit before tax of RM6.41 million in the previous financial year.

The Taaras Beach & Spa Resort, Redang

The resort achieved a strong performance during the financial year under review, largely benefited from the positive growth in demand during the short window of domestic tourism between June 2020 to December 2020. Due to the healthy demand, the resort's occupancy was 33.9%, while the average room rate increased by 32.4%. For the financial year under review, the resort's total gross revenue increased 27.4% to RM36.34 million, with a profit before tax of RM0.7 million compared to a loss before tax of RM1.15 million incurred in the previous financial year.

Berjaya Times Square Hotel, Kuala Lumpur

As a result of significant disruptions to its business operations, the hotel's total revenue declined 78.2% to RM9.25 million compared to RM42.41 million in the previous financial year. In line with the decrease in total revenue, the hotel's loss before tax increased to RM32.23 million from RM27.70 million in the previous financial year.



ANSA Hotel Kuala Lumpur - Lobby.

ANSA Hotel Kuala Lumpur

The hotel registered a 67.8% decrease in total gross revenue to RM5.28 million from RM16.42 million due to the reduction in both room and retail rental revenue. Room revenue decreased by 87.7% to RM1.21 million from RM9.82 million, while occupancy declined to 11.9% from 50.7% in the previous financial year. As a result of the significantly lower revenue and profit contributions from both business operations, the hotel registered a loss before tax of RM2.89 million compared to a profit before tax of RM3.37 million in the previous financial year.

Berjaya Penang Hotel

For the financial year under review, the hotel's occupancy declined to 15.2% from 42.1% in the previous financial year. As a result, the hotel recorded a decrease of 65.2% in total gross revenue to RM3.16 million compared to RM9.08 million in the previous financial year, and a loss before tax of RM2.73 million. However, the loss before tax was mitigated by the wage subsidy granted by the Malaysian Government.

OVERSEAS HOTELS & RESORTS

The major overseas hotels and resorts of the B-Land are the 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.

BHR's overseas properties also experienced a significant decline in visitor arrivals due to international border closures and travel restrictions. As a result, the combined occupancy declined to 21.1% compared to 43.5% in the previous financial year, while ARR increased to 20.3%. However, the

MANAGEMENT DISCUSSION & ANALYSIS

improved ARR was insufficient to mitigate the reduction in occupancy, and this resulted in a decline in RevPAR to RM91 from RM156 in the previous financial year.

For the financial year under review, BHR's overseas properties posted total gross revenue of RM96.86 million compared to RM64.65 million in the previous financial year, mainly due to the consolidation of the full year's financial results of Icelandair Hotels Group. Nevertheless, the higher revenue was insufficient to mitigate the higher fixed costs in depreciation charges and staff payroll, resulting in a total loss before tax of RM134.44 million compared to RM52.49 million in the previous financial year.

Berjaya Beau Vallon Bay Resort & Casino, Seychelles

As the resort's business was mainly supported by the leisure individual market from Europe, the resort experienced a sharp decline in occupancy to 3.5% from 56.7% in the previous financial year. In line with a reduction in occupancy, the resort's total gross revenue decreased significantly to RM1.72 million from RM29.4 million in the previous financial year. During the financial year under review, the Government of Seychelles had utilised the resort as a quarantine centre. With the salary subsidy and rental income granted by the Government of Seychelles, the resort managed to reduce its loss before tax to RM1.24 million compared to a profit before tax of RM0.62 million in the previous financial year.

Berjaya Praslin Resort, Seychelles

During the financial year under review, the occupancy rate at the resort declined to 10.3% from 56.4% in the previous financial year. As a result, total gross revenue declined to RM1.66 million compared to RM8.59 million in the previous year. Consequently, the resort incurred a loss before tax of RM1.30 million.



Berjaya Praslin Resort, Seychelles.



Berjaya Eden Park London Hotel, United Kingdom.

Berjaya Hotel Colombo, Sri Lanka

The hotel reported lower occupancy of 27.0% compared to 33.8% in the previous financial year mainly supported by demand from the domestic market and income as a quarantine centre to government agencies. As a result, the hotel generated lower total gross revenue of RM1.99 million compared to RM3.19 million in the previous financial year. Consequently, the hotel incurred a loss before tax of RM531,000 compared to RM269,000 in the previous financial year.

Berjaya Eden Park London Hotel and The Castleton Hotel, United Kingdom

During the financial year under review, both hotels suspended their operations temporarily due to a significant drop in guest bookings. For the financial year ended 30 June 2021, the hotels reported a reduction in total loss before tax to RM3.31 million from RM4.59 million registered in the previous financial year. The loss before tax was mitigated by the wage subsidy granted by the Government of the United Kingdom.

ANSA Okinawa Resort, Japan

The resort, which has 123 guestrooms and two restaurants and bars, commenced its business operations in November 2019. The various states of emergency declared by the Japanese Government to contain the spread of COVID-19 had dampened domestic travelers' sentiment and confidence. Therefore, the resort registered occupancy of 9.4% and marginal gross revenue of RM2.92 million during the financial year under review. Consequently, the resort registered a loss before tax of RM8.94 million during the financial year under review.

MANAGEMENT DISCUSSION & ANALYSIS



Hilton Reykjavik Nordica in Iceland.

Icelandair Hotels Group (“Icelandair Hotels”)

B-Land completed the acquisition of the Icelandair Hotels in the fourth quarter of the previous financial year 2020. During the financial year under review, Icelandair Hotels operates 12 hotels located all around Iceland. In addition, a new 5-star 163-room hotel in Reykjavik’s Parliament district was developed in collaboration with Hilton Hotels and is scheduled to be launched in March 2022. Almost all of the properties under the Icelandair Hotels had temporarily closed for business operations for certain periods of time. For the financial year ended 30 June 2021, Icelandair Hotels recorded a combined gross revenue of RM88.55 million, of which, was largely recorded in the first and fourth quarter of the financial year, with a combined room occupancy of 33.6%. Nevertheless, the total revenue was insufficient to cover certain fixed costs and the Icelandair Hotels registered a combined loss before tax of RM118.33 million.

INTERESTS IN OTHER HOTELS

B-Land has interests in other hotels via its interest in an associated company that 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, occupancy declined to 10.3% from 38.0% in the previous financial year, with an ARR of RM4,940. Consequently, total gross revenue declined 56.4% to RM60.5 million, resulting in a loss before tax of RM61.30 million compared to a profit before tax of RM59.4 million in the previous financial year. A significant portion of the loss before tax was related to the depreciation of right-of-use assets and interest on lease liabilities.

Sheraton Hanoi Hotel, Vietnam

The occupancy declined to 29.9% from 63.1% in the previous financial year, while total gross revenue declined 50.3% to RM28.36 million compared to RM57.09 million in the previous financial year.

FUTURE PROSPECTS

The operating environment for the hospitality industry is expected to remain challenging as COVID-19 continues to be the main operating risk. The timing of full recovery cannot be accurately predicted, nonetheless, we are optimistic about the global recovery and the return of the travel. With accelerating vaccination programmes and greater immunity, we anticipate that business demands from the international market will gradually recover in 2022.

As the short term outlook for international travel and tourism remains uncertain, BHR will concentrate its efforts on the domestic leisure market over the coming months. Meanwhile, BHR will continue its cost optimization initiatives, with a focus on high compliance with the standard operating procedures for the safety of our guests.

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 of The Clubs, supported by other services such as sports facilities, dining outlets as well as banqueting facilities and event venues.

The Clubs have a total membership of 13,149 as at 30 June 2021 of which 6,891 are golf membership and 6,258 are non-golf membership.

MANAGEMENT DISCUSSION & ANALYSIS



Bukit Jalil Golf & Country Resort, Kuala Lumpur.

During the financial year under review, Bukit Jalil Golf and Country Resort and Staffield Country Resort upgraded their food and beverage facilities with new flooring and furniture, as well as an improved menu with affordable pricing. The Clubs expects its food and beverage revenue to improve in the near future.

To enhance golf revenue and reduce operating expenses, Kelab Darul Ehsan ordered a new fleet of 60 golf buggies to replace its existing fleet, which were constantly breaking down.

Revenue & Profit Before Tax

The Clubs reported a higher revenue of RM55.03 million compared to RM50.59 million in the previous financial year due to the one-off revenue recognised upon the termination of membership. Consequently, The Clubs reported a profit before tax of RM6.378 million compared to a loss before tax of RM0.408 million in the previous financial year due to lower operating expenses incurred during the financial year under review. To relief the financial burden on its members, The Club deferred the increase of monthly subscription fees during the financial year under review.

Future Prospects

The financial year ending 2022 will remain competitive and challenging for the golf and recreation club industry. The Club's operations have been severely restricted by intermittent business closures but with the growing pent-up demand, the Club's management expect the business to improve significantly once the Clubs operations resume fully. With this anticipation, the Club have taken proactive measures to ensure all employees are fully vaccinated and ready for business.

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 a revenue of RM15.5 million compared to RM15.3 million in the previous financial year due to the higher revenue recognized upon the termination of delinquent members.

Operating profit increased by 19.04% to RM9.5 million from RM7.98 million in the previous financial year due to the lower room rental and housekeeping expenses for members' holiday accommodation as well as lower office and staff related expenses.

Future Prospects

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

PROPERTY DEVELOPMENT

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

The financial year under review was tumultuous as the world struggles to cope with the disruptions and uncertainties caused by the COVID-19 pandemic. In Malaysia, the numerous lockdowns via the several phases of Movement Control Order ("MCO") have curtailed efforts to restart economic activities. The property sector is not spared as the demand and prices of properties dipped. To address the economic crisis caused by the pandemic, the Malaysian Government has introduced several economic stimulus packages such as the PRIHATIN and PRIHATIN SME PLUS as well as the PENJANA package and KITA PRIHATIN. To help boost the residential property market, the Home Ownership Campaign ("HOC") via PENJANA was reintroduced with benefits such as stamp duty exemption on instruments of transfer and loan agreements as well as a minimum 10% mandatory discount on the purchasing price of properties by participating developers. The Malaysian Government had also implemented the relaxation of loan to-value ratio, Real Property Gains Tax ("RPGT") exemption and lowered financing interest rate to spur the property

MANAGEMENT DISCUSSION & ANALYSIS

market's road to recovery. The automatic six months loan moratorium has provided some relief for those who grappled with financial difficulties resulting from unemployment and salary reductions. Many property buyers were forced to sell or abort their purchases which contributed to a further rise in the stock of unsold units in the market.

Due to the MCOs enforced during the pandemic, the PD Division was unable to carry out its usual sales activities to market its properties under construction at The Tropika, Bukit Jalil and had instead focused mainly on digital initiatives. A series of digital campaigns were organised to market the units under Maybank's Houzkey scheme and HOC. Buyers were given various incentives like outright discounts and stamp duty exemption for Memorandum of Transfer ("MOT") and Loan Agreement. In May 2021, the PD Division launched Tower C of The Tropika. A Facebook live event was held with Dato' Joey Yap, Sean Tan (a renowned property guru), Brian See and Yvonne Chia (an influencer who lives and work in Bukit Jalil). The event garnered about 2,000 viewers and yielded about 30% sales for Tower C. Total sales generated from The Tropika, Bukit Jalil amounted to RM228.70 million during the financial year under review.

The construction progress of the 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 was also affected by the MCOs. Contractors were working around the limitations of strict standard operating procedures ("SOP") imposed at the construction site to minimise delays. As at today, progress is slightly behind schedule due to the interruptions during MCOs/FMCOs with 66.43% completion for the commercial section and 31.39% completion for residential blocks.

The PD Division has also been actively marketing the shop offices and retail spaces at the commercial blocks at The Tropika, Bukit Jalil. Today, Jaya Grocer has been secured as an anchor tenant together with several other tenants ranging from food and beverage, convenience store, pharmaceutical and businesses that cater to the lifestyle needs and services for the residents. The commercial component is targeted to be operational by the second quarter of 2022.

Over at The Peak, a high-end low density bungalow lots set amidst lush greenery at Taman TAR, the PD Division intensified its sales and marketing initiatives via collaboration with property agents, leads generation from social media platforms and on-site billboards to reach out to prospects to sell the remaining 15 unsold bungalow lots. The Peak at Taman TAR comprising 88 bungalow lots with sizes ranging from 8,831 to 27,037 square feet has achieved 85% sales as at 30 June 2021 with total sales value of RM229 million.

At Seputeh Heights, similar sales and marketing initiatives were carried out to market the unsold inventories. As at 30 June 2021, 96% of the 103 bungalow lots have been sold with a total sales value of RM208 million.

Up north in Penang, Kensington Gardens, Phase 1 of Jesselton Villas comprising 68 units of bungalow lots with sizes ranging from 5,995 square feet to 9,634 square feet at an average price of RM727 per square feet has been completed and handed over to purchasers progressively since March 2020. The project has achieved 75% sales and the remaining 17 unsold bungalow lots are continuously being marketed.

Although sales were impacted as a result of the economic downturn and soft market sentiment, the sales team has been leveraging on digital marketing platforms to generate new leads and interact with potential customers virtually to secure bookings. While the lockdowns were in effect, the PD Division also focused its efforts on the planning of the upcoming Phase 2 Jesselton Courtyard Villas. The Phase 2 Jesselton Courtyard Villas, to be developed over 12 acres freehold land, is an exclusive development with one of its kind design which allows residents to enjoy the benefits of strata community living in Georgetown, Penang. The project consists of 32 units of zero-lot bungalows and 207 units of courtyard villas. The zero-lot bungalows with built up area of approximately 5,700 square feet are 4-storey landed strata homes with a large private garden, 5 parking bays, private lift and direct access to the very first community sky garden in Penang. The courtyard villas are based on townhouse design concept, with built up ranging from approximately 2,700 square feet to 3,300 square feet, come with 4 car parks located privately at the door step and orientated around a grand community courtyard garden where most of the facilities are located. This unique development is now open for registration.

In Ho Chi Minh City, Vietnam, the Topaz Twins which features 2 towers of 668 units of residential apartments and 15 units of shop lots located at the administration hub of Bien Hoa City was successfully completed on 15 November 2020. The total estimated gross development value is VND1,367 billion (approximately RM248 million). As at 30 June 2021, 661 units of apartment and all 15 units of shop lots were sold with total sales value of VND1,252 billion (approximately RM227.0 million) and mostly handed over to purchasers.

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 2021, 101 units of the total 103 units of Arden Park Garden Villas have been sold with a total sales value of VND815.9 billion (approximately RM150.3 million). For Canal Park Apartments and Eastern Park shop houses, all 148 units of the residential apartments and 72 units of shop houses have been completely sold and handed over to purchasers. Due to the success of Eastern Park, Hanoi Garden City has launched another new phase of shop houses, 88 Central which consist of 86 units of trendy style shop houses with an estimated gross development value of VND850.0 billion (approximately RM153.5 million) on January 2020. As at 30 June 2021, the

MANAGEMENT DISCUSSION & ANALYSIS

project recorded sales booking for 71 units of shop houses with a total sales value of VND676.7 billion (approximately RM124.7 million). However, due to the pandemic, preventive and strict lockdown measures were imposed by the Vietnam Government resulting in a halt to all authority approval processes and construction works. Currently the piling work for 88 Central has been completed.

FINANCIALS

For the financial year under review, the PD Division recorded a revenue of RM291.44 million and a pre-tax profit of RM42.71 million.

FUTURE PROJECTS

Moving forward, the PD Division will take a cautious approach to launching new projects in the coming financial year as there are still many uncertainties in the property market and the economy as a whole.

Over at Berjaya Park, Shah Alam, the PD Division has revamped the new project, Bayu Timur in terms of concept, design and affordability in line with the new market demand. Built on 8.51 acres of land, Bayu Timur will feature 2 blocks of 9 storey low rise condominiums totalling 158 units with sizes ranging from 1,000 square feet to 1,200 square feet and 2 blocks of 20 storey high rise condominiums totalling 360 units with sizes ranging from 1,000 square feet and 1,280 square feet. Targeted to be launched in the second quarter of 2022, the estimated gross development value of this project is around RM268 million.

Down south at Batu Pahat, Johor, the PD Division is planning to develop the tract of development land at Banang Park. The 9.21 acres mixed development will comprise 2 storey shop offices, 2 storey terrace houses as well as 1 storey low medium shops and 2 storey affordable terrace houses to cater to the market demand. This mixed development with an estimated gross development value of RM56 million is slated to kick off in the second quarter of 2022.

FUTURE PROSPECTS

The year ahead is envisaged to be tough and challenging as the property market is expected to remain soft while the pandemic is gradually brought under better control. Following the reopening of most economic sectors, the property market is expected to start recovering on the back of a more positive outlook. Globally, as the pandemic situation improves coupled with the likelihood of borders reopening and international trading and travel appearing to be on a higher side, the general consumers' confidence and sentiment which are key to economic growth, will be uplifted and so will the property market sentiment.

Market confidence is also expected to gradually improve, with domestic investors shifting back to the property market, which most investors consider as a safer and less volatile alternative investment. Supported by a record-low interest rate environment, lockdown savings, pent-up demands and attractive property deals introduced via HOC and developers' sales incentives campaigns, the overall property market is expected to gradually recover throughout the coming financial year.

However, the PD Division is mindful of the existing issues and challenges within the property market such as oversupply and overhang situations due to the mismatch between supply and demand, affordability issues, financing obstacles as well as rising construction costs. To mitigate these persisting issues, the PD Division will adopt a more systemic approach by engaging its stakeholders to arrive at more informed-decisions for project planning and approvals through in-depth market studies, better financing packages, well negotiated construction and supply contracts, sound financial planning, practical and efficient designed concepts as well as attractive marketing strategies.

The PD Division will continue to evolve to embrace changes and challenges brought on by the pandemic as well as market demand in order to remain competitive, sustainable and to be recognised as a reputable developer in the property market.

PROPERTY INVESTMENT

The Property Investment Division ("PI Division") owns 3 commercial properties comprising Plaza Berjaya, Kuala Lumpur; Kota Raya Complex, Kuala Lumpur and Berjaya Megamall, Kuantan, Pahang. Collectively, these properties achieved an average occupancy rate of 60% during the financial year under review.

For the financial year ended 30 June 2021, the PI Division registered revenue of RM13.6 million and a loss before tax of RM15.7 million. The financial performance of the PI Division was affected by the pandemic and this has resulted in a downward adjustment to the fair value of its investment properties.

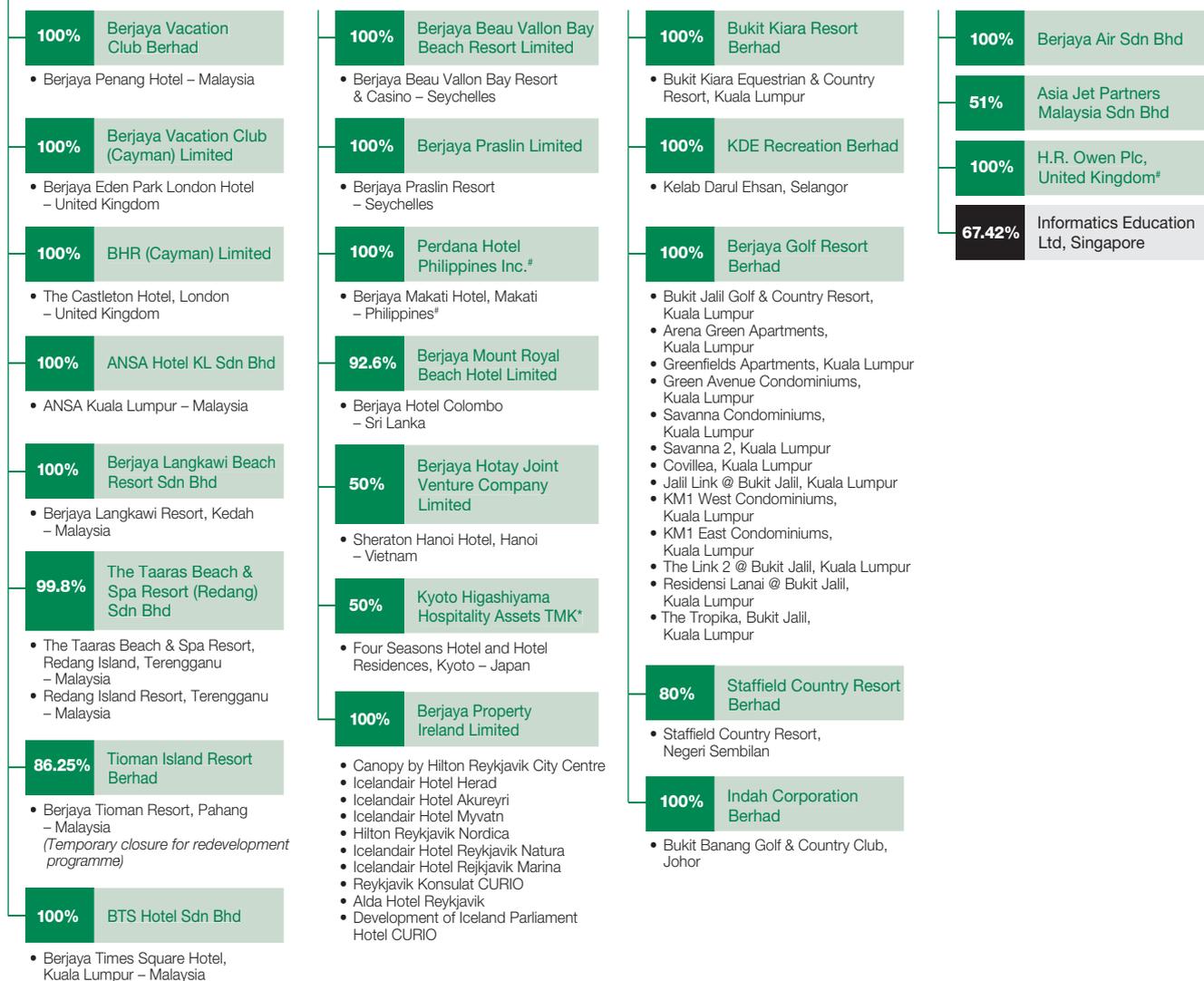
The Group's complexes in Kuala Lumpur will continue to leverage its strategic locations within the city centre of Kuala Lumpur and easy accessibility and continue to promote itself to strengthen its presence in the marketplace.

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 1 October 2021

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

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 1 October 2021

BERJAYA LAND BERHAD

PROPERTY INVESTMENT & DEVELOPMENT

100% Taman TAR Development Sdn Bhd

- The Peak @ Taman TAR, Ampang, Selangor

100% Berjaya Tagar Sdn Bhd

- Seputeh Heights, Kuala Lumpur
- Vasana 25, Kuala Lumpur
- Subang Heights, Shah Alam, Selangor

80% Pakar Angsana Sdn Bhd

- Berjaya Park, Shah Alam, Selangor

100% Sri Panglima Sdn Bhd

- Taman Kinrara IV, Puchong, Kuala Lumpur

100% Berjaya Land Development Sdn Bhd

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

100% Berjaya Engineering Construction Sdn Bhd

100% Securiserivices Sdn Bhd

- 1 Petaling Residences & Commerz @ Sg. Besi, Kuala Lumpur
- Petaling Indah Condominiums, Kuala Lumpur
- 3-Storey Shop Office @ Sg. Besi, Kuala Lumpur

80% Berjaya-Handico 12 Co. Ltd

- Ha Noi Garden City, Hanoi - Vietnam

100% Berjaya-D2D Company Limited

- Bien Hoa City Square, Dong Nai Province - Vietnam

100% Berjaya Okinawa Development Co. Ltd

- ANSA Okinawa Resort
- Development of Four Seasons Resort and Private Residences Okinawa

100% Nural Enterprise Sdn Bhd

- Plaza Berjaya, Kuala Lumpur

100% Kota Raya Development Sdn Bhd

- Kota Raya Complex, Kuala Lumpur

100% Cempaka Properties Sdn Bhd

- Berjaya Megamall, Kuantan, Pahang
- Kuantan Perdana, Kuantan, Pahang

9.48% Berjaya Assets Berhad

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

GAMING & LOTTERY MANAGEMENT

100% Berjaya International Casino Management (Seychelles) Limited

40.63% Berjaya Sports Toto Berhad

100% Sports Toto Malaysia Sdn Bhd

88.26% Berjaya Philippines Inc

39.99% Philippine Gaming Management Corporation

100% International Lottery & Totalizator Systems, Inc. USA

100% Unisyn Voting Solutions, Inc., USA

GROUP FINANCIAL SUMMARY

Description	2021 US\$'000	2021 RM'000	2020 RM'000 Restated	2019 RM'000	2018 RM'000	2017 RM'000
Revenue	1,302,512	5,406,076	5,160,309	7,307,221	6,390,405	6,371,366
Profit Before Tax	(10,175)	(42,232)	213,616	546,397	99,981	576,321
(Loss)/Profit for the Financial Year/Period	(34,276)	(142,263)	71,769	352,472	(93,230)	411,221
(Loss)/Profit Attributable To Owners of the Parent	(59,666)	(247,644)	(36,838)	154,083	(167,466)	294,738
Share Capital	602,378	2,500,168	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	331,608	1,376,341	1,653,037	1,697,945	1,660,858	2,042,717
Equity Funds	933,986	3,876,509	4,153,205	4,198,113	4,161,026	4,542,885
Treasury Shares	(8,106)	(33,643)	(33,643)	(20,699)	(20,699)	(20,699)
Net Equity Funds	925,880	3,842,866	4,119,562	4,177,414	4,140,327	4,522,186
Non-controlling Interests	497,028	2,062,916	2,134,130	2,080,907	2,279,015	2,338,819
Total Equity	1,422,908	5,905,782	6,253,692	6,258,321	6,419,342	6,861,005
Long Term Loans	414,743	1,721,389	2,338,311	1,742,770	1,888,367	1,782,336
Deferred Tax Liabilities	239,479	993,958	1,010,771	959,611	1,069,925	1,061,021
Lease Liabilities	227,185	942,930	947,078	-	-	-
Other Non-Current Liabilities	74,170	307,842	282,865	274,818	317,120	121,316
Current Liabilities	737,254	3,059,972	2,928,075	2,817,539	3,227,762	3,290,047
Liabilities Directly Associated To Disposal Group Classified As Held For Sale	-	-	103,533	12,093	2,959	2,775
Total Equity and Liabilities	3,115,739	12,931,873	13,864,325	12,065,152	12,925,475	13,118,500
Property, Plant And Equipment	467,161	1,938,953	1,897,195	1,571,650	1,584,508	1,709,547
Right-Of-Use Assets	282,612	1,172,983	1,165,382	-	-	-
Intangible Assets	869,609	3,609,310	3,612,867	3,592,282	4,071,572	4,020,046
Other Non-Current Assets	689,633	2,862,321	2,808,204	3,771,918	3,860,033	3,805,340
Current Assets	761,484	3,160,538	3,602,621	2,899,218	3,186,482	3,540,651
Assets of Disposal Group/ Non-Current Assets Classified As Held for Sale	45,240	187,768	778,056	230,084	222,880	42,916
Total Assets	3,115,739	12,931,873	13,864,325	12,065,152	12,925,475	13,118,500
Net Assets Per Share (US\$/RM)*	0.19	0.78	0.84	0.84	0.84	0.92
Net (Loss)/Earnings Per Share (US\$/RM)*	(0.01)	(0.05)	(0.01)	0.03	(0.03)	0.06
Dividend (cents/sen)*	-	-	-	-	-	-
Dividend Amount (US\$'000/RM'000)	-	-	-	-	-	-

Notes:

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

For 2017 to 2018, the group financial summary was for a 12-mth financial period ended 30 April of each respective year.

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

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

Exchange rate as at 30-6-2021: US\$1.00=RM4.1505

GROUP FINANCIAL HIGHLIGHTS

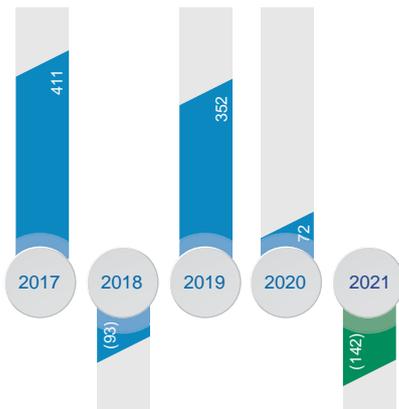
REVENUE
(RM' Million)



PROFIT/(LOSS) BEFORE TAX
(RM' Million)



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



TOTAL ASSETS
(RM' Million)



NET EQUITY FUNDS
(RM' Million)



TOTAL EQUITY
(RM' Million)



SUSTAINABILITY STATEMENT

1. REPORTING PROFILE AND SCOPE

The Sustainability Statement for Berjaya Land Berhad (“B-Land” or “the Group”) focuses on the operations and management of economic, environmental, and social sustainability of the Group for the financial year ended 30 June 2021, and is prepared in accordance with the Sustainability Reporting Guide issued by Bursa Malaysia Securities Berhad (“Bursa Securities”). The information and data contained herein was derived from internal reporting processes, systems, and records, guided by Bursa Securities’ Sustainability Reporting Guide and Toolkits.

This statement covers the operations of B-Land’s principal activities in Malaysia namely property development and investment; hotels and resorts; clubs and recreation; gaming; as well as its business operations in the Philippines and the United Kingdom (“UK”). It does not include the environmental and social sustainability aspects of the other business operations in Vietnam and the United States of America.

2. APPROACH TO SUSTAINABILITY

B-Land strives to conduct its business operations according to pragmatic principles and sustainable practices with a long-term sustainability strategy comprising 4 main aspects: -

<p>ECONOMIC</p>  <p>The creation of long-term value for shareholders and value add for all the Group’s stakeholders.</p>	<p>ENVIRONMENTAL</p>  <p>Striving towards reducing the Group’s environmental footprint by improving the efficiency of resources and supporting conservation efforts.</p>
<p>SOCIAL</p>  <p>Dealing with customers and the public according to good market practices and regulatory requirements, conducive workplace practices and community engagement through a variety of initiatives involving the Group’s monetary and non-monetary resources.</p>	<p>GOVERNANCE</p>  <p>Ensuring healthy business practices by being fully compliant with: approved policies, standard operating procedures, Malaysian and other governing laws, as well as local and international standards of corporate behaviour. Promoting fair engagement, accountability, and access to justice, internally and outside of the organisation.</p>

Almost two years into the pandemic, significant disruptions continue to affect businesses in nearly all sectors of economies around the world, resulting in sustainability issues becoming more important in the decision-making of various stakeholder groups.

Government-imposed lockdowns and movement restrictions have resulted in varying degrees of business suspension around the world. During this period, the Group’s business operations experienced disruptive changes, which had a significant impact on the three main aspects of our sustainability pillars.

Although business operations and several key activities planned for the year were halted during this period, the Group continued to implement stringent hygiene standards and operational procedures as mandated by the local government authorities to ensure business continuity in the new normal and to safeguard the well-being of its employees and the various stakeholder groups. While the Group continues to navigate the pandemic and the impact on its businesses, the impact going forward cannot be accurately estimated at this juncture as COVID-19 remains the primary operational risk. The Group will continue to adapt, innovate and take the necessary steps to weather this extremely challenging time.

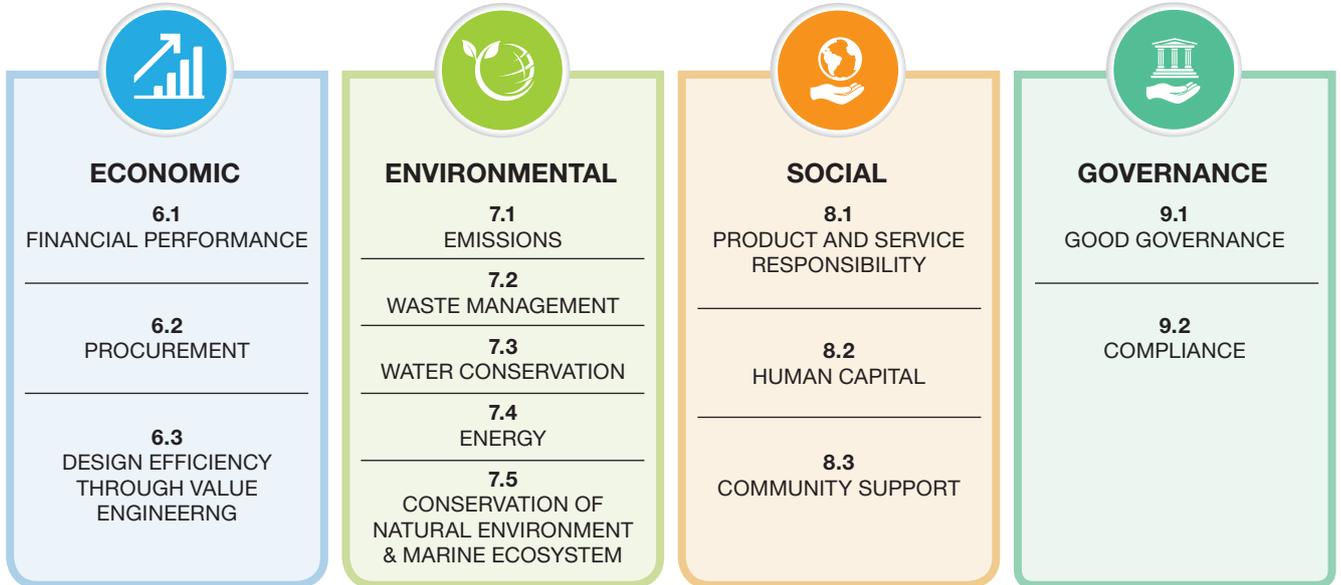
3. MATERIALITY

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

An annual materiality assessment is a pivotal part of the Group’s approach to sustainability as it aids the Group in identifying the significant impact of economic, environmental, social and governance factors on the sustainability of its businesses. The materiality assessment for the Group was conducted by engaging with the relevant stakeholders which resulted in the identification of 13 material issues that impact the sustainability of the Group. The 13 material issues identified were mapped to the relevant sustainability pillars as illustrated on page 25.

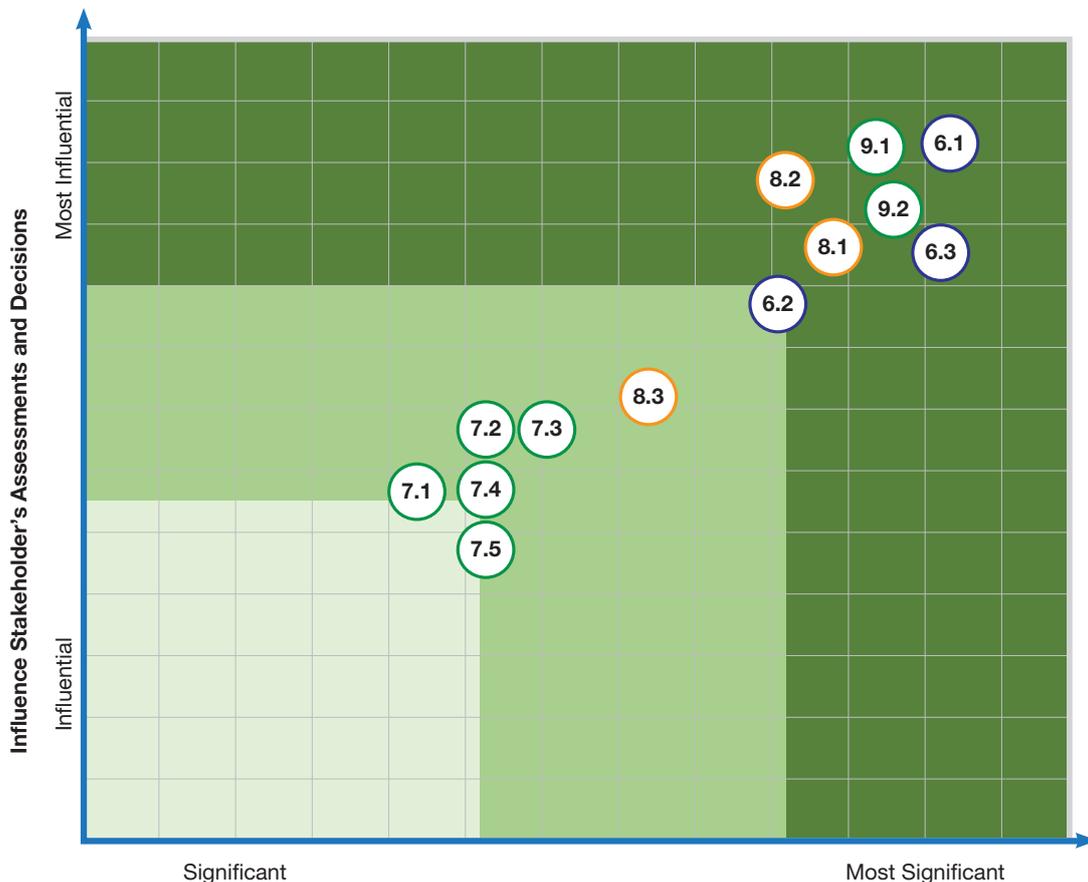
SUSTAINABILITY STATEMENT

4 Sustainability Pillars



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

Materiality Matrix



Significance of B-Land's Economic, Environmental and Social (EES) Impacts

SUSTAINABILITY STATEMENT

4. STAKEHOLDER ENGAGEMENT

B-Land believes that maintaining a good level of communication and understanding with all internal and external stakeholders is important to operate as an effective and sustainable business entity. Hence, the Group recognises the need for continuous dialogue and discourse, as well as information sharing, with the relevant stakeholder groups.

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

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

STAKEHOLDER GROUP	ENGAGEMENT PLATFORMS
	<p>Government and Regulators</p> <ul style="list-style-type: none"> • Ongoing meetings and interactions with the regulators on policy matters, issues, and concerns arising from the changing operating environment as well as matters concerning the customers and the general public.
	<p>Customers</p> <ul style="list-style-type: none"> • Regular networking activities (property buyers). • Formal and informal meetings to collect feedback, attend to grievances, and disseminate information on development projects (property buyers). • Customer Service Unit which attends to calls, walk-ins, and live chats from customers. Also conducts customer surveys once every 3 years to better understand customers' needs and expectations on the company's products and services (gaming customers). • Guest experience surveys (hotel customers). • Online reservation (hotel customers).
	<p>Employees</p> <ul style="list-style-type: none"> • New staff orientation • Internal engagement channels i.e., Berjaya intranet and quarterly newsletters. • Training and development programmes.
	<p>Suppliers</p> <ul style="list-style-type: none"> • Tendering and procurement process. • Regular meetings
	<p>Communities, Non-Governmental Organisations, Peer Companies, Industry Groups</p> <ul style="list-style-type: none"> • Focus groups and consultative meetings • Volunteering opportunities and charitable events.
	<p>Shareholders/Investors</p> <ul style="list-style-type: none"> • Communications via announcements to Bursa Securities, General Meetings, the Group's website as well as conducting briefings and updates for analysts, fund managers and potential investors as and when required.

SUSTAINABILITY STATEMENT

5. GOVERNANCE

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

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

For more detailed information on the Group’s Statement on Corporate Governance and Statement on Risk Management and Internal Control, please refer to pages 37 to 56 of the B-Land Annual Report 2021.

Berjaya Land Berhad Sustainability Governance Structure



6. ECONOMIC SUSTAINABILITY

6.1 Financial Performance

During the financial year under review, the various lockdowns and travel restrictions had a material adverse impact on the Group’s financial performance.

B-Land’s financial performance highlights for the financial year ended 2021 and its comparatives for the financial year ended 30 June 2020 are as follows:



REVENUE

RM5.4 billion

(FYE2020: RM5.2 billion)



(LOSS)/PROFIT BEFORE TAX:

-RM42.2 million

(FYE2020: RM213.6 million)



LOSS ON EQUITY:

-6.2%

(FYE2020: -0.9%)



NET ASSET PER SHARE :

RM0.78

(FYE2020: RM0.84)

For more information on B-Land’s financial performance, please refer to the Financial Summary and Highlights on pages 22 and 23 of the B-Land Annual Report 2021.

6.2 Procurement Practices

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

SUSTAINABILITY STATEMENT

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

Similar procurement procedures are also adopted by the other business segments, namely Berjaya Hotels & Resorts (“BHR”), Clubs and Recreation (“The Clubs”), Property Investment Division (“PI Division”) and Sports Toto Malaysia Sdn Bhd (“Sports Toto”) by giving priority to locally produced items and responsibly-sourced products and services. For instance, BHR seeks environmentally friendly cleaning products and obtains its paper products from certified sustainable sources.

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

6.3 Design Efficiency Through Value Engineering

The project teams of the PD Division and PI Division are continually reviewing design concepts, material selections, and work methodology to optimise the overall value of their projects. Design efficiency resulting from value engineering contributes to cost reduction without compromising on quality and delivery.

The PD Division’s affordable homes project, Lanai Residensi at Bukit Jalil, embraced the precast Industrialised Building System (“IBS”) combined with precast design software “Autodesk Revit with BIM 360” which enhanced the efficiency of the construction process, reduced construction wastage, and provided a safer construction environment.

The PI Division’s renovation works in upgrading Kota Raya Complex in Kuala Lumpur and Berjaya Megamall in Kuantan optimised cost and design efficiency through value engineering and a careful selection of construction products and materials. Through the use of design efficiency, the completed 68-room ACES Hotel in Kota Raya Complex will provide long-term economic sustainability to the Group.

7. ENVIRONMENTAL SUSTAINABILITY

B-Land and its subsidiaries continue to manage and reduce the impact of its businesses on the environment through the efficient use of water and energy, as well as the reduction of waste and emissions in its business operations.

7.1 Emissions

The PD Division has put in place several considerations for environmental sustainability in the development of The Tropika at Bukit Jalil. The Tropika is easily accessible via public transportation such as bus and LRT which can help minimise the use of private vehicles and other modes of transportation. Covered walkways will be provided from the development to the bus stop or Grab pick up and drop off points. The Tropika also provides basic services, such as a supermarket, within a 1km walking distance for the convenience of its residents.

High-speed internet connectivity infrastructure will be available for the dwelling units of The Tropika, allowing residents to work from home or conduct banking, purchasing, and other activities online, reducing the need to commute.

To minimise airborne contamination and toxicity, green materials are used for the construction of The Tropika such as low carbon timber, low carbon steel, Volatile Organic Compound paints and coatings, and certified adhesives and sealants. The project team also keeps track of the amount of carbon emissions resulting from the associated energy used during construction.

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

7.2. Waste Management

The Group continues to promote awareness of the 5R practices of Refuse, Reduce, Reuse, Repurpose and Recycle among its employees within its business operations.

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

SUSTAINABILITY STATEMENT

BHR continues to improve on waste management in its daily operations through several initiatives. BHR adopts a paperless check-in process and invoices are only printed upon request whilst quotations and room confirmations are communicated via emails. Old linens and towels are repurposed into rags and floor mats for use in common areas. Plastic wrappers for in-room amenities are replaced with recycled paper wrapping. Single-use plastic straws have been discontinued, and paper straws are provided upon request. At Berjaya Langkawi Resort and The Taaras Beach & Spa Resort in Redang Island, water dispenser units are provided to complement the existing practice of using water bottles in the hotel rooms. Recycling bins have been placed at the common areas of the hotels and resorts and guests are encouraged to deposit recyclable waste in these bins.

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

B-Land also participates in the quarterly recycling programme organised by its parent company, Berjaya Corporation Berhad, in collaboration with Tzu Chi Foundation Malaysia. Recyclable materials such as plastic bottles, papers, and clothing are collected by various B-Land subsidiaries and delivered to the collection site for pick-up by Tzu Chi Foundation Malaysia on the designated collection day.

7.3 Water Conservation

The PD Division's project at The Tropika, Bukit Jalil uses water-efficient fittings that are installed with rainwater harvesting tanks and self-closing valves to reduce water consumption. The water-efficient fittings are certified by WELPS ("Water-Efficient Products Labelling System") or WELS ("Water Efficient-Labelling System"), depending on the product origin. For better control and monitoring of water usage, sub-water meters will be installed in all shops, facilities, swimming pool and irrigation. A suitable system that utilizes rainwater or recycled water for landscape irrigation will also be implemented to reduce piped water consumption. The PI Division also installed self-closing pillar tap fittings and dual flush cisterns and hand dryers in some of its complexes to reduce water wastage.

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

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

7.4 Energy

The PD Division incorporates various measures to achieve optimum energy in terms of project design and layout of the residential and commercial components of its developments. Phase 1 of The Link 2 and Lanai Residensi at Bukit Jalil, Kuala Lumpur, Bayu Timur and Berjaya Property Gallery at Berjaya Park, Shah Alam, Selangor, and Jesselton Villas in Penang incorporate green building features which include the usage of energy-saving light fittings, smart lighting with automated intelligent control switching features, mechanical and electrical equipment with emphasis on green energy, and control systems such as AC variable voltage and variable frequency ("VVVF") motor drives for the lifts.

At The Tropika, Bukit Jalil, all rooms are designed to comply with UBBL Clause 39 Natural Daylight requirements, optimising the use of daylighting. Natural lighting features are also incorporated into common spaces to maximise the use of daylight and reduce electricity consumption. 35% of the artificial lightings to be used in its common areas will be energy-efficient fittings like T5 or LED. The thermal performance of the building's envelope aims to minimise heat gains by the building, while natural ventilation is utilised for common areas like staircases, corridors, lift lobbies and shopping boulevard. The car park will be 70% naturally ventilated by utilising prevailing wind conditions to achieve adequate cross-ventilation. More than 50% of The Tropika's hardscaped non-roof area will be finished with light-coloured surfaces with materials carrying a Solar Reflective Index ("SRI") value of 29 or more. These efficient energy measures incorporated in The Tropika will be GreenRE RB V3.1 Bronze compliant. Other Green Features and Innovations to be implemented include the provision of compost bins for recycling of organic waste such as food, eaves, garden and lawn clippings, plant-based materials and degradable carbon such as paper, cardboard and wood waste. The project team at The Tropika will also be monitoring the quantity of carbon emission resulting from the associated energy used during the construction as well as the later operational phase of the building to minimise carbon emission.

SUSTAINABILITY STATEMENT

To save cost and implement sustainable energy initiatives, the PI Division has replaced the car park lighting for all its properties from fluorescent lights to LED lights. As a result, the PI Division has seen a reduction in its electricity expenditure.

BHR also upgraded to energy-efficient lighting, replacing incandescent and fluorescent light bulbs with low-energy LED lights, as well as installed capacitor banks for an efficient power system across its hotel properties. Several BHR properties use solar water heating systems to reduce energy consumption.

Over in the United Kingdom (“UK”), H.R. Owen complies with the various local regulations for its environmental responsibilities. The UK Government’s mandatory energy assessment scheme, the Energy Savings Opportunity Scheme, requires H.R. Owen to measure its total energy consumption and carry out energy audits to identify cost-effective energy-saving opportunities. H.R. Owen also invested in energy-saving fit-outs on the refurbishment of its existing and new sites.

7.5 Conservation of natural environment & marine ecosystem

The Group’s development projects such as Lanai Residensi, Bayu Timur, and The Tropika conform to the Green Provision which emphasises the greater use of greenery and restoration of existing trees to reduce the heat island effect and to achieve a high Green Plot Ratio (“GnPR”) landscape design. GnPR is calculated by considering the 3D volume which is covered by the plants using the Leaf Area Index (“LAI”). In line with the requirements from the local authorities, the PD Division maintains 10% of the plot area for greenery and landscape purposes. The PD Division also prioritises materials with “green” product certifications in its selection of construction materials.

The PD Division also strongly advocates the greater use of greenery and the preservation or restoration of trees to reduce the heat island effect. The matured trees affected by the construction works at The Tropika, Bukit Jalil and Kensington Gardens, Penang projects have been relocated and transplanted to a suitable site. Both development projects also provide greenery and landscape spaces within the development that are more than the statutory requirements.

BHR continues to promote awareness on marine ecosystem preservation in Redang Island through The Taaras Beach & Spa Resort with its employees on daily missions to collect washed-up rubbish including tons of plastic from the shorelines and surrounding areas of Redang Island. A total of 1,872 trash bags with an estimated weight of 37,440kg were collected and sorted for recycling and disposal at the mainland of

Kuala Terengganu. Among the other sustainability and conservation efforts carried out by the resort include the establishment of the SEATRU Turtle Lab which provides conservation and education on the plight of the sea turtle; retrieving and recycling ghost nets into beach cabana roofing; replacing plastic straws with paper straws and replacing plastic drinking water bottles with reusable glass bottles for refills from alkaline water filters, and introducing a paperless check-in system.

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

8. SOCIAL SUSTAINABILITY

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

8.1 Product and Service Responsibility

a. Marketing and Communication Practices

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

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

Sports Toto uses communication materials such as posters and leaflets, mainstream print media, websites, social media and other online applications to provide information on its products and services. Being adversely affected by illegal operators, Sports Toto displayed posters to

educate its customers on the penalties of buying from illegal operators under the relevant gaming laws. Sports Toto's website also carries a "Be A Responsible Player" reminder message which clearly states that Toto players must be 21 years of age and above; they should bet within their financial means and self-evaluate their financial status. Every Sports Toto outlet displays a notice to prohibit minors and Muslims from betting. Sports Toto also improved its existing mobile application by incorporating a new user interface and features that enhance the overall customer experience when checking on draw results and getting updates on promotional events.

b. Customer Care and Experience

To enhance the safety of hotel guests and its associates, BHR has implemented "new norms" best practices through its Clean & Safe Commitment, which include stringent cleaning and sanitising protocols at all its hotels and resorts worldwide, in accordance with the recommendations of the World Health Organisation.

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

8.2 Human Capital

a. Human Resource Diversity

B-Land embraces diversity in the workplace and continues to promote a collaborative and respectful working environment among its employees. B-Land strives to create an innovative and resilient workforce to achieve a competitive advantage. B-Land believes that its fair employment practice, equal treatment of all employees and equal access to opportunity are important elements in boosting motivation to drive performance and continuous improvement.

b. Occupational Safety and Health

COVID-19 has threatened the health and safety of the Group's stakeholders, primarily our employees and customers. The Group has responded swiftly to the pandemic by implementing a business continuity management plan across all operations. Since the start of the pandemic,

communication on the pandemic awareness and preventive measures have been communicated with staff in order to prevent a chain of infection within the workplace premises.

The Berjaya Crisis Management and Recovery Committee was activated to spearhead the Berjaya Corporation Berhad ("BCorp") group of companies' COVID-19 preparedness and response with emphasis on the Business Continuity Plan. A COVID-19 Incident Management Taskforce ("CIMT"), established at Berjaya Corporate Office, has played a crucial role in ensuring the Group's continuity of services and preparedness in handling issues quickly and effectively. CIMT's role and responsibilities include planning and implementation of emergency measures, as well as communicating and disseminating clear guidance and action plans to the employees at the Berjaya Corporate Office and various subsidiaries, including B-Land.

Implementing the 'New Normal' in the office environment, Berjaya Safety and Health COVID-19 Prevention Protocols were developed and detailed infographics and videos on 'Returning to Work' were created and displayed at strategic common locations in the office premises. Apart from precautionary measures, case management guidelines were also developed and cascaded to all subsidiaries to enable them to handle all COVID-19 related issues with consistency and efficiency.

In August 2020, ISO-certified antimicrobial fabric face masks were distributed to employees based at Berjaya Corporate Office to replace the disposable medical face mask.

Several BHR properties such as Berjaya Times Square Hotel Kuala Lumpur and Berjaya Langkawi Resort have Safety Officers ("SO") who are tasked with dedicated OSHA functions. The general duties of the SO are to ensure compliance and to promote safe work conduct, as well as provide training on safety topics.

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

SUSTAINABILITY STATEMENT

c. Labour Practices

i. Human Resource Deliverables

B-Land believes that cultivating a growth mindset and positive culture at the workplace is integral in building a highly adaptive and resilient workforce. These serve as the basis of a strong foundation of its human capital and the critical enabler to support the continued expansion and sustainability of the Group. To this end, B-Land continued to invest in efforts to recruit the best fits, strengthen its talent and leadership pipeline, improve work structure and embrace digital transformation to stay as the “Employer of Choice” for both its current and future workforce.

DELIVERABLES



Recruiting the Best Talents through Talent Acquisition Strategies



Strengthening Talent and Leadership Pipeline through Talent Management and Succession Planning Strategies



Cultivating a Performance-Driven Culture



Building a Learning Culture and highly agile workforce through learning and development programmes



Progressively Reviewing and Improving Human Resource Policies, Work Environment, and Work Systems



Building a Highly Engaged and Productive Workplace Culture



Capitalising on HR Technology and Develop Digital Native Culture

ii. Company and Employer Branding

B-Land has established its employer brand locally and overseas which helps distinguish the Group from its competitors. B-Land believes that sustainable and long-term branding comes from within and its employees are its brand ambassadors. As such, B-Land’s focus will be to bring out the best in its employees.

B-Land adopts an equitable hiring process and seeks to attract potential talents with the right attitude, mindset and skills. In adapting to the new normal, B-Land shifted its talent acquisition process to a virtual platform which is integral in meeting the needs of our constantly evolving business. This change was not only cost and time-efficient but also created an opportunity for the HR team to keep abreast of current trends and to be able to reach out to more talents in the market.

In December 2020, B-Land’s parent company, BCorp was again listed as one of Malaysia’s 100 Leading Graduate Employers, for the 13th consecutive year.

iii. Learning and Development

B-Land continues its efforts on building a learning culture and a highly agile workforce which is future-proofed to meet the evolving workplace. Due to the COVID-19 pandemic, B-Land recognises the need to reimagine ways of fostering talent and building an agile future-ready workforce through learning and development programmes in order to thrive in a constantly changing world.

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

Unique and especially tailored, Berjaya’s Talent Management Programmes are designed to meet its future talent needs and to build opportunities for current talent growth. B-Land continues to enroll its employees in these programmes, namely the Berjaya Advanced Leadership Programme (“B.ALP”), Berjaya Manager Development Programme (“B.MDP”) and Berjaya Executive Development Programme (“B.EDP”), to help its employees develop and reach their full potential. To encourage greater safety awareness and protection among its computer users, Sports Toto provided “Cyber Security Awareness Training” to equip employees with the knowledge and skills they need to protect themselves from cybercrime.

iv. Employee Engagement and Wellbeing

The new normal has put most physical engagement activities on hold. However, it has created a higher awareness of the need to engage employees during this difficult time and throughout the recovery period. B-Land's priorities will be focused on strengthening the employee's agile mindset and psychological resilience which would be the best practical approach for them to balance and manage their work and personal life. B-Land also believes that cultivating empathy in the workplace is the key to more engaged employees which, in turn, will improve productivity at work.

The Berjaya Learning & Organisational Development unit organised a series of virtual talks and mini-workshops on topics related to mental and physical health and good lifestyle practices.

- On 7 September 2020, during the talk on "Step out in Style", employees were taught how to create a great first impression, how to look expensive within a budget, how to create a visually slimming effect and how to choose the best colours for apparel. This session attracted 82 employees.
- On 18 November 2020, 80 employees attended a talk on "The Triad to Better Manage Our Emotions" where employees were taught to control and manage emotions through their body and mind, reduce emotions of anxiety and fear, and increase emotions of confidence and courage.
- On 14 December 2020, 50 employees learnt how to develop resilience and awareness of change, accept reality, and be optimistic about the future through a talk entitled "Resilience in Times of Change and Uncertainty".
- A mini-workshop was organised on 28 September 2020 for employees on "The Art of Giving Feedback". A total of 50 employees benefited from this workshop where they learned how to give positive yet constructive feedback.
- On 10 March 2021, 45 employees attended a mini-workshop titled "Boost Your Mental Health" in which employees were informed on the signs of poor mental health and the importance of good mental health, as well as learnt ways to improve EQ and mental health.

- On 14 June 2021, 60 employees learnt tips on how to live a happier life for a better mental and physical health through a talk entitled "Joyfeel. Be Happier".

On 18 March 2021, the Berjaya Group Human Resource Division together with the Employee Engagement Committee ("EEC") organised a talk on Cancer Awareness: Prevention & Detection which was attended by 90 employees who gained a better understanding of the signs of cancer, the importance of early detection, the types of treatments and post-treatment care for cancer patients.

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

B-Land introduced "Sick Leave without Medical Certificate" in March 2021 for employees from Property Division as part of its continuous improvement on employee welfare and benefits. This initiative will foster a culture of trust and flexibility as employees may choose to rest at home if they are feeling unwell for work.

In October 2020, B-Land launched its first phase of mFlexHR, the mobile application version for the Employee Self-Service ("ESS") feature for e-Leave, e-Claim and e-Payslip. The mobile application was fully launched to all employees in March 2021, creating a seamless process and better employee experience in accessing ESS to view, submit or approve claims and leave applications.

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

Sports Toto continued its "Boost Your Health" campaign where fruits were provided daily to all its employees based in the Klang Valley. Employees were also provided with dental care products free-of-charge, twice yearly, to promote good hygiene.

SUSTAINABILITY STATEMENT

v. Culture of Volunteerism

A culture of 'giving back' to society is one of the most inspiring ways to engage employees. In the financial year under review, 142 B-Land employees participated in various charitable events across the country. The number of volunteers in the financial year under review had drastically reduced as most of the CSR projects were either postponed or cancelled due to the pandemic.

On 8 December 2020, Berjaya Group Human Resource Division together with the EEC organised a "Spark Joy" charity drive at Berjaya Corporate Office and Property Division, in collaboration with B.Youth and supported by Berjaya Books Sdn Bhd (Borders). Employees who participated in this special event fulfilled a wish list from the children of Rumah Hope and Rumah Charis. The Christmas gifts were sent to the children, bringing happiness during the Christmas season.



Employees looking at the wish list from the children of Rumah Hope and Rumah Charis.

B-Land and its subsidiaries also hosted several festive gatherings during Chinese New Year, Hari Raya, Deepavali and Christmas, with scrumptious treats, gifts and monetary tokens as well as entertainment for the less privileged.

8.3 Community Support

Despite the challenges faced during the financial year under review, the Group continued to carry out various projects to add value and uplift the communities within which it operates.

Community

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

To encourage a multi-generational living lifestyle where elderly parents live together with their children, Bayu Timur condominiums offer a dual-key concept, allowing for a separate section with its own entrance within the same apartment unit.

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

The COVID-19 pandemic posed challenges to the workers and consultants for the PD Division's ongoing projects such as The Tropika. Strict Standard Operating Procedures ("SOPs") were put in place in line with guidelines from the relevant authorities to ensure a safe working environment. A special task force was set up to ensure compliance with the SOPs. Meetings were conducted online using platforms such as Zoom or Google Meet to reduce contact and mitigate the spread of the virus. Workers with high temperature and persistent coughing and shortness of breath were kept away from the worksite. Social distancing and wearing 3-ply masks were also mandatory for all workers and visitors. The site office was also sprayed with disinfectant 3 times a day.

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The HouzKEY Homeownership Plan was introduced by Maybank for qualified applicants facing financial constraints to make down payments for a house purchase, or who may not have been eligible for a conventional housing loan at their current income level. Under this Plan, the bank buys the house on behalf of the owner, and within the next one to five years, the owner will pay a pre-agreed rental scheme. The HouseKEY Homeownership Plan is accorded to selected developers with a good track record and good housing products. Through this plan, 43 applicants have succeeded in becoming home owners at The Tropika, with an estimated purchase price value of RM34.3 million in total during the financial year under review.

In compliance with the SOPs set by the National Security Council to avoid large gatherings and practise social distancing, Sports Toto organised the 34th Sports Toto Chinese New Year Ang Pow Donation Campaign differently in the financial year under review, with 118 old folks' homes nationwide becoming beneficiaries of the campaign.

Sports Toto also collaborated with Sin Chew Daily, a vernacular news organisation, on a face mask campaign for school children. Sports Toto donated 70,000 face masks and Sin Chew Daily helped to distribute the face masks to selected primary schools in Kedah, Selangor, Pahang and Johor to ensure that school children could receive their education in a safe environment.



Sports Toto Chinese New Year Ang Pow Donation Campaign 2021.

In the Philippines, BPI collaborated with the Gawad Kalinga Community Development Foundation (“GK”), a Philippine-based poverty alleviation and nation-building organisation, to build houses for Filipinos hit by calamity and poverty-stricken families. To-date, BPI has built 1,342 houses in 33 villages all over the country. BPI’s contribution to GK for housing and non-housing projects amounted to Peso 208.2 million in total.

Education

B-Land supported the operating costs for two community education centres providing free English, Mathematics, computer and personal development lessons for underprivileged children and adults. During the financial year under review, approximately 5,300 students have benefitted from the programme.

In line with the objective to promote literacy and education, Sports Toto has been supporting the “Reading My Companion” learning programme since 2012 with the distribution of storybooks and storytelling sessions for students at micro-sized Chinese primary schools. Since schools were closed due to the COVID-19 pandemic, the programme has been deferred to the financial year 2022.

BPI has always been an advocate of uplifting lives through good education. Heeding the call of the government to the private sector to share resources and help improve the state of public schools, as well as to provide some of the latest technology for teaching, BPI donated projector units and Smart TVs to public high schools, namely, Makati High School in Makati City, Pinaglabanan Elementary School in San Juan City, and Liberato Damian Elementary School in Pasig City.

Sports

Sports Toto views sports development as a key element in nation-building and fostering national unity. Since its inception in 1983, Sports Toto has contributed substantial annual contributions to the National Sports Council, playing its part in helping the nation to groom sports talents over the past 38 years. During the financial year under review, Sports Toto continued to contribute to the National Sports Council in promoting national sports development.

Sports Toto was forced to either cancel or postpone all sports, educational, and cultural-related CSR projects due to the pandemic. The company is looking forward to resuming these CSR projects as soon as the pandemic is over as well as to look for other innovative ways to contribute to these core areas championed by Sports Toto.

9. GOVERNANCE SUSTAINABILITY

9.1 Good Governance

The Group’s employees are required to adhere to the Employees Code of Conduct to ensure that they observe good work practices to avoid any legal infringement or non-compliance in business operations. In addition, the Group also acknowledges the importance of providing a safe and trusted channel for its employees to escalate issues and concerns.

SUSTAINABILITY STATEMENT

As such, the Group has implemented a whistleblowing policy that accepts anonymous reports.

Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 ("Section 17A MACC Act") came into force on 1 June 2020. Adequate Procedures to Curb & Prevent Bribery and Corruption - T.R.U.S.T Concept was established within the Berjaya Corporation group of companies in response to the Section 17A MACC Act and to ensure strict adherence to and the effectiveness of the Group's anti-bribery and anti-corruption programmes/initiatives against any form of bribery and corruption. The T.R.U.S.T Concept applies to all the directors and employees of Berjaya, its business associates and any third party with whom Berjaya engages with. All B-Land employees were required to attend a mandatory online seminar on the T.R.U.S.T Concept. In the financial year under review, a total of 778 B-Land employees attended the mandatory online seminar.

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

Sports Toto achieved the World Lottery Association Security Control Standard: 2016 (WLA-SCS:2016) and ISO/IEC 27001:2013 certification in December 2019. The scope of the certification covers areas such as Management, Development, Sales, Draw, and Operation Support of Licensed Lottery Games. The certifications for WLA-SCS:2016 and ISO/IEC 27001:2013 are valid up to December 2022. WLA-SCS:2016 is the lottery sector's only internationally recognised security standard. It combines a comprehensive information security management baseline incorporating ISO/IEC 27001:2013, a leading international standard for information security management, with additional lottery-specific security controls representing best practices. The accreditation indicates that Sports Toto has met the stringent requirements of ISO/IEC 27001:2013 for establishing, implementing, maintaining, and continually improving its Information Security Management System, together with additional security requirements which are set forth by the WLA, including lottery specific and integrity controls.

Sports Toto attained level 2 of the Responsible Gaming certification from the World Lotteries Association in June 2020. For more information about Sports Toto's good governance practices, please refer to pages 30 to 31 of the Berjaya Sports Toto Berhad Annual Report 2021.



9.2 Compliance

a. Information Security and Privacy

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

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

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

The Board is pleased to provide an overview of the corporate governance (“CG”) practices, which made reference to the three key CG principles as set out in the MCCG throughout the financial year ended 30 June 2021 (“FYE 2021”) unless otherwise stated, which are as follows:-

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

This CG overview statement, approved by the Board, shall be read together with the CG Report 2021 (“CG Report”) of the Company which is available on the website of Bursa Malaysia Securities Berhad (“Bursa Securities”) at www.bursamalaysia.com.

The CG Report provides details on how the Company has applied each Practice, any departures thereof and the alternative measures being in place within the Company during the FYE 2021. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FYE 2021 save for the exceptions which are fully described in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

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

Chairman and Chief Executive Officer

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

The Board has delegated the day-to-day management of the Group’s business to the Chief Executive Officer (“CEO”) of the Company, Mr Syed Ali Shahul Hameed, 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. The CEO will focus on the business and leads 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 CEO may delegate appropriate functions to any member of the Senior Management reporting to the CEO.

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

Separation of Positions of the Chairman and Chief Executive Officer

The positions of the Chairman and CEO are held by two different individuals. The roles and responsibilities of the Chairman and CEO are distinct and separated to ensure that there is a 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 oversights of management and to ensure that there are appropriate checks and balances in discharging its oversight function: -

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

These Committees play a significant part in reviewing matters within each Committee's Terms of reference and facilitating the Board's discharge of its duties and responsibilities. Each of these Committees has specific terms of reference, scope and specific authorities to review matters and report to the Board with their recommendations. The Board reviews the terms of reference 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 the Company Secretaries, who are members of the professional body namely, The Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified under the Companies Act 2016. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, Main Market Listing Requirements of Bursa Securities and other relevant laws and regulations. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their Terms of Reference and best practices and ensuring adherence to the existing Board policies and procedures. The roles and responsibilities of the Company Secretaries have been formalised in the Board Charter which provides reference for Company Secretaries in the discharge of their roles and responsibilities.

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

Board Meetings and Meeting Materials

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

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

Access to information and advice

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

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

The Board has the following in place:-

(a) Board Charter

The Board has adopted a Board Charter to promote the standards of corporate governance and clarifies, amongst others, the roles and responsibilities of the Board, 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 on 24 May 2021 and a copy of the Board Charter is available on the Company's website at 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) Code of Conduct and Business Ethics

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(d) Whistleblowing Policy and Procedures

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

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

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

The Whistleblowing Policy and Procedures also serves as an avenue to safe guard against the acts of bribery and corruption pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

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

(e) 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 can be accessed on the Company's website at www.berjaya.com/berjaya-land/.

Sustainability Strategies

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

The Group strives to achieve a long-term sustainable balance between meeting its business goals, preserving the environment to sustain the ecosystem and 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 environment and the employees is set out in Sustainability Statement in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 six (6) members comprising the CEO, two (2) Executive Directors, three (3) Independent Non-Executive Directors (including the Chairman). The profiles of the Directors are set out in pages 3 to 6 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. Hence, the present Board composition of the Company is also in compliance with the requirements under Practice 4.1 of the MCCG which states that at least half of the Board comprises Independent Directors and representing 50% of the Board.

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

Name	Designation
Tan Sri Datuk Seri Panglima Richard Malanjum	Chairman /Independent Non-Executive Director
Syed Ali Shahul Hameed	Chief Executive Officer
Nerine Tan Sheik Ping	Executive Director
Chryseis Tan Sheik Ling	Executive Director
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 this diversity.

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

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

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

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

Currently, the Board has two (2) female Directors namely, Ms Nerine Tan Sheik Ping and Ms Chryseis Tan Sheik Ling and they represent about 33.33% ratio of the full Board.

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

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 2021, the Board met six (6) times and the attendance record of the Directors at the Board meetings were as follows:-

Directors	Attendance
Tan Sri Datuk Seri Panglima Richard Malanjum #	5/6
Syed Ali Shahul Hameed	6/6
Nerine Tan Sheik Ping	6/6
Chryseis Tan Sheik Ling	5/6
Datuk Robert Yong Kuen Loke #	6/6
Datuk Kee Mustafa #	5/6
Dato' Ng Sooi Lin † (Retired on 11 December 2020)	3/4*
John V Pridjian # ‡ (Resigned on 28 February 2021)	3/5*

Notes:

Independent Non-Executive Director.

* *Reflects the attendance and the number of Meetings held during the FYE 2021 since the Director held office.*

† *During the financial year, Dato' Ng Sooi Lin has retired as a Non-Independent Non-Executive Director of the Company at the conclusion of the Company's last Annual General Meeting held on 11 December 2020.*

‡ *During the financial year, Mr John V Pridjian has resigned as an Independent Non-Executive Director of the Company on 28 February 2021.*

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

Directors' Training

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

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

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the FYE 2021, the Directors had attended various training programmes and seminars, details of which were as follows:-

Director	Title of Programmes/Seminars/Courses/Forums
Tan Sri Datuk Seri Panglima Richard Malanjum	<ul style="list-style-type: none"> - Preparing the Board for a Post-COVID World - Shariah Investing Dialogue with PLCs 2021- Session 1 “Opportunities for Public Listed Companies in Shariah-Compliant Landscape” - MIA Webinar Series: Companies Act 2016 – Directors’ Duties and Responsibilities During the Pandemic Era and Beyond - Asia- Pacific Board Leadership Centre Webinar on Board and Audit Committee Priorities 2021 - Pre & Post IPO Rules and Key Updates to Listing Requirements
Syed Ali Shahul Hameed	<ul style="list-style-type: none"> - Preparing the Board for a Post-COVID World - FIABCI Morning Talk on “Driving Digital Investment Into Malaysia- What Can The Real Estate Industry Expect” - Asia- Pacific Board Leadership Centre Webinar on Board and Audit Committee Priorities 2021
Nerine Tan Sheik Ping	<ul style="list-style-type: none"> - Preparing the Board for a Post-COVID World
Chryseis Tan Sheik Ling	<ul style="list-style-type: none"> - Asia- Pacific Board Leadership Centre Webinar on Board and Audit Committee Priorities 2021
Datuk Robert Yong Kuen Loke	<ul style="list-style-type: none"> - MIA Webinar Series: Companies Act 2016 – Directors’ Duties and Responsibilities During the Pandemic Era and Beyond - Asia- Pacific Board Leadership Centre Webinar on Board and Audit Committee Priorities 2021 - MICPA Webinar – Towards A Comprehensive System of Corporate Reporting & Long Term Value Creation
Datuk Kee Mustafa	<ul style="list-style-type: none"> - MIA Webinar Series: Audit Committee Conference 2021 - Asia- Pacific Board Leadership Centre Webinar on Board and Audit Committee Priorities 2021

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

Appointment to the Board

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

Tan Sri Datuk Seri Panglima Richard Malanjum	- 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

The Chairman of the NC, Tan Sri Datuk Seri Panglima 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/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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, Senior Management staff, 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.

Annual Assessment

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

During FYE 2021, the NC 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 Directors who are retiring and being eligible for re-election;
- reviewed the performance of the Audit Committee and its members;
- reviewed and assessed the financial literacy of the Audit Committee members; and
- recommend to the Board, the retention of Independent Director.

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 of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years. The Company's Constitution also provides that a Director who is appointed during the year shall be subject to re-election at the next AGM to be held following his/her appointment pursuant to Clause 107 of the Company's Constitution.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

At the forthcoming Thirty-First AGM, the following Directors who are due for retirement and are eligible for re-election pursuant to Clause 117 of the Company's Constitution are as follows:-

Directors	Retiring Pursuant to
i Datuk Robert Yong Kuen Loke	Clause 117
ii Nerine Tan Sheik Ping	Clause 117

Tenure of Independent Directors

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

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

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

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

Datuk Robert Yong Kuen Loke was re-designated from a Non-Independent Non-Executive Director to an Independent Non-Executive Director of the Company on 1 December 2009 and has therefore served the Company as an Independent Director for a cumulative term of more than eleven (11) years at the end of the financial year under review.

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

- (i) he fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Securities, and being independent, he will be able to function as a check and balance, bring an element of objectivity to the Board.
- (ii) he has been with the Company for more than 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 the best interests of the Company.
- (iv) he has exercised his due care during his tenure as an Independent Non-Executive Director of the Company as well as the Chairman of Audit Committee, Risk Management Committee and Sustainability Committee and he has carried out his professional duties proficiently in the interests of the Company and the shareholders.

The Board takes cognizance of the recommendation of the MCCG which states that if the Board continues to retain an Independent Director after the twelfth year, the Board should seek annual shareholders' approval through a two-tier voting process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

However, the Company will seek approval of shareholders through a single tier voting process for the ordinary resolution to retain Datuk Robert Yong Kuen Loke who has served the Company for more than twelve 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, Tan Sri Datuk Seri Panglima Richard Malanjum, Datuk Robert Yong Kuen Loke and Datuk Kee Mustafa based on criteria set out in the Main Market Listing Requirements of Bursa Securities.

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

Remuneration Policies and Procedures

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

Tan Sri Datuk Seri Panglima Richard Malanjum	-	Chairman/ Independent Non-Executive Director
Datuk Robert Yong Kuen Loke*	-	Member/ Independent Non-Executive Director
Datuk Kee Mustafa	-	Member/ Independent Non-Executive Director
Dato' Ng Sooi Lin**	-	Member/ Non-Independent Non-Executive Director

(Retired on 11 December 2020)

Notes:

- * During the FYE 2021, Datuk Robert Yong Kuen Loke has been appointed as a member of the Remuneration Committee on 11 December 2020.
- ** During the FYE 2021 Dato' Ng Sooi Lin has retired as a Non-Independent Non-Executive Director of the Company at the conclusion of the Company's Thirtieth AGM held on 11 December 2020. He has also retired as a Member of the Remuneration Committee on 11 December 2020.

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

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

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

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

Details of Directors' remuneration paid or payable to all Directors of the Company (by both the Company and the Group) and categorised into appropriate components for FYE 2021 are as follows:-

Company

	← RM →					
	Fees	Salaries	Bonuses	Benefits in-kind	Other Emoluments	Total
Executive						
Syed Ali Shahul Hameed	-	236,000.00	-	24,600.00	58,790.13	319,390.00
Nerine Tan Sheik Ping	-	-	-	-	-	-
Chryseis Tan Sheik Ling	-	-	-	-	-	-
Non-Executive						
Tan Sri Datuk Seri Panglima Richard Malanjum	84,000.00	-	-	-	26,400.00	110,400.00
Datuk Robert Yong Kuen Loke	84,000.00	-	-	-	28,300.00	112,300.00
Datuk Kee Mustafa	84,000.00	-	-	-	23,000.00	107,000.00
Dato' Ng Sooi Lin* <i>(Retired on 11 December 2020)</i>	37,483.87	-	-	10,500.00	9,000.00	56,984.00
John V Pridjian** <i>(Resigned on 28 February 2021)</i>	56,000.00	-	-	-	12,000.00	68,000.00
	345,483.87	236,000.00	-	35,100.00	157,490.13	774,074.00

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Group

	← RM →					
	Fees	Salaries	Bonuses	Benefits in-kind	Other Emoluments	Total
Executive						
Syed Ali Shahul Hameed	-	507,400.00	-	24,600.00	815,446.04	1,347,446.04
Nerine Tan Sheik Ping	-	1,547,000.00	195,000.00	12,500.00	210,963.40	1,965,463.40
Chryseis Tan Sheik Ling	-	522,900.00	-	-	64,594.80	587,494.80
Non-Executive						
Tan Sri Datuk Seri Panglima Richard Malanjum	84,000.00	-	-	-	401,392.80	485,392.80
Datuk Robert Yong Kuen Loke	164,000.00	-	13,000.00	12,498.00	215,452.80	404,950.80
Datuk Kee Mustafa	84,000.00	-	-	-	23,000.00	107,000.00
Dato' Ng Sooi Lin* (Retired on 11 December 2020)	37,483.87	-	-	10,500.00	9,000.00	56,983.87
John V Pridjian** (Resigned on 28 February 2021)	56,000.00	-	-	-	12,000.00	68,000.00
	425,483.87	2,577,300.00	208,000.00	60,098.00	1,751,849.84	5,022,731.71

Notes:

* During the FYE 2021, Dato' Ng Sooi Lin has retired as a Non-Independent Non-Executive Director of the Company at the conclusion of the Company's Thirtieth AGM held on 11 December 2020.

** During the FYE 2021, John V Pridjian has resigned as an Independent Non-Executive Director on 28 February 2021.

Remuneration of Key Senior Management

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

	Number of Key Senior Management
RM200,001 - RM250,000	1
RM400,001 - RM450,000	1
RM500,001 - RM550,000	1
RM1,700,001 - RM1,750,000	1
RM19,950,001 - RM20,000,000	1
	5

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

(Resigned on 28 February 2021)

During the FYE 2021, John V Pridjian has resigned as an Independent Non-Executive Director on 28 February 2021.

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

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

The Board is assisted by the Audit Committee to oversee the 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 and International Financial Reporting Standards in Malaysia.

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

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 57 to 61 of this Annual Report.

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

Based on the evaluation, the NC concluded that the Audit Committee has been effective in its performance and has carried out its duties in accordance with its TOR during FYE 2021.

Assessment of External Auditors

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Audit Committee has adopted an External Auditors Policy (“EA Policy”) which outlines the policies and procedures for the Audit Committee to govern the assessment and to monitor the External Auditors. The EA Policy covers, among others, the appointment of External Auditors, assessment of External Auditors, independence of External Auditors, non-audit services including the need to obtain approvals from the Chief Financial Officer (if any)/ Executive Director/ Head of Group Accounts or the Audit Committee for non-audit work up to a certain threshold and the annual reporting and rotation of the External Audit Engagement Partner. In addition, the EA Policy also included a requirement for a former audit partner to observe a cooling-off period of at least two (2) 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, the annual review of the Statement on Risk Management and Internal Control. The non-recurring non-audit services are acting as reporting accountants for any corporate exercises.

During the FYE 2021, the amount of statutory audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for FYE 2021 were as follows: -

	Company		Group	
	FYE2021 RM’000	FYE2020 RM’000	FYE2021 RM’000	FYE2020 RM’000
Statutory audit fees paid/payable to:-				
- Ernst & Young PLT (“EY”) Malaysia				
(i) Current financial year	684	976	1,886	2,329
(ii) Underprovision in previous financial year	-	48	44	200
- Affiliates of EY Malaysia	-	-	749	602
Total (a)	684	1,024	2,679	3,131
Non-audit fees paid/payable to:-				
- EY Malaysia	16	14	325	334
- Affiliates of EY Malaysia	-	-	-	-
Total (b)	16	14	325	334
% of non-audit fees (b/a)	2%	1%	12%	11%

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Risk Management and Internal Control

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

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

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

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

Datuk Robert Yong Kuen Loke	- Chairman/ Independent Non-Executive Director
Tan Sri Datuk Seri Panglima Richard Malanjum	- Member/ Independent Non-Executive Director
Datuk Kee Mustafa	- Member/ Independent Non-Executive Director
Dato' Ng Sooi Lin* (Retired on 11 December 2020)	- Member/ Non-Independent Non-Executive Director
John V Pridjian** (Resigned on 28 February 2021)	- Member/ Independent Non-Executive Director

Notes:

* During the FYE 2021, Dato' Ng Sooi Lin has retired as a Non-Independent Non-Executive Director of the Company at the conclusion of the Company's Thirtieth AGM held on 11 December 2020.

** During the FYE 2021, John V Pridjian has resigned as an Independent Non-Executive Director on 28 February 2021.

A Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal controls within the Group is set out on Page 53 to 56 of the Annual Report.

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

Communication with Stakeholders

The Company strives to maintain an open transparent channel of communication with its 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/ 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Conduct of General Meetings

The Company's AGM remains 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 are also present to provide professional and independent clarification on issues and concerns raised by the shareholders in connection with the Audited Financial Statements.

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

The Company despatches its notice of Annual General Meeting ("AGM") at least twenty-eight (28) days before the AGM together with a copy of an 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/ and 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 present at the general meetings 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.

All Board members (including all members of the Board Committees), the CFO, the Management and the External Auditors of the Company attended the last AGM and provided meaningful response to shareholders' queries during the meeting.

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 Thirtieth AGM held on 11 December 2020, all the resolutions passed by the shareholders at the said AGM were voted by way of a poll. In view of the COVID-19 pandemic, the Company had leveraged on technology by conducting the Company's Thirtieth 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://sshsb.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.

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 AGM are also available on the Company's website after they were confirmed and signed by the Chairman of the AGM.

This CG Overview Statement was approved by the Board of Directors of the Company on 15 October 2021.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

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

RESPONSIBILITY

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

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

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

MANAGEMENT STYLE

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

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

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

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

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

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

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

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 57 to 61 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/.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

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/.

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 2021 are Datuk Robert Yong Kuen Loke (Chairman), Tan Sri Datuk Seri Panglima Richard Malanjum and Datuk Kee Mustafa. Dato' Ng Sooi Lin had retired on 11 December 2020 and Mr. John V Pridjian had resigned on 28 February 2021.

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 2021, the Risk Management Committee held four meetings where it reviewed the Group's Adequate Procedures To Curb and Prevent Bribery and Corruption – T.R.U.S.T Concept, the risk management reports of various unlisted operating subsidiary companies (i.e. Berjaya Beau Vallon Bay Beach Resort Limited, Berjaya Praslin Limited, Berjaya Okinawa Development Co. Ltd - ANSA Okinawa Resort and KDE Recreation Berhad), and recommended certain measures to be adopted to mitigate their business risks.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

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 2021, 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 2021 (“FYE 2021”).

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*

Tan Sri Datuk Seri Panglima Richard Malanjum

- *Independent/Non-Executive Director*

Datuk Kee Mustafa

- *Independent/Non-Executive Director*

The Audit Committee held five (5) meetings during the FYE 2021. The details of attendance of the Audit Committee members are as follows:-

Name	Attendance
Datuk Robert Yong Kuen Loke	5/5
Tan Sri Datuk Seri Panglima Richard Malanjum	5/5
Datuk Kee Mustafa	5/5
John V Pridjian [@] <i>(Resigned on 28 February 2021)</i>	2/4*

Notes:

* *Reflects the attendance and the number of Meetings held during the FYE 2021 since the Director held office.*

@ *During the financial year ended 30 June 2021, John V Pridjian has resigned as an Independent Non-Executive Director of the Company on 28 February 2021.*

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

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

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.

In discharging its duties and responsibilities, the Audit Committee had undertaken the following activities and work during the FYE 2021:-

Financial Reporting

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

Date of Meetings	Interim Financial Statements Reviewed
26 August 2020	Fourth quarter results as well as the unaudited results of the Group for financial year ended 30 June 2020
15 October 2020	Draft statutory accounts of the Group for the financial year ended 30 June 2020
24 November 2020	First quarter results for financial year ended 30 June 2021
24 February 2021	Second quarter results for financial year ended 30 June 2021
24 May 2021	Third quarter results for financial year ended 30 June 2021

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 Standards in Malaysia and International Accounting Standard 34 - Interim Financial Reporting as well as the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

- (b) Reviewed the audited financial statements of the Company and the Group for the financial year ended 30 June 2020 together with the Management and the External Auditors at its meeting held on 15 October 2020 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval.

External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 June 2020 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence as well as the audit fees of the External Auditors. The Audit Committee, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young PLT ("EY"), had recommended to the Board for approval of the re-appointment of EY as External Auditors for the ensuing FYE 2021 at its meeting held on 15 October 2020.
- (b) Discussed and considered the significant accounting adjustments and auditing issues arising from the interim audit as well as the final audit with the External Auditors. The Audit Committee also had private discussions with EY on 24 August 2020 and 15 October 2020, without the presence of Management during the review of the audited financial statements for the financial year ended 30 June 2020 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 2021, their audit plan in respect of the FYE 2021, outlining the audit scope, methodology and timetable, audit materiality, areas of audit emphasis, fraud consideration and the risk of management override, internal control considerations, digital audit, update on the New Section 113(B), 124(3) and Section 140A of the Malaysian Income Tax Act 1967 and also the auditor's update on Malaysian Code on Corporate Governance ("MCCG") 2021.

AUDIT COMMITTEE REPORT

Internal Audit

(a) Reviewed ten (10) Internal Audit reports on the various non-listed operating subsidiaries of the Group during the financial year under review. Areas covered by the Internal Audit included the following :-

- Management and internal controls
- Finance and cash handling management
- Human Resource related matters
- Project Management
- Club Memberships
- Sales, Marketing and Tenancy Management
- Information Technology
- Building Maintenance and Safety & Security Controls Management
- Refurbishment/Renovation Exercise
- Purchasing, Inventories & Maintenance
- Administrative control issue
- Vehicle Maintenance
- Customer Service
- Front Office & Reservation and housekeeping
- Food and Beverage operations

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 2022 to ensure that the scope and coverage of the internal audit on the operations of the BLand Group is adequate and comprehensive and that all the risk areas are audited annually.

Recurrent Related Party Transactions

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

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

- (i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (ii) The Related Parties and interested Directors will be notified of the method and/or procedures of the Group;
- (iii) Records of Recurrent Related Party Transactions will be retained and compiled by the Group Accountant for submission to the Audit Committee for review;
- (iv) The Audit Committee is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the Group;
- (v) The Audit Committee also reviewed the procedures and processes with regards to the Recurrent Related Party Transactions on a half yearly basis to ensure that the transactions are within the approved mandate;
- (vi) Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the extraordinary general meeting or annual general meeting to be convened for the purpose; and

AUDIT COMMITTEE REPORT

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

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

Related Party Transactions

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

During the FYE 2021, the Audit Committee had reviewed among others, the following related party transactions, prior to their recommendations to the Board for approval and to make the relevant announcements thereof:-

- (i) Proposed acquisitions of additional 10.00 million ordinary shares in 7-Eleven Malaysia Holdings Berhad ("SEM") in the open market or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group's equity interest in SEM from 4.29% to 5.44%, so as to enable the BLand Group to increase its investment in SEM which has good dividend record.
- (ii) Proposed acquisition of up to 22.0 million ordinary shares in SEM in the open market and/or via direct business transactions based on the then prevailing market prices, which had resulted in an increase of BLand Group's equity interest in SEM from 4.58% to 6.51%, so as to enable the BLand Group to increase its investment in SEM which has good dividend record.
- (iii) Proposed acquisition of a motor vehicle from Berjaya Hills Resort Berhad ("BHRB") for a total cash consideration of RM5,000.
- (iv) Proposed disposals of up to 15.25 million ordinary shares in Berjaya Food Berhad ("BFood") via direct business transactions, so as to enable the BLand Group to utilize for working capital.
- (v) Proposed disposals of up to a total of 30.00 million ordinary shares representing up to its entire 2.66% equity interest in SEM via direct business transactions, so as to enable the BLand Group to realise part of its investment in SEM to raise fund for the repayment of its bank borrowings and/or working capital.
- (vi) Proposed disposals of up to a total of 8.35 million ordinary shares representing up to its entire 2.35% equity interest in BFood via direct business transactions, so as to enable for the BLand Group to utilize the gross proceeds from the proposed disposals to repay its bank borrowings and/or for working capital.

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 2020 Annual Report.
- (b) Reviewed, discussed and took note of the new accounting standards and amendments that came into effect during the financial year including the assessment of adoption of new accounting standard – MFRS 16: Leases and other regulatory requirements with External Auditors and the Management and its impact on the financial statements.
- (c) Reviewed and assessed the financial literacy of Audit Committee members for the financial year ended 30 June 2020.

AUDIT COMMITTEE 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 2021 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 the financial year under review, the Internal Audit Division conducted audit assignments on various operating units of the Group involved in golf club operations, trading of goods, property development, investment and management, operating and managing chartered air transport services.

The cost incurred for the Internal Audit function of the Group in respect of the financial year ended 30 June 2021 was approximately RM1,046,669.

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

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

STATEMENT OF DIRECTORS' RESPONSIBILITY

IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

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

In preparing the financial statements, the directors have:

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

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

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



FINANCIAL STATEMENTS

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DIRECTORS' 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 2021.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiary companies consist of:

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

RESULTS

	GROUP RM'000	COMPANY RM'000
Loss for the financial year	<u>(142,263)</u>	<u>(64,644)</u>
Loss attributable to:		
Owners of the Parent	(247,644)	(64,644)
Non-controlling interests	105,381	-
	<u>(142,263)</u>	<u>(64,644)</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 2021.

DIRECTORS' REPORT

DIRECTORS

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

Tan Sri Datuk Seri Panglima Richard Malanjum

Syed Ali Shahul Hameed

Nerine Tan Sheik Ping

Chryseis Tan Sheik Ling

Datuk Robert Yong Kuen Loke

Datuk Kee Mustafa

Dato' Ng Sooi Lin

John V Pridjian

(Retired on 11 December 2020)

(Resigned on 28 February 2021)

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, except as disclosed in Note 44 to the financial statements.

The Company maintained a Directors' and Officers' Liability Insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and for the Group. The total amount of insurance premium effected for any director and officer of the Company and of the Group for the financial year was RM78,556. 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' REPORT

DIRECTORS' INTERESTS (CONT'D)

THE COMPANY

Berjaya Land Berhad	Number of Ordinary Shares			At 30.6.2021
	At 1.7.2020	Bought	Sold	
Nerine Tan Sheik Ping	2,000,000	-	-	2,000,000
Chryseis Tan Sheik Ling	5,000,000	-	-	5,000,000
Datuk Robert Yong Kuen Loke	360,808	-	-	360,808

ULTIMATE HOLDING COMPANY

Berjaya Corporation Berhad ("BCorp")	Number of Ordinary Shares			At 30.6.2021
	At 1.7.2020	Bought	Sold	
Chryseis Tan Sheik Ling	202,910	8,116 #	-	211,026
Datuk Robert Yong Kuen Loke	1,051,545	42,061 #	-	1,093,606

Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value

	Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value			At 30.6.2021
	At 1.7.2020	Bought	Sold	
Nerine Tan Sheik Ping	132,000	-	-	132,000
Chryseis Tan Sheik Ling	275,000	-	-	275,000
Datuk Robert Yong Kuen Loke	2,516,508	-	-	2,516,508

Number of Warrants 2012/2022

	Number of Warrants 2012/2022			At 30.6.2021
	At 1.7.2020	Bought	Sold	
Datuk Robert Yong Kuen Loke	170,108	-	-	170,108

RELATED COMPANY

Berjaya Sports Toto Berhad ("BToto")	Number of Ordinary Shares			At 30.6.2021
	At 1.7.2020	Bought	Sold	
Datuk Robert Yong Kuen Loke	123,667	1,236 *	-	124,903

Share dividend distribution by BCorp on the basis of 4 BCorp treasury shares for every 100 existing BCorp ordinary shares on 15 October 2020.

* Share dividend distribution by BToto on the basis of 1 BToto treasury share for every 100 existing BToto ordinary shares on 8 October 2020.

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 2021 was as follows:

	Average price per share (RM)	Number of shares '000	Amount RM'000
At 1 July 2020/30 June 2021	0.42	79,837	33,643

As at 30 June 2021, the number of ordinary shares in issue and fully paid with voting rights was 4,920,500,000 ordinary shares (2020 : 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.
- (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.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D)

- (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 18 October 2021.

DATUK ROBERT YONG KUEN LOKE

SYED ALI SHAHUL HAMEED

STATEMENT BY DIRECTORS

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

We, DATUK ROBERT YONG KUEN LOKE and SYED ALI SHAHUL HAMEED, being two of the Directors of BERJAYA LAND BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 71 to 236 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 2021 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 18 October 2021.

DATUK ROBERT YONG KUEN LOKE

SYED ALI SHAHUL HAMEED

STATUTORY DECLARATION

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

I, SYED ALI SHAHUL HAMEED, being the Director primarily responsible for the financial management of BERJAYA LAND BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 71 to 236 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed SYED ALI SHAHUL HAMEED
at Kuala Lumpur in the Federal Territory
on 18 October 2021.

SYED ALI SHAHUL HAMEED

Before me,

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

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	GROUP		COMPANY	
		2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3	1,938,953	1,897,195	1,659	1,906
Right-of-use assets	4	1,172,983	1,165,382	-	-
Subsidiary companies	7	-	-	3,517,468	3,355,262
Investment properties	5	704,115	712,071	-	-
Inventories - Land held for property development	6	1,179,891	1,095,083	-	-
Associated companies	8	324,601	468,067	43,339	43,339
Joint ventures	9	43,689	53,689	-	-
Investments	10	208,020	190,384	58,401	58,435
Intangible assets	11	3,609,310	3,612,867	-	-
Receivables	13	314,837	211,807	930,109	829,140
Retirement benefit assets	24	9,927	-	-	-
Deferred tax assets	26	77,241	77,103	-	-
		<u>9,583,567</u>	<u>9,483,648</u>	<u>4,550,976</u>	<u>4,288,082</u>
CURRENT ASSETS					
Inventories - Property development costs	6	106,879	73,099	-	-
Inventories - Others	6	528,916	667,576	-	-
Contract cost assets	12	12,830	118,257	-	-
Receivables	13	1,781,298	2,055,955	498,048	1,123,435
Contract assets	14	52,702	8,032	-	-
Tax recoverable		18,243	26,423	-	-
Short term investments	15	11,207	8,727	-	-
Derivative asset	25	80	343	80	343
Deposits	16	371,001	242,161	35,756	66,423
Cash and bank balances	17	277,382	402,048	4,502	5,486
		<u>3,160,538</u>	<u>3,602,621</u>	<u>538,386</u>	<u>1,195,687</u>
Assets of disposal group/Non-current assets classified as held for sale	18	187,768	778,056	-	-
		<u>3,348,306</u>	<u>4,380,677</u>	<u>538,386</u>	<u>1,195,687</u>
TOTAL ASSETS		<u>12,931,873</u>	<u>13,864,325</u>	<u>5,089,362</u>	<u>5,483,769</u>

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	GROUP		COMPANY	
		2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
EQUITY					
Share capital	19	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	20	1,376,341	1,653,037	565,003	616,071
Equity funds		3,876,509	4,153,205	3,065,171	3,116,239
Treasury shares	21	(33,643)	(33,643)	(33,643)	(33,643)
Net equity funds		3,842,866	4,119,562	3,031,528	3,082,596
Non-controlling interests		2,062,916	2,134,130	-	-
Total Equity		5,905,782	6,253,692	3,031,528	3,082,596
NON-CURRENT LIABILITIES					
Long term borrowings	22	1,721,389	2,338,311	457,277	843,276
Lease liabilities	4	942,930	947,078	-	-
Contract liabilities	14	205,375	224,512	-	-
Long term liabilities	23	96,754	22,938	394,021	367,547
Retirement benefit obligations	24	5,713	7,176	-	-
Derivative liabilities	25	-	28,239	-	-
Deferred tax liabilities	26	993,958	1,010,771	-	-
		3,966,119	4,579,025	851,298	1,210,823
CURRENT LIABILITIES					
Payables	27	1,374,198	1,224,973	650,077	579,798
Short term borrowings	28	1,367,394	1,285,547	548,703	596,615
Lease liabilities	4	77,922	73,735	-	-
Contract liabilities	14	221,485	326,330	-	-
Retirement benefit obligations	24	115	49	-	-
Derivative liabilities	25	640	763	640	763
Provisions	29	2,208	3,031	-	-
Tax payable		16,010	13,647	7,116	13,174
		3,059,972	2,928,075	1,206,536	1,190,350
Liabilities directly associated to disposal group classified as held for sale	18	-	103,533	-	-
		3,059,972	3,031,608	1,206,536	1,190,350
Total Liabilities		7,026,091	7,610,633	2,057,834	2,401,173
TOTAL EQUITY AND LIABILITIES		12,931,873	13,864,325	5,089,362	5,483,769

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 2021

	Note	GROUP		COMPANY	
		2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Revenue	30	5,406,076	5,160,309	95,531	289,774
Cost of sales		(4,278,163)	(4,023,516)	-	-
Gross profit		1,127,913	1,136,793	95,531	289,774
Other income	31	118,598	183,090	1,044	497
Administrative expenses		(867,502)	(841,129)	(32,339)	(37,303)
Selling and marketing expenses		(228,451)	(298,603)	-	-
Investment related income	32	150,558	180,151	64,236	252,968
Investment related expenses	33	139,759	108,888	51,943	66,973
Finance costs	34	(61,335)	(25,266)	(83,810)	(74,935)
Share of results of associated companies		(197,489)	(199,004)	(91,859)	(113,304)
Share of results of joint ventures		(64,815)	152,352	-	-
(Loss)/Profit before tax	35	(8,910)	(3,505)	-	-
Taxation	38	(42,232)	213,616	(59,490)	131,702
(Loss)/Profit for the financial year		(100,031)	(141,847)	(5,154)	(18,698)
Attributable to:		(142,263)	71,769	(64,644)	113,004
Owners of the Parent		(247,644)	(36,838)	(64,644)	113,004
Non-controlling interests		105,381	108,607	-	-
		(142,263)	71,769	(64,644)	113,004
Loss per share attributable to owners of the Parent (sen)	39				
Basic		(5.03)	(0.74)		

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 2021

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
(Loss)/Profit for the financial year	(142,263)	71,769	(64,644)	113,004
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Currency translation differences:				
- Movement during the financial year	33,444	16,353	-	-
- 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")	22,887	(28,293)	13,576	(1,767)
Share of associated companies' changes in fair values of FVTOCI investments	2,823	(4,520)	-	-
Actuarial gain/(loss) recognised in defined benefit pension scheme	11,974	(4,708)	-	-
Tax effect relating to defined benefit pension scheme	(2,977)	1,001	-	-
Share of other comprehensive loss of associated companies	(99)	(19)	-	-
Total comprehensive income for the financial year	(139,720)	51,583	(51,068)	111,237
Attributable to:				
Owners of the Parent	(276,696)	(62,877)	(51,068)	111,237
Non-controlling interests	136,976	114,460	-	-
	(139,720)	51,583	(51,068)	111,237

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 2021

	Attributable to owners of the Parent										
	Non-distributable					Distributable					
	Share capital	Foreign currency translation reserve	Fair value through other comprehensive income	Fair value reserve	Consolidation reserve	Capital reserve	Retained earnings	Treasury shares	Net equity funds	Non-controlling interests	Total equity
GROUP 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At beginning of financial year - restated	2,500,168	119,816	(62,049)	1,054,940	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:											
Non-controlling interests effects arising from:											
- changes in equity interest in a subsidiary company	-	-	-	-	-	-	-	-	-	(18,230)	(18,230)
- acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	2,459	2,459
- disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	(128,583)	(128,583)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(63,836)	(63,836)
	-	-	-	-	-	-	-	-	-	(208,190)	(208,190)
At end 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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

GROUP 2020	Attributable to owners of the Parent										Total equity RM'000		
	Non-distributable					Distributable							
	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value through other com- -prehensive income RM'000	Fair value reserve RM'000	Foreign currency translation reserve of disposal group classified as held for sale RM'000	Reserve of non-current asset held held for sale RM'000	Consolidation reserve RM'000	Capital reserve RM'000	Retained earnings RM'000	Treasury shares RM'000	Net equity funds RM'000	Non- controlling interests RM'000	
At beginning of financial year	2,500,168	181,101	(44,994)	1,054,940	-	877	80,064	116,528	309,429	(20,699)	4,177,414	2,080,907	6,258,321
Loss for the financial year - as previously stated	-	-	-	-	-	-	-	-	(65,072)	-	(65,072)	108,607	43,535
Prior year adjustment	-	-	-	-	-	-	-	-	28,234	-	28,234	-	28,234
Loss for the financial year - restated	-	-	-	-	-	-	-	-	(36,838)	-	(36,838)	108,607	71,769
Other comprehensive income	-	(6,701)	(18,342)	-	-	-	-	-	(996)	-	(26,039)	5,853	(20,186)
Total comprehensive income - restated	-	(6,701)	(18,342)	-	-	-	-	-	(37,834)	-	(62,877)	114,460	51,583
Effects arising from the disposals of:	-	-	1,287	-	-	-	-	-	(1,287)	-	-	-	-
- FVTOCI investments	-	-	-	-	-	(877)	-	-	877	-	-	-	-
- a non-current asset	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to disposal group classified as held for sale	-	(66,953)	-	-	66,953	-	-	-	-	-	-	-	-
Transactions with owners:	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interests effects arising from:	-	-	-	-	-	-	-	-	-	-	-	-	-
- changes in equity interest in a subsidiary company	-	-	-	-	-	-	5,600	-	-	-	5,600	1,390	6,990
- acquisition of subsidiary companies	-	12,369	-	-	-	-	-	-	-	-	12,369	1,979	14,348
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	(12,944)	(12,944)	-	(12,944)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(64,606)	(64,606)
	-	12,369	-	-	-	-	5,600	-	-	(12,944)	5,025	(61,237)	(56,212)
At end of financial year - restated	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

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 2021

COMPANY	Share capital RM'000	Non-distributable Fair value through other com- -prehensive income reserve RM'000	Distributable Retained earnings RM'000	Treasury shares RM'000	Total equity RM'000
At 1 July 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	-	-
At 30 June 2021	2,500,168	(6,026)	571,029	(33,643)	3,031,528
At 1 July 2019	2,500,168	(7,276)	512,110	(20,699)	2,984,303
Profit for the financial year	-	-	113,004	-	113,004
Other comprehensive income	-	(1,767)	-	-	(1,767)
Total comprehensive income	-	(1,767)	113,004	-	111,237
Transaction with owners: Acquisition of treasury shares	-	-	-	(12,944)	(12,944)
At 30 June 2020	2,500,168	(9,043)	625,114	(33,643)	3,082,596

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 2021

	GROUP	
	2021 RM'000	2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers/operating revenue	5,485,447	5,433,730
Payment to prize winners, suppliers and other operating expenses	(4,535,111)	(4,614,633)
Payment for pool betting duties, gaming tax, goods and services tax and other government contributions	(424,835)	(547,781)
Payment of development expenditure	(150,365)	(123,850)
Payment of taxes	(115,513)	(152,316)
Refund of taxes	4,238	5,618
Other receipts	78,267	17,033
Net cash generated from operating activities	<u>342,128</u>	<u>17,801</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment and other non-current assets	1,009	31,008
Sale of investments	60,295	23,398
Sale of partial equity interest in a subsidiary company	-	26,835
Sale of short term investments	2,000	1,250
Sale of equity interest in an associated company	206	-
Acquisition of property, plant and equipment (Note a)	(87,269)	(117,155)
Acquisition of properties and other non-current/current assets	(48,757)	(25,078)
Part payment for right-of-use assets (Note b)	(9,450)	(19,504)
Acquisition of treasury shares by a subsidiary company	(18,230)	(19,845)
Net cash inflow/(outflow) from disposal of subsidiary companies (Note c)	405,904	(10,269)
Net cash inflow/(outflow) from the acquisition of subsidiary companies (Note c)	435	(221,417)
Net cash outflow from acquisition of additional equity interests in a subsidiary company	(4,134)	-
Acquisition of additional equity interests in associated companies	(8,763)	(9,207)
Advance for subscription of shares in a joint venture	-	(500)
Acquisition of investments	(53,329)	(61,704)
Acquisition of computer software classified as intangible assets	(2,419)	(2,347)
Interest received	12,819	17,812
Dividends received	187,203	106,455
Net advances from related companies	72,629	34,927
Net repayment from joint ventures	12,054	44,812
Other payments arising from investments	(19,735)	(715)
Net cash generated from/(used in) investing activities	<u>502,468</u>	<u>(201,244)</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	GROUP	
	2021 RM'000	2020 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of medium term notes and Sukuk Wakalah MTNs	185,360	358,960
Drawdown of bank borrowings and other loans	233,739	819,071
Repayment of bank borrowings and other loans	(790,487)	(351,666)
Redemption of medium term notes	(200,000)	(460,000)
Interest paid	(176,740)	(150,974)
Payment of finance lease and hire purchase liabilities	(9,156)	(8,751)
Payment of lease liabilities	(41,850)	(39,969)
Dividends paid to non-controlling interests	(51,879)	(100,454)
Acquisition of treasury shares	-	(12,944)
Withdrawals of deposits pledged for borrowings	24,973	825
Net cash (used in)/generated from financing activities	<u>(826,040)</u>	<u>54,098</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,556	(129,345)
EFFECTS OF EXCHANGE RATE CHANGES	7,462	3,722
OPENING CASH AND CASH EQUIVALENTS	555,111	680,734
CLOSING CASH AND CASH EQUIVALENTS (Note d)	<u>581,129</u>	<u>555,111</u>

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

	GROUP	
	2021 RM'000	2020 RM'000
Cash	87,269	117,155
Hire purchase and leasing	1,397	1,114
Prepayment made in preceding financial year	57,408	-
Accruals for capital work-in-progress/restoration cost	18,156	1,055
	<u>164,230</u>	<u>119,324</u>
(b) The additions of right-of-use assets were by way of:		
Lease liabilities	10,114	83,099
Payables	-	10,790
Cash paid for addition during the financial year	-	19,504
	<u>10,114</u>	<u>113,393</u>
Cash paid for remaining outstanding sum of acquisition in preceding financial year	9,450	-

(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 2021

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

	GROUP	
	2021 RM'000	2020 RM'000
Deposits (Note 16)	371,001	242,161
Cash and bank balances (Note 17)	277,382	402,048
Bank overdrafts (Note 28)	(14,579)	(10,224)
	633,804	633,985
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(43,661)	(67,502)
- Cash and bank balances (Note 17)	(4,422)	(5,554)
	585,721	560,929
Less: Deposits with maturities more than 3 months Including: Cash and cash equivalents of disposal group classified as held for sale (Note 18)	(4,592)	(6,785)
	-	967
	581,129	555,111

(e) Reconciliation of liabilities arising from financing activities:

	Medium term notes and Sukuk Wakalah MTNs		Bank borrowings and other loans	Lease liabilities	Finance lease and hire purchase liabilities		Total RM'000
	RM'000	RM'000			RM'000	RM'000	
2021							
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		
2020							
At beginning of financial year	1,298,385	1,604,354	403,634	69,324	3,375,697		
Drawdown of borrowings	358,960	819,071	-	-	1,178,031		
Arising from acquisition of subsidiary companies	-	273,729	560,786	-	834,515		
Additional hire purchase liabilities	-	-	-	1,114	1,114		
Additional lease liabilities	-	-	83,099	-	83,099		
Repayment of borrowings	(460,000)	(351,666)	-	(8,751)	(820,417)		
Repayment of lease liabilities	-	-	(39,969)	-	(39,969)		
Charge out of deferred transaction costs	313	5,466	-	-	5,779		
Exchange differences	-	3,454	13,263	(119)	16,598		
At end of financial year	1,197,658	2,354,408	1,020,813	61,568	4,634,447		

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

The total cash outflows for leases were as follows:

	GROUP	
	2021	2020
	RM'000	RM'000
Payment for principal portion of lease liabilities	41,850	39,969
Interest paid on lease liabilities	32,847	21,367
	74,697	61,336

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	COMPANY	
	2021 RM'000	2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	197,972	130,290
Payment for operating expenses	(48,470)	(45,906)
Payment for taxes net of tax refunds	(11,212)	(4,975)
Other receipts	2,267	1,279
Net cash generated from operating activities	140,557	80,688
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment	151	-
Sale of investments	27,814	-
Acquisition of property, plant and equipment (Note a)	(96)	(326)
Subscription of additional shares in subsidiary companies	(160,285)	(338,105)
Acquisition of additional equity interest in an associated company	-	(2,748)
Acquisition of investments	(13,796)	(43,380)
Capital contribution to a subsidiary company	-	(4,135)
Interest received	1,206	2,341
Inter-company receipts	708,214	417,743
Inter-company advances	(246,902)	(420,048)
Other receipts arising from investments	4,658	38,351
Net cash generated from/(used in) investing activities	320,964	(350,307)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank borrowings and other loans	79,301	561,812
Issuance of medium term notes	75,000	300,000
Interest paid	(54,470)	(69,892)
Payment of hire purchase liabilities	(328)	(373)
Repayment of bank borrowings and other loans	(421,303)	(111,965)
Redemption of medium term notes	(175,000)	(400,000)
Acquisition of treasury shares	-	(12,944)
Withdrawal/(Placements) of deposits pledged for borrowings	21,303	(4,109)
Net cash (used in)/generated from financing activities	(475,497)	262,529
NET CHANGE IN CASH AND CASH EQUIVALENTS	(13,976)	(7,090)
OPENING CASH AND CASH EQUIVALENTS	10,114	17,204
CLOSING CASH AND CASH EQUIVALENTS (Note b)	(3,862)	10,114

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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

	COMPANY	
	2021 RM'000	2020 RM'000
Cash	96	326
Hire purchase	301	110
	397	436

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

	COMPANY	
	2021 RM'000	2020 RM'000
Deposits (Note 16)	35,756	66,423
Cash and bank balances (Note 17)	4,502	5,486
Bank overdrafts (Note 28)	(4,802)	(1,174)
	35,456	70,735
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(35,756)	(55,923)
- Cash and bank balances (Note 17)	(3,562)	(4,698)
	(3,862)	10,114

(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
2021				
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
2020				
At beginning of financial year	499,519	583,656	1,151	1,084,326
Drawdown of borrowings	300,000	561,812	-	861,812
Additional hire purchase liabilities	-	-	110	110
Repayment of borrowings	(400,000)	(111,965)	(373)	(512,338)
Charge out of deferred transaction costs	313	4,494	-	4,807
At end of financial year	399,832	1,037,997	888	1,438,717

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

1 ABBREVIATION AND CORPORATE INFORMATION

1.1 ABBREVIATION

The following abbreviations are applied throughout the financial statements :-

The Group - Berjaya Land Berhad and its subsidiary companies

BCorp - Berjaya Corporation Berhad

BLand - Berjaya Land Berhad

BToto - Berjaya Sports Toto Berhad

MFRSs - Malaysian Financial Reporting Standards

1.2 CORPORATE INFORMATION

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

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

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

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

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 October 2021.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Subsidiaries and basis of consolidation

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

Subsidiary companies are those investees controlled by the Group. The Group controls an investee if and only if the Group has all the following:

- i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- ii) exposure, or rights, to variable returns from its investment with the investee; and
- iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Group has power over the investee:

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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, gymnasium equipment, 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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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

The Licence has been renewed annually since 1985.

The gaming rights 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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;

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(11) Contract Cost Assets (Cont'd)

(ii) Costs To Fulfill A Contract (Cont'd)

- b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- c) the costs are expected to be recovered.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: Accounting Policies, Changes in Accounting Estimate and Errors.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

- a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with another MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs assets in the carrying amount of the CGU to which it belongs for the purpose of applying MFRS 136: Impairment of Assets to that CGU.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

(12) Contract Assets and Liabilities

A contract asset is the right of the Group to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of MFRS 9.

A contract liability is the obligation of the Group to transfer goods and services to a customer for which it has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional before it transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(13) Cash and Cash Equivalents

Cash comprises cash in hand, at bank and short term deposits with a maturity of three months or less. Cash equivalents, are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, against which the bank overdrafts, if any, are deducted.

The Group has excluded clients' monies and remisiers' deposits held in trust by the stockbroking subsidiary company from cash and cash equivalents of the Group.

(14) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(15) Leases

A lease, as defined in MFRS 16: Leases, is a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses at inception of a contract whether a contract is, or contains a lease in accordance to MFRS 16.

(i) Group as a lessee

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

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(15) Leases (Cont'd)

- (i) Group as a lessee (Cont'd)

Right-of-use assets (Cont'd)

The depreciation period are as follows:

Leasehold land	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.

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

The right-of-use assets are also subject to impairment as detailed in Note 2.2 (7).

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group, and payments of penalties for termination (if the lease term reflects the Group exercising the option to terminate the lease).

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a reassessment (e.g. change in the lease term) or lease modification (e.g. change in scope of lease).

Short-term leases and leases of low-value assets

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(16) Non-Current Assets Held For Sale (Cont'd)

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable MFRSs. Thereafter on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefit assets and financial assets) are measured in accordance with MFRS 5: Non Current Assets Held For Sale and Discontinued Operations, that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

(17) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved and declared for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. Treasury shares may be acquired and held by the Company. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. Consideration paid or received is recognised directly in equity.

(18) Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

(19) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contract is recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value. The fair value of a financial guarantee contract is the present value of the difference between the net contractual cash flows required under a debt instrument, and the net contractual cash flows that would have been required without the guarantee. The present value is calculated using a risk free rate of interest.

At the end of each subsequent reporting period, financial guarantees are measured at the higher of:

- i) the amount of the loss allowance determined in accordance with ECL; and
- ii) the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15, where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021

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 2020:

- Amendments to MFRS 3: Business Combinations - Definition of a Business
- Amendments to MFRS 4: Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9
- Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform
- Amendments to MFRS 101: Presentation of Financial Statements – Definition of Material
- Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material
- Revised Conceptual Framework for Financial Reporting

The Group had early adopted the Amendments to MFRS 16: Leases – Covid-19 Related Rent Concessions beyond 30 June 2021, which is effective for financial periods beginning on or after 1 April 2021.

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.

Amendments to MFRS 16: COVID-19 - Related Rent Concessions beyond 30 June 2021

On the adoption of the Amendments to MFRS 16, the Group applies the practical expedients not to assess whether a COVID-19 related rent concession from a lessor that meets all of the following conditions is a lease modification:

1. the change in lease payments results in revised consideration for the lease that is substantially the same as or less than, the consideration for the lease immediately preceding the change;
2. any reduction in lease payments affect only payments due on or before 30 June 2022; and
3. there is no substantive change to other terms and conditions of the lease.

The Group has adopted the Amendments to MFRS 16 with election to apply the practical expedient as mentioned above consistently to eligible contracts with similar characteristics and in similar circumstances that meet the conditions as stated above. The Group recognised rental concession received in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following new MFRSs, Amendments to MFRSs 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 2021

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

Effective for financial periods beginning on or after 1 January 2022

- Amendments to MFRS 3: Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract
- Amendments to MFRS 1, MFRS 9 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 17: Insurance Contracts
- Amendments to MFRS 101: Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- 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 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)

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Critical Judgements Made in Applying Accounting Policies

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

(i) Useful lives of Gaming Rights, Dealerships and Customer Relationships

The Gaming Rights consist of Licence for the Toto betting operations in Malaysia.

The Group considers that the Licence 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.

The Group has assessed that no impairment is required for the Final Instalment as the total valuations appraised of the frozen assets exceeds the amount of Final Instalment. The enforcement proceedings are still ongoing and the Group expects the proceedings to be completed by 30 June 2022.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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)

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021 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 and the Group respectively recognising an impairment loss in respect of its investments in subsidiary companies and associated companies respectively, as disclosed in Note 33. No impairment is required for investments in 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 expected credit loss ("ECL") model of provision of impairment loss, the Group and the Company assess the credit risk of these debts at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets.

During the current financial year, the Group and the Company have assessed the credit risks in respect of the amounts owing by 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 2021

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")

During the current financial year, certain subsidiary companies of the Group have recognised impairment losses in respect of certain of their property, plant and equipment and ROU Assets. These subsidiary companies 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 these subsidiary companies to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the impairment loss recognised are disclosed in Notes 3(a) and 4(a).

The carrying amounts of property, plant and equipment and ROU Assets of the Group as at 30 June 2021 is 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 2021. 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).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

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

(vii) Provision for expected credit losses ("ECL") of trade and other receivables and contract assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The Company develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information.

Other than trade receivables and contract assets, the Group and the Company assess the credit risk of other receivables at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets. To determine whether there is a significant increase in credit risks, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments. Where there is a significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or in full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

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 RM46.72 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 2021

GROUP	Net carrying amount at beginning of financial year	Reclassification	Transfers/ Adjustments	Additions	Acquisition of subsidiary companies	Disposal of subsidiary companies	Impairment losses	Write-off/ Disposals	Depreciation	Exchange differences	Net carrying amount at end of financial year
2021											
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	-	-	(10,015)	(485)	(6,538)	292	26,862
Aircraft	76,659	-	-	-	-	-	-	(13,435)	(5,783)	-	47,426
Golf course development expenditure	67,081	-	-	-	-	-	-	-	(1,147)	-	65,934
Capital work-in-progress	48,770	(2,105)	-	73,070	-	-	(325)	-	-	(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

2020 Restated	Net carrying amount at beginning of financial year	Reclassification	Transfers/ Adjustments	Additions	Acquisition of subsidiary companies	Disposal of subsidiary companies	Impairment losses	Write-off/ Disposals	Depreciation	Exchange differences	Net carrying amount at end of financial year
Freehold land	167,261	(7,677)	-	109	-	-	-	-	-	2,826	162,519
Buildings	778,715	58,860	-	17,374	508,739	-	(3,163)	(5,730)	(27,509)	(9,563)	1,317,723
Plant and equipment	29,402	1,467	-	10,512	-	-	-	(565)	(9,302)	(144)	31,370
Computer equipment	28,683	95	-	4,259	1,435	-	-	(67)	(8,704)	(51)	25,650
Renovation	52,126	9,644	(762)	5,220	-	-	-	(28)	(12,266)	219	54,153
Furniture and fittings	18,663	9,648	-	4,006	46,135	-	-	(156)	(8,779)	(1,227)	68,290
Office equipment	7,679	-	-	1,301	3,206	(21)	-	(61)	(2,196)	3	9,911
Motor vehicles	32,045	(3)	(54)	6,932	33	-	-	(813)	(7,690)	(22)	30,428
Aircraft	83,239	-	-	-	-	-	-	-	(6,580)	-	76,659
Golf course development expenditure	68,230	-	-	-	-	-	-	-	(1,149)	-	67,081
Capital work-in-progress	54,670	(71,939)	(3,771)	69,087	-	-	-	-	-	723	48,770
Others	1,944	(95)	-	524	2,898	-	-	(10)	(630)	10	4,641
	1,322,657	-	(4,587)	119,324	562,446	(21)	(3,163)	(7,430)	(84,805)	(7,226)	1,897,195

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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
2021				
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
	3,331,947	1,298,695	94,299	1,938,953

2020 - restated

Freehold land	165,631	-	3,112	162,519
Buildings	1,773,053	445,385	9,945	1,317,723
Plant and equipment	183,313	151,927	16	31,370
Computer equipment	88,376	62,360	366	25,650
Renovation	186,233	131,474	606	54,153
Furniture and fittings	256,446	188,156	-	68,290
Office equipment	53,106	43,167	28	9,911
Motor vehicles	100,361	69,933	-	30,428
Aircraft	251,483	106,286	68,538	76,659
Golf course development expenditure	105,586	24,668	13,837	67,081
Capital work-in-progress	52,772	-	4,002	48,770
Others	22,691	15,702	2,348	4,641
	3,239,051	1,239,058	102,798	1,897,195

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) (i) During the current financial year, the Group conducted a review of the recoverable amounts of certain assets of certain of its subsidiary companies.

This resulted in the recognition of a total impairment loss of RM11,067,000, 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 is based on the estimated fair value less costs to sell.

The impairment losses were recognised in profit or loss as disclosed in Note 33.

- (ii) In the previous financial year, an impairment loss of RM3,163,000 was recognised on a clubhouse building located on a leased land as its recoverable amount determined based on VIU computation, was lower than its carrying amount. The recoverable amount of the building was RM35,585,000 (categorised as Level 3 in the fair value hierarchy) based on discounted projected cash flows.
- (b) (i) During the current financial year, the Group has written off RM13,435,000 million in relation to an aircraft which was damaged in an air traffic accident. The Group was awarded an aviation insurance claim of approximately RM17,848,000.
- (ii) In the previous financial year, certain parts of a hotel building that was destroyed in a fire, amounting to RM5,730,000, was written off. A claim was filed under the fire insurance policy and the final amount of claim awarded was RM26,000,000.
- (c) Included in the transfers/adjustments of property, plant and equipment of the current financial year were as follow:
- (i) an amount of RM7,529,000 (2020 : RM816,000) which was reclassified to non-current asset classified as held for sale. Further details are disclosed in Note 18; and
- (ii) 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.

In the previous financial year, the Group transferred an amount of RM3,771,000 of property, plant and equipment to right-of-use assets after the completion of capital work-in-progress.

- (d) Properties and aircraft of the Group with carrying amounts totalling RM674,394,000 (2020 : RM580,567,000) 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	
	2021 RM'000	2020 RM'000
Motor vehicles	4,602	4,771
Plant and equipment	430	308
Aircraft	40,882	54,542
	45,914	59,621

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY	Net carrying amount at beginning of financial year				Net carrying amount at end of financial year
	RM'000	Additions RM'000	Disposals RM'000	Depreciation RM'000	
2021					
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>

COMPANY	Net carrying amount at beginning of financial year				Net carrying amount at end of financial year
	RM'000	Additions RM'000	Disposals RM'000	Depreciation RM'000	
2020					
Furniture and fittings	121	-	-	(17)	104
Office equipment	581	180	-	(204)	557
Renovation	257	-	-	(44)	213
Motor vehicles	1,173	256	-	(397)	1,032
	<u>2,132</u>	<u>436</u>	<u>-</u>	<u>(662)</u>	<u>1,906</u>

COMPANY	Cost	Accumulated depreciation	Net carrying amount
	RM'000	RM'000	RM'000
2021			
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>

COMPANY	Cost	Accumulated depreciation	Net carrying amount
	RM'000	RM'000	RM'000
2020			
Furniture and fittings	2,177	2,073	104
Office equipment	7,907	7,350	557
Renovation	3,328	3,115	213
Motor vehicles	7,266	6,234	1,032
	<u>20,678</u>	<u>18,772</u>	<u>1,906</u>

Motor vehicles of the Company with carrying amounts totalling RM1,000,000 (2020 : RM1,032,000) are held under hire purchase arrangements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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
2021				
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)	2,172	(193)	(43)
Exchange differences	264	84,220	(497)	83,987
At end of financial year	<u>132,165</u>	<u>1,033,068</u>	<u>7,750</u>	<u>1,172,983</u>
At 30 June 2021				
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>
2020				
Restated				
At beginning of financial year	110,048	405,048	14,867	529,963
Additions during the financial year	16,296	96,878	219	113,393
Depreciation	(3,174)	(51,915)	(3,824)	(58,913)
Acquisition of subsidiary companies	2,161	567,900	-	570,061
Transfer from property, plant and equipment	-	3,771	-	3,771
Exchange differences	642	6,465	-	7,107
At end of financial year	<u>125,973</u>	<u>1,028,147</u>	<u>11,262</u>	<u>1,165,382</u>
At 30 June 2020 - restated				
Cost	169,257	1,136,253	15,086	1,320,596
Accumulated depreciation	(39,500)	(105,325)	(3,824)	(148,649)
Accumulated impairment	(3,784)	(2,781)	-	(6,565)
	<u>125,973</u>	<u>1,028,147</u>	<u>11,262</u>	<u>1,165,382</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 RM237,884,000 (2020 : RM203,496,000) was pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

Other than the above, the Group has right-of-use assets classified under Inventories as land held for property development amounting to RM190,185,000 (2020 : RM222,354,000) at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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

(b) Lease liabilities

GROUP	2021 RM'000	2020 RM'000
At beginning of financial year	1,020,813	403,634
Additions during the financial year	10,114	83,099
Interest expense (Note 34)	32,847	21,367
Acquisition of subsidiary companies	-	560,786
Lease payments	(74,697)	(61,336)
Termination	(1,808)	-
Reassessment	150	-
Deferred lease payment	(44,156)	-
Exchange differences	77,589	13,263
At end of financial year	<u>1,020,852</u>	<u>1,020,813</u>
Analysed as follows:		
Current	77,922	73,735
Non-Current	942,930	947,078
	<u>1,020,852</u>	<u>1,020,813</u>

5 INVESTMENT PROPERTIES

	Group	
	2021 RM'000	2020 RM'000
At beginning of financial year	712,071	728,766
Additions during the financial year	5,889	-
Net fair value adjustments (Note 33)	(14,703)	(16,723)
Exchange differences	858	28
At end of financial year	<u>704,115</u>	<u>712,071</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 RM35,700,000 (2020 : RM36,150,000) 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.

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

Investment properties with carrying amounts totalling RM471,345,000 (2020 : RM480,444,000) are pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

6 INVENTORIES

	Group	
<u>NON-CURRENT</u>	2021 RM'000	2020 RM'000
Land held for property development, at cost (Note a)	1,179,891	1,095,083
<u>CURRENT</u>		
Property development costs, at cost (Note b)	106,879	73,099
Other inventories, at cost:		
Vehicles	217,365	257,431
Completed properties	99,812	189,439
Stores and consumables	11,188	12,421
Gaming equipment components and parts	246	271
Ticket inventories	4,544	3,527
Work-in-progress	883	377
Raw materials	22,956	19,987
Finished goods and inventories for resale	1,861	1,933
	358,855	485,386
At net realisable value:		
Vehicles	60,427	135,287
Completed properties	91,615	29,100
Stores and consumables	18,019	17,803
	528,916	667,576
	1,815,686	1,835,758

The cost of other inventories recognised as an expense during the current financial year amounted to RM2,222,962,000 (2020 : RM1,931,752,000).

The carrying amounts of vehicles inventories pledged for vehicle stocking loans amounted to RM255,193,000 (2020 : RM351,771,000).

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

	Group	
	2021 RM'000	2020 RM'000
Land held for property development	269,389	269,394
Property development costs	81,430	56,758
Completed properties	61,151	65,528
	411,970	391,680

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

6 INVENTORIES (CONT'D)

(a) Land held for property development

	Group	
	2021 RM'000	2020 RM'000
At cost:		
At beginning of financial year:		
- freehold land	706,574	675,879
- leasehold land	210,289	148,178
- land use rights/land lease premium	12,065	11,608
- development costs	166,155	148,893
	1,095,083	984,558
Arising from acquisition of a subsidiary company:		
- leasehold land	-	61,117
Additions:		
- freehold land	46,834	27,725
- development costs	57,630	15,665
	104,464	43,390
Transfers/Adjustments during the financial year:		
- freehold land	24,940	-
- leasehold land	(24,940)	-
	-	-
Disposal:		
- leasehold land	(4,763)	-
Exchange differences:		
- freehold land	(6,867)	2,970
- leasehold land	(2,140)	1,430
- land use rights/land lease premium	(326)	457
- development costs	(4,904)	1,597
	(14,237)	6,454
Total costs at end of financial year	1,180,547	1,095,519
Write-down in value	(656)	(436)
Carrying amount at end 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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

6 INVENTORIES (CONT'D)

(b) Property development costs

	Group	
	2021 RM'000	2020 RM'000
At beginning of financial year:		
- freehold land	6,102	82,766
- land use rights	612	11,235
- development costs	66,385	108,269
	73,099	202,270
Costs incurred during the financial year:		
- freehold land	-	1,075
- development costs	100,447	91,953
	100,447	93,028
Transferred during the financial year:		
- to inventories	1,125	(98,106)
- to contract cost assets	(67,626)	(126,319)
	(66,501)	(224,425)
Exchange differences	(166)	2,226
Carrying amount at end of financial year	106,879	73,099

7 SUBSIDIARY COMPANIES

	Company	
	2021 RM'000	2020 RM'000
Quoted shares, at cost	335,440	327,065
Unquoted shares, at cost	3,487,255	3,330,165
Capital contribution	4,135	4,135
	3,826,830	3,661,365
Less: Accumulated impairment losses of unquoted shares	(309,362)	(306,103)
	3,517,468	3,355,262

Details of the subsidiary companies are set out in Note 52.

During the financial year, an amount of RM157,090,000 has been capitalised from the amount due from subsidiaries.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

7 SUBSIDIARY COMPANIES (CONT'D)

At the reporting date, the Company conducted an impairment review of its investments in certain subsidiary companies, principally based on the Company's share of net assets in these subsidiary companies, which represents the directors' estimation of fair value less costs to sell of these subsidiary companies.

The review gave rise to the recognition of impairment losses of investments in subsidiary companies of RM3,259,000 (2020 : RM17,134,000) as disclosed in Note 33 based on recoverable amounts of RM9,152,000 (2020 : RM4,801,000).

Certain quoted shares in subsidiary companies of the Group and of the Company with carrying amounts totalling RM1,199,502,000 and RM332,074,000 (2020 : RM1,196,183,000 and RM327,065,000) 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 2021

- (i) On 17 July 2020, 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:

Group	2021 RM'000
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	2,559
Negative goodwill on acquisition (Note 32)	(2,309)
Total cost of acquisition, representing net cash outflow on date of acquisition	250
Purchase consideration satisfied by cash	(250)
Cash and cash equivalents of a subsidiary company acquired	685
Net cash inflow on acquisition of a subsidiary company	435

During the current financial year, the revenue and profit after tax of MDSB are as follows:

	2021 RM'000
Revenue	9,858
Profit after tax	646

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the current financial year ended 30 June 2021 (Cont'd)

- (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") for a cash consideration of RM7,400. Consequently, BVC's equity interest in HISB is now 100%.
- (iii) Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of the Company has completed the acquisition of the remaining 25% equity interest in Icelandair Hotels ehf ("Icelandair") for a total cash consideration of USD3.40 million (equivalent to approximately RM14.11 million). Consequently, BPIL's equity interest in Icelandair is now 100%.
- (iv) Several other new subsidiary companies were incorporated during the financial year. None of these acquisitions are material to the Group.

For the previous financial year ended 30 June 2020

- (i) The Company acquired the entire equity interest in Berjaya Engineering Construction Sdn Bhd ("BESB"), comprising 5.0 million ordinary shares for RM4.82 million.
- (ii) Berjaya Leisure Capital (Cayman) Limited ("BLCC"), a wholly-owned subsidiary of the Company, subscribed for its entitlement and the excess of rights shares cum free warrants, totalling 100,000,000 new ordinary shares and 33,333,333 free warrants in Informatics Education Ltd ("Informatics") for a total cash consideration of SGD5.0 million (equivalent to approximately RM15.305 million). Consequently, BLCC's equity interest in Informatics increased from 27.09% to 67.42%, thus making Informatics a subsidiary company of BLCC.
- (iii) Berjaya Reykjavik Investment Limited, a wholly-owned subsidiary of the Company completed the acquisition of the entire equity interest in Geirsgata 11 ehf ("GE11"), a company incorporated in Reykjavik, Iceland that owns a piece of leasehold land in Iceland for a cash consideration of USD1.399 million (equivalent to approximately RM5.75 million).

The financial effects of the acquisitions of items (i) to (iii) which qualified as business combinations were as follows:

	BESB RM'000	Informatics RM'000	GE11 RM'000	Total RM'000
<u>Fair values of assets and liabilities at date of acquisition</u>				
Property, plant and equipment	26	234	-	260
Right-of-use assets	-	2,161	-	2,161
Inventories				
- land held for development	-	-	61,117	61,117
Intangible assets	-	21	-	21
Current assets	4,829	20,783	3,280	28,892
Current liabilities	(33)	(15,625)	(3,135)	(18,793)
Lease liabilities	-	(5,084)	-	(5,084)
Non-current liabilities	-	(2)	-	(2)
Total net assets acquired	4,822	2,488	61,262	68,572
Less: Non-controlling interests	-	(811)	-	(811)
Goodwill on acquisition	-	16,418	-	16,418
Total cost of acquisition	4,822	18,095	61,262	84,179

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the previous financial year ended 30 June 2020 (Cont'd)

The financial effects of the acquisitions of items (i) to (iii) which qualified as business combinations were as follows (Cont'd):

	BESB RM'000	Informatics RM'000	GE11 RM'000	Total RM'000
<u>Cost of acquisition comprised:</u>				
Cash	4,822	15,127	61,262	81,211
Carried as an associated company	-	1,015	-	1,015
Fair value gain on re-measurement of associated company prior to acquisition	-	1,953	-	1,953
	<u>4,822</u>	<u>18,095</u>	<u>61,262</u>	<u>84,179</u>
Satisfied by cash	(4,822)	(15,127)	(61,262)	(81,211)
Cash and cash equivalents of subsidiary companies acquired	<u>969</u>	<u>16,947</u>	<u>-</u>	<u>17,916</u>
Net cash (outflow)/inflow on acquisition of subsidiary companies	<u>(3,853)</u>	<u>1,820</u>	<u>(61,262)</u>	<u>(63,295)</u>

- (iv) Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of the Company completed the acquisition of 75% equity interest in Icelandair Hotels ehf, a company incorporated in Reykjavik, Iceland that owns several hotels and real estate assets in Iceland for a total final cash consideration of USD45.31 million (equivalent to approximately RM179.84 million). BPIL had also entered into a put and call option agreement with the seller for the remaining 25% stake in the Icelandair Hotels ehf. This option, which was then treated as deferred consideration of the acquisition, effectively gave BPIL a present ownership interest of 100% in Icelandair Hotels ehf.

As disclosed in Note 51, BPIL completed the purchase price allocation ("PPA") exercise in the current financial year. The PPA exercise resulted in BPIL recognising a negative goodwill amounting to RM28,234,000 on the consolidation of Icelandair Hotels ehf. The negative goodwill is now adjusted retrospectively to the financial statements of the previous financial year ended 30 June 2020 and certain comparatives have been restated accordingly.

Group	2020 RM'000 Restated
Property, plant and equipment	562,186
Right-of-use assets	567,900
Other assets acquired, excluding cash and cash equivalents	30,585
Cash and cash equivalents acquired	21,716
Lease liabilities	(555,702)
Other borrowings and loans	(272,123)
Other liabilities	(117,169)
Non-controlling interests	(1,082)
Total net assets acquired	<u>236,311</u>
Deferred purchase consideration classified as derivative liabilities	(28,239)
Negative goodwill on acquisition (Note 32)	(28,234)
Total cost of acquisition	<u>179,838</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the previous financial year ended 30 June 2020 (Cont'd)

Group	2020 RM'000 Restated
Purchase consideration satisfied by cash	(179,838)
Cash and cash equivalents of a subsidiary company acquired	21,716
Net cash outflow on acquisition of a subsidiary company	(158,122)

b) Disposal of subsidiary companies

For the current 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:

Group	2021 RM'000
Assets and liabilities previously classified as disposal group	423,143
Non-controlling interests disposed	(128,493)
	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)	67,096
Net cash inflow from disposal of a subsidiary company	405,904

For the previous financial year ended 30 June 2020

- (i) Berjaya Philippines Inc. ("BPI")'s equity interest in its previously wholly-owned subsidiary company, Philippine Gaming Management Corporation ("PGMC"), had been diluted to 39.99% arising from the disposal of 20% equity interest in PGMC by BPI, as well as, the waiver of BPI's right to subscribe for additional new shares issued by PGMC. Consequently, PGMC ceased to be a subsidiary company and became an associated company of BPI. BPI, in turn, is a subsidiary of BToto.
- (ii) The Company's equity interest in Aces Property Management Sdn Bhd ("APMSB") was diluted from 100% to 25%. Consequently, the Company has reclassified its investment in APMSB as investment in associated company.

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

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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	
	2021 %	2020 %
BToto (on a consolidated basis)	59.37	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 2021	BToto RM'000	GMOC RM'000
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	<u>2,975,211</u>	<u>496,693</u>
Equity attributable to:		
- owners of the Parent	1,118,571	253,299
- non-controlling interests	1,856,640	243,394
Total equity	<u>2,975,211</u>	<u>496,693</u>
At 30 June 2020		
Non-current assets	4,508,606	145
Current assets	1,324,787	589,951
Non-current liabilities	(1,864,353)	-
Current liabilities	(1,081,493)	(116,325)
Net assets	<u>2,887,547</u>	<u>473,771</u>
Equity attributable to:		
- owners of the Parent	1,144,646	241,609
- non-controlling interests	1,742,901	232,162
Total equity	<u>2,887,547</u>	<u>473,771</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

7 SUBSIDIARY COMPANIES (CONT'D)

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

Group	BToto RM'000	GMOC RM'000
Year ended 30 June 2021		
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)
Total comprehensive income attributable to:		
- owners of the Parent	79,478	11,600
- non-controlling interests	132,021	11,145
	211,499	22,745
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	50,970	(18)
Dividends paid to non-controlling interests	63,836	-
Year ended 30 June 2020		
Revenue	4,635,664	-
Profit for the financial year	133,704	69,506
Other comprehensive income	8,998	3,642
Total comprehensive income	142,702	73,148
Profit for the financial year attributable to:		
- owners of the Parent	53,398	35,448
- non-controlling interests	80,306	34,058
	133,704	69,506

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

7 SUBSIDIARY COMPANIES (CONT'D)

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

Group	BToto RM'000	GMOC RM'000
Year ended 30 June 2020 (Cont'd)		
Total comprehensive income attributable to:		
- owners of the Parent	58,246	37,305
- non-controlling interests	84,456	35,843
	<u>142,702</u>	<u>73,148</u>
Net cash generated from/(used in):		
- operating activities	154,717	(30,080)
- investing activities	(91,842)	5
- financing activities	(195,258)	29,369
Net change in cash and cash equivalents	<u>(132,383)</u>	<u>(706)</u>
Dividends paid to non-controlling interests	<u>64,606</u>	-

8 ASSOCIATED COMPANIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Quoted shares in Malaysia, at cost	127,602	127,602	43,339	43,339
Unquoted shares, at cost	336,837	331,514	-	-
Exchange differences	20,496	20,272	-	-
	<u>484,935</u>	<u>479,388</u>	<u>43,339</u>	<u>43,339</u>
Share of post-acquisition reserves	(110,884)	34,717	-	-
	<u>374,051</u>	<u>514,105</u>	<u>43,339</u>	<u>43,339</u>
Less: Accumulated impairment losses				
- quoted shares in Malaysia	(2,936)	-	-	-
- unquoted shares	(46,514)	(46,038)	-	-
	<u>(49,450)</u>	<u>(46,038)</u>	<u>-</u>	<u>-</u>
Total investments in associated companies	<u>324,601</u>	<u>468,067</u>	<u>43,339</u>	<u>43,339</u>
Represented by:				
Carrying amount of:				
- quoted shares in Malaysia	179,853	187,775	43,339	43,339
- unquoted shares	144,748	280,292	-	-
	<u>324,601</u>	<u>468,067</u>	<u>43,339</u>	<u>43,339</u>
Fair value of quoted shares in Malaysia (Level 1 fair value hierarchy)	<u>65,497</u>	<u>71,561</u>	<u>20,655</u>	<u>22,568</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

8 ASSOCIATED COMPANIES (CONT'D)

Details of the associated companies are set out in Note 52.

During the current financial year, the Group recognised a total impairment loss amounting to RM3,412,000 (2020: RM Nil) 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.

During the previous financial year, the significant changes to associated companies of the Group were:

- (i) the increase of the Group's equity interest in an associated company, BAssets to 9.48% following the acquisition of 9.97 million BAssets shares by the Group;
- (ii) the dilution of BPI's equity interest in its previously wholly-owned subsidiary company, PGMC, to 39.99% arising from the disposal of 20% equity interest in PGMC by BPI, as well as, the waiver of BPI's right to subscribe for additional new shares issued by PGMC;
- (iii) the accretion of Berjaya Leisure (Cayman) Limited's ("BLCL") equity interest in Singapore Institute of Advance Medicine Holdings Pte Ltd ("SIAMH") from 22.51% to 23.73.% as SIAMH undertook a share buyback exercise which has resulted in the reduction of its shares with voting rights; and
- (iv) the accretion of BLCC equity interest in Informatics from 27.09% to 67.42% as BLCC subscribed for its entitlement and the excess of rights shares cum free warrants, totalling 100,000,000 new ordinary shares and 33,333,333 free warrants in Informatics for a total cash consideration of SGD5.0 million (equivalent to approximately RM15.305 million), thus making Informatics a subsidiary company of the Group.

Certain quoted shares of the Group and of the Company with carrying amounts of RM58,709,000 and RM25,867,000 (2020 : RM52,840,000 and RM19,975,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

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8 ASSOCIATED COMPANIES (CONT'D)

The Group regards Berjaya Kyoto Development (S) Pte Ltd ("BKDS") and BAssets as its material associated companies.

Summarised financial information in respect of material associated companies of the Group is set out below. These financial information represent the amounts in the financial statements of the associated companies after fair value adjustments and not the Group's share of those amounts.

Group At 30 June 2021	BKDS RM'000	BAssets RM'000
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 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>
At 30 June 2020		
Non-current assets	209,742	2,971,006
Current assets	928,425	304,711
Non-current liabilities	(531,350)	(987,257)
Current liabilities	(275,529)	(275,920)
Capital contribution of fellow shareholder not proportionate of its equity interest	(106,545)	-
Net assets	<u>224,743</u>	<u>2,012,540</u>
Equity attributable to:		
Owners of the associated companies	224,743	2,012,474
Non-controlling interests of the associated companies	-	66
	<u>224,743</u>	<u>2,012,540</u>
Year ended 30 June 2021		
Revenue	<u>128,928</u>	<u>178,400</u>
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>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

8 ASSOCIATED COMPANIES (CONT'D)

Group	BKDS	BAssets
Year ended 30 June 2021 (Cont'd)	RM'000	RM'000
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 loss for the financial year attributable to owners of the associated companies	<u>(32,689)</u>	<u>(10,204)</u>
Dividends received during the financial year	<u>71,019</u>	<u>-</u>
Year ended 30 June 2020		
Revenue	<u>140,211</u>	<u>246,702</u>
Profit/(Loss) for the financial year	344,107	(130,518)
Other comprehensive income	2,278	(47,336)
Total comprehensive income	<u>346,385</u>	<u>(177,854)</u>
Profit/(Loss) for the financial year attributable to:		
- owners of the associated companies	344,107	(123,762)
- non-controlling interests of the associated companies	-	(6,756)
	<u>344,107</u>	<u>(130,518)</u>
Total comprehensive income attributable to:		
- owners of the associated companies	346,385	(171,134)
- non-controlling interests of the associated companies	-	(6,720)
	<u>346,385</u>	<u>(177,854)</u>
Group's share of profit/(loss) for the financial year attributable to owners of the associated companies	<u>172,054</u>	<u>(11,733)</u>
Dividends received during the financial year	<u>261,133</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

8 ASSOCIATED COMPANIES (CONT'D)

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

Group 30 June 2021	BKDS RM'000	BAssets RM'000
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 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 assets of the associated companies	(2,408)	185,091
Unrecognised share of losses	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>

Group 30 June 2020

Attributable to owners of the associated companies:

Net assets at beginning of financial year	399,246	2,183,608
Profit/(Loss) for the financial year	344,107	(123,762)
Other comprehensive income	2,278	(47,372)
Dividend paid during the financial year	(522,266)	-
Exchange differences	1,378	-
Net assets at end of financial year	<u>224,743</u>	<u>2,012,474</u>
Group's equity interest	50%	9.48%
Interest in net assets of the associated companies	112,372	190,783
Less: Intragroup adjustments	1,008	(3,007)
Carrying amount of Group's interest in the associated companies	<u>113,380</u>	<u>187,776</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

8 ASSOCIATED COMPANIES (CONT'D)

Aggregate information of associated companies that are not individually material

Group	2021 RM'000	2020 RM'000
The Group's share of loss for the financial year, representing total comprehensive income	(24,442)	(12,508)
Aggregate carrying amount of the Group's interests in these associated companies	<u>144,748</u>	<u>166,911</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 RM5,448,000 (2020 : RM1,726,000) and the Group's cumulative share of unrecognised losses of these associated companies amounted to RM38,569,000 (2020 : RM33,121,000).

NOTES TO THE FINANCIAL STATEMENTS

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9 JOINT VENTURES

	Group	
	2021 RM'000	2020 RM'000
Contributed legal capital/cost of investment	158,711	158,711
Share of post-acquisition reserves	(111,241)	(102,331)
Exchange differences	4,068	5,158
	<u>51,538</u>	<u>61,538</u>
Less: Accumulated impairment losses	(7,849)	(7,849)
	<u>43,689</u>	<u>53,689</u>

Details of the joint ventures are as follows:

Name of Joint Ventures	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
Berjaya-Handico12 Co Ltd	Socialist Republic of Vietnam	Property investment and development	80	80
Berjaya Hotay Joint Venture Company Limited	Socialist Republic of Vietnam	Developer and operator of an international standard five star hotel and provision of related services	50	50
Asia Jet Partners Malaysia Sdn Bhd	Malaysia	Aircraft charter services and related business	51	51
Pasdec Cempaka Sdn Bhd	Malaysia	Property development and investment	51	51

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 RM567,000 (2020 : profit of RM26,310,000) and the Group's cumulative share of unrecognised losses of these joint ventures amounted to RM2,720,000 (2020 : RM2,153,000).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

9 JOINT VENTURES (CONT'D)

Summarised financial information in respect of Berjaya Hotay Joint Venture Company Limited ("BHotay"), a material joint venture of the Group is set out below. These financial information 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	
	2021 RM'000	2020 RM'000
Non-current assets	182,247	206,349
Current assets	10,816	8,684
Non-current liabilities	(102,905)	(104,468)
Current liabilities	(33,662)	(33,643)
Net assets	56,496	76,922
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	7,059	6,403
Current financial liabilities (excluding trade and other payables and provision)	23,644	24,868
Non-current financial liabilities (excluding trade and other payables and provision)	79,150	94,719
Revenue	36,155	70,771
Loss for the financial year, representing total comprehensive income for the financial year	(18,245)	(7,407)
The above loss for the financial year include the following:		
Depreciation and amortisation	17,345	18,167
Finance costs	3,322	6,854
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	
	2021 RM'000	2020 RM'000
Net assets at beginning of financial year	76,922	81,295
Loss for the financial year, representing total comprehensive income for the financial year	(18,245)	(7,407)
Exchange differences	(2,181)	3,034
Net assets at end of financial year	56,496	76,922
Group's equity interest	50%	50%
Carrying amount of Group's interest in the joint venture	28,248	38,461

NOTES TO THE FINANCIAL STATEMENTS

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9 JOINT VENTURES (CONT'D)

Aggregate information of joint ventures that are not individually material

	Group	
	2021 RM'000	2020 RM'000
The Group's share of profit for the financial year, representing total comprehensive income for the financial year	213	199
Aggregate carrying amount of the Group's interests in these joint ventures	<u>15,441</u>	<u>15,228</u>

10 INVESTMENTS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At fair value				
Quoted shares:				
- in Malaysia	134,477	131,467	50,946	51,645
- outside Malaysia	6,341	914	-	-
	140,818	132,381	50,946	51,645
Quoted warrants in Malaysia	5,125	2,808	1,497	832
Malaysian Government Securities	3,275	3,374	-	-
	<u>149,218</u>	<u>138,563</u>	<u>52,443</u>	<u>52,477</u>
At fair value				
Unquoted shares:				
- in Malaysia	15,459	13,959	5,958	5,958
- outside Malaysia	33,598	34,175	-	-
	49,057	48,134	5,958	5,958
Unquoted non-redeemable convertible loans	9,745	3,687	-	-
Total investments	<u>208,020</u>	<u>190,384</u>	<u>58,401</u>	<u>58,435</u>

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% (2020 : 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 shares of the Group and of the Company with carrying amount of RM9,561,000 (2020 : RM9,022,000) are pledged to a financial institution for credit facilities granted to the Company.

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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
2021						
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	140	107	11,011
At end of financial year	4,400,000	59,556	927,466	3,298	20,694	5,411,014
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)
At end of financial year	(965,317)	-	(819,626)	(1,797)	(14,964)	(1,801,704)
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>
2020						
Cost:						
At beginning of financial year	4,400,000	54,557	899,733	3,150	7,974	5,365,414
Addition during the financial year	-	-	-	-	2,262	2,262
Arising from acquisition						
of subsidiary companies (Note 7)	-	-	16,418	-	8,464	24,882
Transfer to disposal						
group classified as held for sale	-	-	-	-	(567)	(567)
Deferred tax liability recognised						
- changes in tax rate	-	-	1,094	-	-	1,094
Exchange differences	-	155	821	8	(54)	930
At end of financial year	4,400,000	54,712	918,066	3,158	18,079	5,394,015
Accumulated amortisation/impairment:						
At beginning of financial year	(965,317)	-	(800,637)	(1,154)	(6,024)	(1,773,132)
Arising from acquisition						
of subsidiary companies (Note 7)	-	-	-	-	(7,508)	(7,508)
Transfer to disposal						
group classified as held for sale	-	-	-	-	567	567
Amortisation for the financial year	-	-	-	(314)	(761)	(1,075)
At end of financial year	(965,317)	-	(800,637)	(1,468)	(13,726)	(1,781,148)
Carrying amount at 30 June 2020	<u>3,434,683</u>	<u>54,712</u>	<u>117,429</u>	<u>1,690</u>	<u>4,353</u>	<u>3,612,867</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

11 INTANGIBLE ASSETS (CONT'D)

Impairment test on Gaming Rights, Dealerships, Customer Relationships and Goodwill

Allocation of Gaming Rights

Gaming Rights are allocated to the Group's toto betting business segment in Malaysia ("Gaming Rights - Licence").

Allocation of Dealerships and Customer Relationships

Dealerships and Customer Relationships are allocated solely to the Group's motor vehicle dealerships business segment.

Allocation of goodwill

Goodwill has been allocated to the Group's CGUs identified according to business segments as follows:

	Group	
	2021	2020
	RM'000	RM'000
Motor vehicle dealerships	82,995	73,378
Property development and property investment Club, recreation and others	4,102	4,102
(inclusive of facilitator and licensor for training and examination centres)	11,755	16,418
Hotels and resorts	8,988	23,531
	<u>107,840</u>	<u>117,429</u>

Recognition of impairment

During the current financial year, the Group has assessed that certain CGUs were carried in excess of their VIU. The impairment recognised are as follows:

- (i) 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); and
- (ii) RM4,663,000 in respect of goodwill allocated to the facilitator and licensor for training and examination centres business following the subsidiary company's intention to gradually cease the private education business in Singapore.

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.

In the previous financial year, the Group did not recognise any impairment of Gaming Rights, Dealerships, Customer Relationships and Goodwill.

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.

NOTES TO THE FINANCIAL STATEMENTS

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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% (2020 : 6.3% to 11.8%), of which 9.0% (2020 : 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% (2020 : 1.0% to 1.5%), of which 1.5% (2020 : 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.

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.

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12 CONTRACT COST ASSETS

Property development activities:

Costs to obtain contracts with customers
Costs to fulfill contracts with customers

Group	
2021 RM'000	2020 RM'000
4,775	6,430
8,055	111,827
<u>12,830</u>	<u>118,257</u>

(a) Costs to obtain contracts with customers

At beginning of financial year
Additions during the financial year
Amortisation for the financial year
Exchange differences
At end of financial year

Group	
2021 RM'000	2020 RM'000
6,430	4,510
6,115	2,412
(7,610)	(648)
(160)	156
<u>4,775</u>	<u>6,430</u>

(b) Costs to fulfill contracts with customers

At cost:
At beginning of financial year
- freehold land
- development costs

Costs incurred during the financial year:
- freehold land
- development costs

Costs recognised in profit or loss:
- at beginning of financial year
- recognised during the financial year
- eliminated during the financial year due to completion of project
- at end of financial year

Transferred during the financial year:
- from property development costs

Costs eliminated during the financial year due to completion of project:
- freehold land
- development costs

Exchange differences

Carrying amount as at end of financial year

Group	
2021 RM'000	2020 RM'000
11,686	162,710
107,424	106,543
<u>119,110</u>	<u>269,253</u>
-	2,312
9,523	41,276
<u>9,523</u>	<u>43,588</u>
(7,283)	(175,812)
(177,923)	(151,521)
-	320,050
<u>(185,206)</u>	<u>(7,283)</u>
67,626	126,319
<u>67,626</u>	<u>126,319</u>
-	(165,829)
-	(154,221)
-	<u>(320,050)</u>
(2,998)	-
<u>8,055</u>	<u>111,827</u>

NOTES TO THE FINANCIAL STATEMENTS

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13 RECEIVABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<u>NON-CURRENT</u>				
Other receivables				
Amounts owing by :				
- subsidiary companies	-	-	1,082,996	966,739
- associated company	106,640	-	-	-
- joint ventures	193,947	211,807	-	-
	<u>300,587</u>	<u>211,807</u>	<u>1,082,996</u>	<u>966,739</u>
Less: Allowance for impairment				
- amounts owing by subsidiary companies	-	-	(152,887)	(137,599)
- amount owing by an associated company	(7,757)	-	-	-
	<u>292,830</u>	<u>211,807</u>	<u>930,109</u>	<u>829,140</u>
Sundry receivables (Note c)	22,007	-	-	-
Total non-current receivables	<u>314,837</u>	<u>211,807</u>	<u>930,109</u>	<u>829,140</u>
<u>CURRENT</u>				
Trade receivables				
Amount owing by:				
- third parties	176,664	184,220	-	-
- related company	120,131	116,971	-	-
- joint venture	2,666	2,851	-	-
	<u>299,461</u>	<u>304,042</u>	<u>-</u>	<u>-</u>
Less: Allowance for impairment				
	(23,093)	(22,845)	-	-
	<u>276,368</u>	<u>281,197</u>	<u>-</u>	<u>-</u>
Other receivables				
Sundry receivables	127,786	234,291	1,148	307
Amount receivable from disposal of GMOC Project (Note b(i))	625,695	589,440	-	-
Refundable deposits	36,038	26,731	418	446
Amounts owing by :				
- subsidiary companies	-	-	528,640	1,004,608
- related companies	96,627	72,397	433	377
- associated companies	182,622	273,618	750	714
- joint ventures	90,905	88,710	-	-
	<u>1,159,673</u>	<u>1,285,187</u>	<u>531,389</u>	<u>1,006,452</u>
Less: Allowance for impairment:				
- Sundry receivables	(8,657)	(6,239)	(299)	(299)
- Amounts owing by:				
- subsidiary companies	-	-	(85,671)	(44,314)
- associated companies	(4,438)	(8,555)	(9)	(9)
- joint ventures	(353)	(353)	-	-
	<u>1,146,225</u>	<u>1,270,040</u>	<u>445,410</u>	<u>961,830</u>
Total receivables at amortised cost	<u>1,737,430</u>	<u>1,763,044</u>	<u>1,375,519</u>	<u>1,790,970</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

13 RECEIVABLES (CONT'D)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other current assets				
Sundry receivables (Note c)	2,074	44,127	-	-
Prepayments (Note d)	305,548	296,696	1,798	2,206
Deposits for acquisition of assets	3,566	4,496	-	-
Dividend receivable	47,517	159,399	50,840	159,399
	<u>358,705</u>	<u>504,718</u>	<u>52,638</u>	<u>161,605</u>
Total current receivables	<u>1,781,298</u>	<u>2,055,955</u>	<u>498,048</u>	<u>1,123,435</u>
Total receivables	<u>2,096,135</u>	<u>2,267,762</u>	<u>1,428,157</u>	<u>1,952,575</u>

(a) Trade receivables

The Group's trade receivables are non-interest bearing with credit terms ranging from 1 to 60 (2020 : 1 to 60) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition. As at 30 June 2021, the Group has no significant concentration of credit risk that may arise from exposure to a single trade receivable or to groups of trade receivables, except for an amount due from a related company amounting to RM120,131,000 (2020 : RM116,971,000).

Ageing analysis of trade receivables

The ageing analysis of trade receivables is as follows:

	Group	
	2021 RM'000	2020 RM'000
Current	66,184	77,969
1 to 30 days	15,759	9,958
31 to 60 days	8,849	5,563
61 to 90 days	3,410	6,294
Over 90 days	181,154	177,993
	<u>209,172</u>	<u>199,808</u>
Impaired	24,105	26,265
	<u>299,461</u>	<u>304,042</u>

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment track records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM209,172,000 (2020 : RM199,808,000) that are past due at the reporting date but not impaired as there is no concern on the credit-worthiness of the counterparties and the recoverability of these debts.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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	
	2021	2020
	RM'000	RM'000
Trade receivables	24,105	26,265
Less: Allowance for impairment	(23,093)	(22,845)
	1,012	3,420

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	
	2021	2020
	RM'000	RM'000
At beginning of financial year	22,845	15,874
Arising from acquisition of subsidiary companies	-	2,526
Charge for the financial year (Note 35)	2,019	5,326
Reversal of impairment loss (Note 31)	(1,994)	(711)
Written off	(21)	(189)
Exchange differences	244	19
At end of financial year	23,093	22,845

(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). During the financial year, GMOC had proceeded to seek recognition and enforcement of the arbitration award in all jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

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13 RECEIVABLES (CONT'D)

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

(iii) Movement in allowance accounts

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
At beginning of financial year	15,147	14,161	182,221	125,505
Charge for the financial year (Notes 33, 35)	13,061	1,498	80,411	56,716
Reversal of impairment loss (Note 31)	(203)	-	-	-
Transfer to investment in subsidiaries upon capitalisation	-	-	(23,766)	-
Written off	(7,059)	(400)	-	-
Exchange differences	259	(112)	-	-
At end of financial year	<u>21,205</u>	<u>15,147</u>	<u>238,866</u>	<u>182,221</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 RM625,695,000 (2020 : RM589,440,000) 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 RM404,349,000 (2020 : RM754,081,000) 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 RM289,868,000 (2020 : RM265,182,000) which are interest bearing.

The amounts owing by joint ventures are unsecured and non-interest bearing, except for a gross amount of RM265,000,000 (2020 : RM280,145,000) which is interest bearing.

- (c) Included in sundry receivables of the Group are advance payments of RM22,007,000 (2020 : RM42,074,000) made in respect of property development project of the Group's foreign venture.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

13 RECEIVABLES (CONT'D)

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

- (i) an amount of RM230,724,000 (2020 : 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 RM11,512,000 (2020 : RM7,931,000) 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 RM23,024,000 (2020 : RM21,150,000) with a balance outstanding sum of RM11,512,000 (2020 : RM13,219,000) to complete the transaction.

14 CONTRACT ASSETS/(LIABILITIES)

	Group	
	2021 RM'000	2020 RM'000
NON-CURRENT		
Contract liabilities	(205,375)	(224,512)
CURRENT		
Contract assets	52,702	8,032
Contract liabilities	(221,485)	(326,330)
	(168,783)	(318,298)
Total	(374,158)	(542,810)

	Group	
	2021 RM'000	2020 RM'000
Contract assets by business segments:		
Property development activities (Note a)	45,231	1,401
Wagering and voting systems contracts (Note c)	7,471	6,631
	52,702	8,032
Contract liabilities by business segments:		
Property development activities (Note a)	(8,385)	(109,769)
Club and vacation time share memberships (Note b)	(213,595)	(233,250)
Wagering and voting systems contracts (Note c)	(577)	(917)
Deposits received from customers for sale of motor vehicles (Note d)	(169,341)	(177,523)
Hotel operations activities (Note e)	(29,462)	(22,015)
Franchisor and licensor for computer and commercial training centres and examination facilitators activities (Note f)	(5,500)	(7,190)
Health and fitness operations activities	-	(178)
	(426,860)	(550,842)
Total	(374,158)	(542,810)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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

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

	Group	
	2021 RM'000	2020 RM'000
Contract assets	45,231	1,401
Contract liabilities	(8,385)	(109,769)
	<u>36,846</u>	<u>(108,368)</u>
At beginning of financial year	(108,368)	(89,794)
Consideration payable to the customers	6,096	2,310
Revenue recognised during the financial year	169,013	179,989
Progress billings during the financial year	(29,895)	(200,873)
At end of financial year	<u>36,846</u>	<u>(108,368)</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 2021 is RM238,271,000 (2020 : RM325,052,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	224,124	252,019
More than 1 year	14,147	73,033
	<u>238,271</u>	<u>325,052</u>

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

	Group	
	2021 RM'000	2020 RM'000
Contract liabilities	(213,595)	(233,250)
At beginning of financial year	(233,250)	(252,000)
Revenue recognised during the financial year	19,655	18,750
At end of financial year	<u>(213,595)</u>	<u>(233,250)</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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 2021 is RM213,595,000 (2020 : RM233,250,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	8,382	8,986
More than 1 year	205,213	224,264
	213,595	233,250

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

	Group	
	2021 RM'000	2020 RM'000
Contract assets	7,471	6,631
Contract liabilities	(577)	(917)
	6,894	5,714
At beginning of financial year	5,714	7,402
Revenue recognised during the financial year	1,348	3,180
Progress billings during the financial year	-	(5,204)
Exchange differences	(168)	336
At end of financial year	6,894	5,714

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 2021 is RM577,000 (2020 : RM917,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	415	669
More than 1 year	162	248
	577	917

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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

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

	Group	
	2021 RM'000	2020 RM'000
Contract liabilities	(169,341)	(177,523)
At beginning of financial year	(177,523)	(151,098)
Revenue recognised during the financial year	180,496	152,328
Deferred during the financial year	(162,303)	(177,523)
Exchange differences	(10,011)	(1,230)
At end of financial year	(169,341)	(177,523)

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 2021 is RM169,341,000 (2020 : RM177,523,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	169,341	177,523

(e) Contract liabilities from hotels operation activities

	Group	
	2021 RM'000	2020 RM'000
Contract liabilities	(29,462)	(22,015)
At beginning of financial year	(22,015)	(5,712)
Arising on acquisition of a subsidiary	-	(24,496)
Revenue recognised during the financial year	80,393	112,438
Progress billings during the financial year	(87,840)	(104,245)
At end of financial year	(29,462)	(22,015)

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 2021 is RM29,462,000 (2020 : RM22,015,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	29,462	22,015

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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

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

	Group	
	2021 RM'000	2020 RM'000
Contract liabilities	(5,500)	(7,190)
At beginning of financial year	(7,190)	-
Arising from acquisition of a subsidiary company	-	(9,960)
Revenue recognised during the financial year	16,318	21,457
Progress billings during the financial year	(14,628)	(18,687)
At end of financial year	(5,500)	(7,190)

Contract liabilities represent the obligations to provide services relating to franchisor and licensor for computer and commercial training centres and examination facilitators operations for which the Group has received the considerations from the customers.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2021 is RM5,500,000 (2020 : RM7,190,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2021 RM'000	2020 RM'000
Within 1 year	5,500	7,190

NOTES TO THE FINANCIAL STATEMENTS

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15 SHORT TERM INVESTMENTS

	Group	
	2021 RM'000	2020 RM'000
Unit trust funds in Malaysia, at fair value	11,207	8,727

16 DEPOSITS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Deposits with:				
- Licensed banks	278,591	239,517	35,756	66,423
- Other financial institutions	92,410	2,644	-	-
	<u>371,001</u>	<u>242,161</u>	<u>35,756</u>	<u>66,423</u>

Included in deposits are:

- (a) amounts which are restricted in usage:
- (i) RM38,353,000 (2020 : RM59,601,000) and RM35,756,000 (2020 : RM55,923,000) held in debt service reserve accounts for the Group and the Company respectively; and
 - (ii) RM5,308,000 (2020 : RM7,901,000) pledged for credit and other facilities granted to certain subsidiary companies of the Group.
- (b) RM4,592,000 (2020 : RM6,785,000) being deposits with maturity more than 3 months held by the Group.
- (c) RM17,522,000 (2020 : RM16,389,000) 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	
	2021 %	2020 %	2021 %	2020 %
Licensed banks	1.81	2.32	2.40	2.09
Other financial institutions	5.90	0.78	-	-

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

	Group		Company	
	2021 Days	2020 Days	2021 Days	2020 Days
Licensed banks	23	16	72	27
Other financial institutions	30	365	-	-

NOTES TO THE FINANCIAL STATEMENTS

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17 CASH AND BANK BALANCES

Included in cash and bank balances are:

- (a) amounts which are restricted in usage amounting to RM4,422,000 (2020 : RM5,554,000) and RM3,562,000 (2020 : RM4,698,000) held in debt service reserve accounts for the Group and the Company respectively.
- (b) amounts totalling RM44,260,000 (2020 : RM106,550,000) 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 RM179,000 (2020 : RM627,000).

18 DISPOSAL GROUP/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

During the current financial year, the Group completed the transfer its entire equity interest in Berjaya Jeju Resort Limited ("BJeju") to Jeju Free International City Development Center ("JDC") following the resolution of the legal proceedings initiated by BJeju against JDC, to claim for incurred losses and damages resulting from the suspension of BJeju's development project. BJeju ceased to be a subsidiary company of the Group.

The disposal group/non-current assets classified as held for sale of the current financial year comprises:

- (a) the carrying amount of an associated company, Berjaya Vietnam Financial Center Limited ("BVFC") of RM145,373,000. BLCL had received a refundable deposit of USD15.0 million (equivalent to about RM61.465 million). Subsequently, BLCL entered into a Capital Transfer Agreement ("CTA") to dispose of its entire 32.5% equity interest in BVFC. Details of the proposed disposal are disclosed in Note 50(a).
- (b) the net carrying amount of an investment in Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT"). As disclosed in Note 50(a), BLCL intended to dispose of BVIUT to the buyers of BVFC or their affiliates. The investment with carrying amount of RM5,376,000 was fully impaired in the previous financial period due to uncertainties of its recoverability.
- (c) of a freehold land with carrying amount of RM7,529,000 transferred from property, plant and equipment as disclosed in Note 3. The disposal has been approved by the board of a foreign subsidiary company and is expected to be completed in the next financial year.

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

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18 DISPOSAL GROUP/NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE (CONT'D)

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

	Group	
	2021 RM'000	2020 RM'000
<u>Assets</u>		
Property, plant and equipment (Note 3)	7,529	816
Associated company	145,373	145,373
Receivables	34,866	630,900
Cash and bank balances	-	967
Assets of disposal group classified as held for sale	187,768	778,056
<u>Liabilities</u>		
Payables	-	103,533
<u>Reserves</u>		
Foreign currency translation	-	66,953
Analysed as follows:		
<u>Assets</u>		
Relating to the disposal of BJeju	-	595,686
Investment in BVFC and BVIUT	145,373	145,373
Amounts due from BVFC and BVIUT	34,866	36,997
Relating to a disposal of property, plant and equipment	7,529	-
	187,768	778,056
<u>Liabilities</u>		
Payables relating to the disposal of BJeju	-	103,533
<u>Reserves</u>		
Relating to the disposal of BJeju	-	66,953

19 SHARE CAPITAL

	Group and Company			
	No. of ordinary shares		Amount	
	2021 '000	2020 '000	2021 RM'000	2020 RM'000
Issued and fully paid:				
At beginning and the end of the financial year	5,000,337	5,000,337	2,500,168	2,500,168

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19 SHARE CAPITAL (CONT'D)

	Group and Company	
	2021 No. of shares '000	2020 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	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Non-distributable:				
Foreign currency translation reserve (Note a)	129,661	119,816	-	-
Fair value reserve (Note b)	1,054,940	1,054,940	-	-
Consolidation reserve (Note c)	85,664	85,664	-	-
Fair value through other comprehensive income reserve (Note d)	(47,681)	(62,049)	(6,026)	(9,043)
Capital reserve (Note e)	116,528	116,528	-	-
Foreign currency translation reserve of disposal group classified as held for sale	-	66,953	-	-
Distributable:				
Retained earnings (Note f)	37,229	271,185	571,029	625,114
	1,376,341	1,653,037	565,003	616,071

- (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 BToto Group in prior financial years.
- (c) This reserve represents the effects arising from changes in the Group's ownership interest in a subsidiary company that does not result in loss of control.
- (d) Fair value through other comprehensive income ("FVTOCI") reserve represents the cumulative fair value changes, net of tax, if applicable, of FVTOCI financial assets until they are disposed of.
- (e) This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.
- (f) Subject to Section 131 of the Companies Act 2016, the retained earnings of the Company is available for distribution as single tier dividends.

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21 TREASURY SHARES

	Group and Company			
	2021 No. of shares '000	2020 No. of shares '000	2021 RM'000	2020 RM'000
At beginning of financial year	79,837	10,943	33,643	20,699
Shares bought back during the year	-	68,894	-	12,944
At end of financial year	<u>79,837</u>	<u>79,837</u>	<u>33,643</u>	<u>33,643</u>

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.

The renewal of the Company's plan and mandate relating to the share buyback was approved by the shareholders of the Company on 11 December 2020, granting the Directors of the Company the authority to buyback its own shares up to 10% of the existing total number of issued shares, inclusive of all treasury shares that have been bought back.

During the previous financial year, the Company bought back 68,894,000 of its own shares from the open market at an average price of RM0.19 each amounting to RM12,944,000.

The shares bought back are held as treasury shares and none of these shares were cancelled or distributed during the current financial year.

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22 LONG TERM BORROWINGS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<u>Secured:</u>				
Term loans	974,186	1,066,175	235,873	299,634
Amount repayable within 12 months included in short term borrowings (Note 28)	(199,452)	(217,068)	(78,771)	(72,132)
	774,734	849,107	157,102	227,502
Medium term notes (Note a)	1,098,213	1,197,658	299,914	399,832
Amount repayable within 12 months included in short term borrowings (Note 28)	(554,650)	(199,893)	(224,914)	(174,918)
	543,563	997,765	75,000	224,914
Sukuk Wakalah MTNs (Note b)	85,360	-	-	-
Amount repayable within 12 months included in short term borrowings (Note 28)	(35,360)	-	-	-
	50,000	-	-	-
Other bank borrowings	310,325	439,184	224,607	390,245
	1,678,622	2,286,056	456,709	842,661
<u>Unsecured:</u>				
Other bank borrowings	229	264	-	-
Hire purchase and finance lease liabilities (Note c)	52,011	61,568	861	888
Amount repayable within 12 months included in short term borrowings (Note 28)	(9,473)	(9,577)	(293)	(273)
	42,538	51,991	568	615
	<u>1,721,389</u>	<u>2,338,311</u>	<u>457,277</u>	<u>843,276</u>

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% (2020 : 1.88% to 6.80%) per annum for the Group and from 4.14% to 5.50% (2020 : 4.17% to 6.80%) per annum for the Company.

NOTES TO THE FINANCIAL STATEMENTS

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22 LONG TERM BORROWINGS (CONT'D)

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

Long term borrowings	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Amounts repayable within :				
More than 1 year				
but not later than 2 years	290,617	911,920	208,422	486,372
More than 2 years				
but not later than 5 years	861,024	783,040	248,287	356,289
More than 5 years	527,210	591,360	-	-
	<u>1,678,851</u>	<u>2,286,320</u>	<u>456,709</u>	<u>842,661</u>

(a) Medium term notes

The facility amounts of the medium terms notes ("MTN") programme are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
STM MTN	800,000	800,000	-	-
BLB MTN	650,000	650,000	650,000	650,000
	<u>1,450,000</u>	<u>1,450,000</u>	<u>650,000</u>	<u>650,000</u>

- (i) Sports Toto Malaysia Sdn Bhd ("STM"), a wholly-owned subsidiary company of BToto undertook a MTN programme of up to RM800,000,000 in nominal value ("STM MTN"). As at 30 June 2021, STM MTN totalling RM800,000,000 (2020 : RM800,000,000) in nominal value remains outstanding.

STM MTN is secured by a third party first equitable charge over the entire issued and paid-up share capital of STM which is the issuer and a corporate guarantee provided by BToto.

- (ii) The Company undertook a MTN programme of up to RM650,000,000 in nominal value ("BLB MTN"). As at 30 June 2021, BLB MTN totalling RM300,000,000 (2020 : RM400,000,000) 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 2021

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	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
	Maturity				
Secured with fixed rate:					
3.89% p.a.	December 2020	-	149,930	-	149,930
3.47% p.a.	December 2020	-	24,988	-	24,988
4.75% p.a.	June 2021	-	24,975	-	-
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	-	-	-
Amount repayable within 12 months included in short term borrowings (Note 28)		554,650	199,893	224,914	174,918
<u>NON-CURRENT</u>					
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
3.10% p.a.	December 2022	75,000	-	75,000	-
4.95% p.a.	June 2022	-	79,846	-	-
4.82% p.a.	June 2022	-	40,000	-	-
4.95% p.a.	June 2022	-	114,779	-	-
4.90% p.a.	June 2022	-	64,874	-	-
Amount repayable more than 1 year but not later than 2 years		75,000	554,413	75,000	224,914
5.14% p.a.	January 2024	25,000	25,000	-	-
4.20% p.a.	June 2024	25,000	-	-	-
5.05% p.a.	June 2024	39,888	39,855	-	-
5.25% p.a.	June 2026	139,390	-	-	-
Amount repayable more than 2 years but not later than 5 years		229,278	64,855	-	-

NOTES TO THE FINANCIAL STATEMENTS

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22 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes (Cont'd)

NON-CURRENT

Maturity	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Secured with fixed rate:				
Amount repayable more than 5 years				
5.25% p.a. June 2026	-	139,287	-	-
5.45% p.a. June 2028	54,685	54,649	-	-
5.55% p.a. June 2029	124,600	124,561	-	-
4.98% p.a. June 2030	60,000	60,000	-	-
	239,285	378,497	-	-
Total non-current MTNs	543,563	997,765	75,000	224,914

(b) Sukuk Wakalah MTNs

BGRB Venture Sdn Bhd ("BVSB"), a wholly-owned subsidiary of Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad) ("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 10 years ("Sukuk Wakalah MTNs"). The Sukuk Wakalah MTNs are secured with a corporate guarantee from BHartanah. As at 30 June 2021, Sukuk Wakalah MTNs totalling RM85,360,000 (2020 : RM Nil) in nominal value remains outstanding.

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

CURRENT

Maturity	Group	
	2021 RM'000	2020 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	-
Amount repayable within 12 months included in short term borrowings (Note 28)	35,360	-

NON-CURRENT

Amount repayable more than 2 years but not later than 5 years		
7.00% p.a. December 2023	50,000	-

NOTES TO THE FINANCIAL STATEMENTS

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22 LONG TERM BORROWINGS (CONT'D)

(c) Hire purchase and finance lease liabilities

Approximately RM1,655,000 (2020 : RM1,667,000) and RM568,000 (2020 : RM615,000) included in the hire purchase and finance lease liabilities of the Group and of the Company respectively are owing to a related company.

The hire purchase and finance lease liabilities bear interest at rates ranging from 1.51% to 8.80% and at 4.75% (2020 : 2.35% to 8.80% and 3.50% 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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
1 year after reporting date	9,473	9,577	293	273
More than 1 year but but not later than 2 years	9,087	9,317	499	232
More than 2 years but not later than 5 years	33,451	42,674	69	383
	52,011	61,568	861	888

23 LONG TERM LIABILITIES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Club members' deposits (Note a) Retention sum	18,595	19,482	-	-
- property development projects	26,131	-	-	-
Rental deposits	646	899	-	-
Payable for acquisition of an associated company (Note b)	-	1,235	-	-
Other payables (Note c)	-	1,322	-	-
Amount owing to subsidiary companies (Note d)	-	-	394,021	367,547
Amount owing to an associated company (Note e)	51,382	-	-	-
	96,754	22,938	394,021	367,547

(a) Club members' deposits represent amounts paid by members to certain subsidiary companies for membership licences issued to use and enjoy the facilities of the subsidiary companies' recreational clubs. The monies are refundable to the members upon expiry of prescribed terms from the dates of issuance of the licences.

(b) The payable for the acquisition of an associated company is in respect of subscription of additional shares in SIAMH to be settled on deferred payment terms.

(c) Other payables of the previous financial year represented a loan granted by a related party to a foreign subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS

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23 LONG TERM LIABILITIES (CONT'D)

(d) The amounts owing to certain subsidiary companies which are interest bearing, have been classified as long term liabilities as these subsidiary companies have formally notified the Company that these amounts are not payable within the next 12 months.

(e) 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 2021		Funded RM'000	Unfunded RM'000	Total RM'000
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)
Group 2020		Funded RM'000	Unfunded RM'000	Total RM'000
Current	- retirement benefit obligations	-	49	49
Non-current	- retirement benefit obligations	2,267	4,909	7,176
		2,267	4,958	7,225

(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	
	2021 RM'000	2020 RM'000
At beginning of financial year	2,267	(2,254)
Recognised in statement of profit or loss	1,244	438
Recognised in statement of other comprehensive income	(11,974)	5,223
Employer's contribution	(1,259)	(1,153)
Exchange differences	403	13
At end of financial year	(9,319)	2,267
Presented after appropriate offsetting as follows:		
Retirement benefit assets	(9,927)	-
Retirement benefit liabilities	608	2,267
	(9,319)	2,267

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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	
	2021	2020
	RM'000	RM'000
Present value of the obligation	80,955	75,177
Fair value of plan assets	(90,274)	(72,910)
(Surplus)/Deficit over plan assets	(9,319)	2,267

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

	Group	
	2021	2020
	RM'000	RM'000
At beginning of financial year	75,177	72,563
Current service cost and interest cost	1,628	2,166
Actuarial (gain)/loss	(984)	2,075
Benefits paid by the plan	(2,509)	(1,840)
Past service costs	837	-
Exchange differences	6,806	213
At end of financial year	80,955	75,177

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

	Group	
	2021	2020
	RM'000	RM'000
At beginning of financial year	72,910	74,817
Interest income	1,221	1,728
Return/(Deficit) on plan assets	10,990	(3,148)
Employer's contribution	1,259	1,153
Benefits paid by the plan	(2,509)	(1,840)
Exchange differences	6,403	200
At end of financial year	90,274	72,910

The plan assets consist of the following:

	Group	
	2021	2020
	RM'000	RM'000
Equity instruments	63,473	47,977
Fixed income assets	26,547	24,655
Cash in bank	254	278
	90,274	72,910

NOTES TO THE FINANCIAL STATEMENTS

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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:

	Group	
	2021 RM'000	2020 RM'000
Current service costs (net of gains on settlements) recognised in directors' remuneration and employee benefit expenses (Note 37)	1,192	485
Net interest expense/(income) (Note 34)	52	(47)
Retirement benefits recognised in profit or loss	1,244	438

Recognised in the statements of other comprehensive income:

	Group	
	2021 RM'000	2020 RM'000
Remeasurement gain/(loss) arising from:		
Actuarial changes in financial assumptions	773	(8,744)
Actuarial changes in demographic assumptions	153	3,382
Return/(deficit) on plan assets	10,990	(3,148)
Experience adjustments arising from defined benefit obligations	58	3,287
Actuarial gain/(loss) recognised in other comprehensive income	11,974	(5,223)
Deferred tax (liabilities)/assets	(2,977)	1,001
	8,997	(4,222)

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:

	Group	
	2021	2020
Discount rate	1.90% - 4.50%	1.60% - 4.10%

Sensitivity analysis for retirement benefit obligation

The management is of the view that any reasonably possible changes to the principal actuarial assumptions will not have significant impact to the Group.

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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	
	2021 RM'000	2020 RM'000
At beginning of financial year	4,958	7,629
Recognised in profit or loss	477	409
Reversal of provision	-	(2,409)
Benefits paid by the plans	(215)	(156)
Actuarial gain recognised in other comprehensive income	-	(515)
At end of financial year	5,220	4,958

	Group	
	2021 RM'000	2020 RM'000
Analysed as follows:		
Current	115	49
Non-current	5,105	4,909
	5,220	4,958

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	
	2021 RM'000	2020 RM'000
Current service cost (Note 37)	336	408
Interest cost (Note 34)	141	1
Retirement benefits recognised in profit or loss	477	409

	Group	
	2021	2020
Principal actuarial assumptions to determine benefit obligations:		
Discount rate in Malaysia (%)	4.20	4.20
Expected rate of salary increase (%)	5.00	5.00

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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	
	2021 %	2020 %	2021 RM'000	2020 RM'000
Discount rate	1	1	(716)	(499)
Future salary increase	1	1	881	797
Discount rate	(1)	(1)	868	836
Future salary decrease	(1)	(1)	(741)	(671)

The duration of the unfunded defined benefit obligations as at 30 June 2021 is between 9 and 16 (2020 : 10 and 17) years.

25 DERIVATIVE ASSETS/(LIABILITIES)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Non-hedging derivatives				
(a) Derivative asset				
Current				
Call Option (Note i)	80	343	80	343
(b) Derivative liabilities				
Current				
Put Option (Note i)	(640)	(763)	(640)	(763)
Non-current				
Option relating to deferred consideration of business combination (Note ii)	-	(28,239)	-	-
	(640)	(29,002)	(640)	(763)

NOTES TO THE FINANCIAL STATEMENTS

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25 DERIVATIVE ASSETS/(LIABILITIES) (CONT'D)

- (i) In the previous financial year, a subsidiary company of the Company disposed of 3.50 million ordinary shares of 7-Eleven Malaysia Holdings Berhad ("Sale Shares") for a total cash consideration of RM4.90 million or at RM1.40 per Sale Share. At the same time, the Company entered into a call and put option agreement with the purchaser to acquire the Sale Shares at RM1.48 per share. The call and put option were exercisable any time during the period of 12 months to 24 months after the first anniversary of the completion of the disposal.
- (ii) In the previous financial year, a subsidiary company of the Company entered into a Share Purchase Agreement with Icelandair Group hf. ("Seller") for the proposed acquisition of 75% stake in Icelandair Hotels ehf for a total final cash consideration of approximately USD45.31 million (equivalent to approximately RM179.84 million). Besides the SPA, the subsidiary company also entered into a put and call option agreement with the Seller for the remaining 25% stake in the Icelandair Hotels Group. The consideration for the put and call option was based on the terms stated in the put and call agreement and is exercisable after the third anniversary of the completion of the acquisition of Icelandair Hotels Group and expiring on the third year after the third anniversary of the completion of the acquisition.

During the current financial year, the subsidiary company entered into a Share Purchase Agreement with the Seller to acquire the remaining 25% stake in the Icelandair Hotels Group for a total cash consideration of USD3.4 million (equivalent to approximately RM14.1 million) ("25% Acquisition"). Upon the completion of the 25% Acquisition, the put and call option agreement was terminated.

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26 DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2021 RM'000	2020 RM'000 Restated
At beginning of financial year	933,668	888,648
Arising on acquisition of a subsidiary company	-	33,412
Recognised in profit or loss (Note 38)	(21,893)	14,058
Recognised in other comprehensive income	2,977	(1,001)
Recognised in intangible assets	3,480	1,094
Exchange differences	(1,515)	(2,543)
At end of financial year	<u>916,717</u>	<u>933,668</u>
Presented after appropriate offsetting as follows:		
Deferred tax assets	(77,241)	(77,103)
Deferred tax liabilities	993,958	1,010,771
	<u>916,717</u>	<u>933,668</u>

NOTES TO THE FINANCIAL STATEMENTS

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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 2020 - restated	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
At 1 July 2019	100,648	834,168	2,100	8,045	3,189	7,144	47,731	8,223	1,011,248
Recognised in profit or loss	(5,066)	-	15,692	2,184	(452)	(51)	(1,009)	(196)	11,102
Recognised in intangible assets	-	1,094	-	-	-	-	-	-	1,094
Arising on acquisition of a subsidiary company	37,565	-	-	-	-	-	-	-	37,565
Exchange differences	(1,756)	-	-	(193)	183	38	-	-	(1,728)
	131,391	835,262	17,792	10,036	2,920	7,131	46,722	8,027	1,059,281
Less: Set-off of deferred tax assets									(48,510)
At 30 June 2020 - restated									1,010,771

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

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 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)
	<u>(53,583)</u>	<u>(39,557)</u>	<u>(507)</u>	<u>(39,437)</u>	<u>(2,319)</u>	<u>(135,403)</u>
Less: Set-off of deferred tax liabilities						58,162
At 30 June 2021						<u>(77,241)</u>
At 1 July 2019	(37,041)	(36,962)	(348)	(45,419)	(2,830)	(122,600)
Recognised in profit or loss	(4,880)	8,492	(105)	2,606	(3,157)	2,956
Recognised in other comprehensive income	-	-	-	-	(1,001)	(1,001)
Arising on acquisition of a subsidiary company	(4,153)	-	-	-	-	(4,153)
Exchange differences	(269)	201	(1)	-	(746)	(815)
	<u>(46,343)</u>	<u>(28,269)</u>	<u>(454)</u>	<u>(42,813)</u>	<u>(7,734)</u>	<u>(125,613)</u>
Less: Set-off of deferred tax liabilities						48,510
At 30 June 2020						<u>(77,103)</u>

NOTES TO THE FINANCIAL STATEMENTS

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

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

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unutilised tax losses	486,252	449,773	-	-
Unabsorbed capital allowances	277,015	265,620	-	-
Investment tax allowances	93,597	93,597	-	-
Others	224,741	213,319	-	-
	<u>1,081,605</u>	<u>1,022,309</u>	<u>-</u>	<u>-</u>

Deferred tax assets have not been recognised in respect of the unutilised tax losses, unabsorbed capital allowances, investment tax allowances and other deductible temporary differences as it is not probable that future taxable profits from a business source as defined by the Malaysian tax legislature will be available against which the unutilised tax losses, unabsorbed capital allowances, investment tax allowances and other deductible temporary differences can be utilised.

The Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limit to restrict the carry forward of the unutilised tax losses. The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 7 consecutive years of assessment (i.e. from years of assessment 2019 to 2025) and any balance of the unutilised losses thereafter shall be disregarded.

However, for any unutilised tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 7 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

The foreign unutilised losses and unabsorbed capital allowances applicable to foreign incorporated subsidiary companies are pre-determined by and subject to the tax legislations of the respective countries.

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

	Group	
	2021 RM'000	2020 RM'000
With no expiry	5,576	20,041
Within 12 months	-	-
More than 12 months	480,676	429,732
	<u>486,252</u>	<u>449,773</u>

NOTES TO THE FINANCIAL STATEMENTS

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27 PAYABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Trade payables	146,985	202,089	-	-
Other payables				
Other payables	261,979	212,832	2,984	4,788
Accruals	391,490	285,870	3,556	3,929
Payable for acquisition of assets	122,976	136,939	-	-
Agency deposits	37,957	37,580	-	-
Payable for acquisition of associated company	1,235	2,934	-	-
Refundable deposits received for disposal of investments	61,465	63,173	-	-
Refundable deposits	57,299	83,805	-	-
Amounts owing to:				
- subsidiary companies	-	-	638,285	570,689
- related companies	170,531	73,652	558	392
- associated companies	6,655	58,980	4,694	-
	<u>1,111,587</u>	<u>955,765</u>	<u>650,077</u>	<u>579,798</u>
Total payables at amortised cost	<u>1,258,572</u>	<u>1,157,854</u>	<u>650,077</u>	<u>579,798</u>
Other current liabilities				
Deposits	317	76	-	-
Deferred lease income	951	1,099	-	-
Pool betting duty payables	18,368	5,569	-	-
Other duties and taxes payable	83,999	60,207	-	-
Dividend payable to non-controlling interests	11,991	168	-	-
	<u>115,626</u>	<u>67,119</u>	<u>-</u>	<u>-</u>
Total payables	<u>1,374,198</u>	<u>1,224,973</u>	<u>650,077</u>	<u>579,798</u>

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit terms granted to the Group range from 1 to 184 (2020 : 1 to 184) days.

(b) Other payables

Included in other payables are advances from certain directors of subsidiary companies amounting to RM5,860,000 (2020 : RM2,103,000) which are non-interest bearing and repayable on demand.

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

NOTES TO THE FINANCIAL STATEMENTS

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27 PAYABLES (CONT'D)

(b) Other payables (Cont'd)

Payable for acquisition of assets relates to the balance purchase price of several parcels of freehold land acquired by a subsidiary company.

Agency deposits represent deposits obtained from agents for operating toto betting outlets. These deposits are refundable upon termination of operation contracts.

Payable for the acquisition of an associated company is in respect of subscription of additional shares in SIAMH to be settled on deferred payment terms.

Refundable deposits received for the disposal of investments are in relation to the proposed disposals of several foreign ventures as disclosed in Note 18.

The amounts owing to subsidiary, related and associated companies are unsecured, repayable on demand and interest bearing except for amounts totalling RM177,186,000 and RM86,186,000 (2020 : RM132,632,000 and RM82,631,000) which are non-interest bearing in respect of the Group and the Company respectively.

28 SHORT TERM BORROWINGS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Secured:				
Amount repayable within 12 months:				
- Term loans (Note 22)	199,452	217,068	78,771	72,132
- Medium term notes (Note 22)	554,650	199,893	224,914	174,918
- Sukuk Wakalah MTNs (Note 22)	35,360	-	-	-
Other short term borrowings	362,898	488,853	239,923	348,118
Vehicle stocking loans	190,923	359,932	-	-
Bank overdrafts	14,579	10,224	4,802	1,174
	1,357,862	1,275,970	548,410	596,342
Unsecured:				
Other bank borrowings	59	-	-	-
	1,357,921	1,275,970	548,410	596,342
Secured:				
Hire purchase and finance lease liabilities (Note 22)	9,473	9,577	293	273
	1,367,394	1,285,547	548,703	596,615

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 1.25% to 9.45% (2020 : 1.40% to 9.06%) per annum for the Group and from 4.14% to 7.96% (2020 : 4.17% to 8.90%) per annum for the Company.

The vehicle stocking loans obtained by foreign subsidiary companies bear interest at the rate of 2.23% to 3.25% (2020 : 2.74% to 6.95%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

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28 SHORT TERM BORROWINGS (CONT'D)

Approximately RM966,000 (2020 : RM908,000) and RM293,000 (2020 : RM273,000) 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
2021			
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:			
Current	473	1,735	2,208
2020			
At beginning of financial year	800	971	1,771
Additional provision during the financial year	398	803	1,201
Arising from acquisition of subsidiary companies (Note 7)	-	252	252
Reversal during the financial year	-	(36)	(36)
Utilised during the financial year	(197)	-	(197)
Exchange differences	40	-	40
At end of financial year	1,041	1,990	3,031
Analysed as follows:			
Current	1,041	1,990	3,031

(a) Sales warranty

A foreign subsidiary company provides 3 to 12 (2020 : 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.

NOTES TO THE FINANCIAL STATEMENTS

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30 REVENUE

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue from contracts with customers	5,379,856	5,125,393	940	940
Revenue from other sources:				
- Lease income from:				
- investment properties	22,179	28,697	-	-
- right-of-use assets	4,041	6,219	-	-
- Gross dividends				
- from a quoted subsidiary company	-	-	22,844	25,975
- from an unquoted associated company	-	-	71,019	261,133
- from quoted investments	-	-	728	476
- from unquoted investments	-	-	-	1,250
	<u>5,406,076</u>	<u>5,160,309</u>	<u>95,531</u>	<u>289,774</u>
Disaggregation of the revenue from contracts with customers:				
<u>By major goods and services:</u>				
Toto betting income	2,263,512	2,466,573	-	-
Sales of motor vehicles, charges for aftersales services, repairs and maintenance services rendered	2,501,939	2,065,903	-	-
Income from supply of goods and services from hotels, resorts and casino operations	179,187	229,932	-	-
Sale of property inventories	290,555	185,321	-	-
Income from chartered flights	931	1,341	-	-
Membership fees and subscriptions	71,616	67,223	-	-
Sale of lottery, voting systems, spare parts and licensing fees	46,696	84,792	-	-
Revenue from training course, examination and related fees	22,145	21,237	-	-
Management fees income	3,275	3,071	940	940
	<u>5,379,856</u>	<u>5,125,393</u>	<u>940</u>	<u>940</u>
<u>By geographical location:</u>				
Malaysia	2,495,511	2,881,549	940	940
Outside Malaysia	2,884,345	2,243,844	-	-
	<u>5,379,856</u>	<u>5,125,393</u>	<u>940</u>	<u>940</u>
<u>Timing of revenue recognition:</u>				
At a point in time	5,248,840	4,984,708	940	940
Over time	131,016	140,685	-	-
	<u>5,379,856</u>	<u>5,125,393</u>	<u>940</u>	<u>940</u>

NOTES TO THE FINANCIAL STATEMENTS

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31 OTHER INCOME

Included in other income are the following:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Operating lease income, other than those relating to investment properties	9,406	10,195	22	-
Reversal of impairment loss on receivables	2,197	711	-	-
Bad debts recovered	42	66	-	-
Finance income - loans and receivables and other liabilities at amortised costs	3,624	79,195	-	-
Government grant	39,269	8,846	-	-
Gain on disposal of property, plant and equipment	315	216	148	-
Gain on foreign exchange	33,848	32,444	874	461

32 INVESTMENT RELATED INCOME

	Group		Company	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Interest income on loans and receivables:				
- fixed and other deposits	8,208	14,203	1,206	2,341
- inter-company				
- subsidiary companies	-	-	50,054	64,612
- related companies	3,744	2,908	18	20
- joint ventures	18,112	20,094	-	-
- others	1,528	1,052	-	-
	31,592	38,257	51,278	66,973
Dividend income (gross)				
from fair value through other comprehensive income investments				
- quoted in Malaysia	2,591	2,616	-	-
- unquoted in Malaysia	-	1,250	-	-
Fair value gains of fair value through profit or loss investments quoted in Malaysia	4,192	-	665	-
Fair value gain on the derecognition of derivative liability	14,128	-	-	-
Gain on disposal of a subsidiary company	67,096	-	-	-
Net gain on disposal and remeasurement loss of retained equity interest in a former subsidiary company	-	2,000	-	-
Balance carried forward	119,599	44,123	51,943	66,973

NOTES TO THE FINANCIAL STATEMENTS

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32 INVESTMENT RELATED INCOME (CONT'D)

	Group		Company	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000
Balance brought forward	119,599	44,123	51,943	66,973
Gain on disposal of:				
- investment properties	-	8,578	-	-
- an associated company	3	-	-	-
Fair value gain on re-measurement of associated company prior to reclassification to investment in a subsidiary company	-	1,953	-	-
Awards of insurance claims	17,848	26,000	-	-
Negative goodwill on consolidation	2,309	28,234	-	-
	<u>139,759</u>	<u>108,888</u>	<u>51,943</u>	<u>66,973</u>

33 INVESTMENT RELATED EXPENSES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Impairment losses of:				
- goodwill	18,989	-	-	-
- investment in a joint venture	-	1,000	-	-
- investment in associated companies	3,412	-	-	-
- property, plant and equipment	11,067	3,163	-	-
- right-of-use assets	1,038	-	-	-
- investments in subsidiary companies	-	-	3,259	17,134
Loss on deemed disposal of interest in a subsidiary company	-	298	-	-
Fair value loss of fair value through profit or loss investments quoted in Malaysia	1,295	2,431	-	665
Fair value loss on derivatives	140	420	140	420
Fair value adjustment on investment properties	14,703	16,723	-	-
Impairment loss on amounts owing by:				
- associated companies	10,691	836	-	-
- subsidiary companies	-	-	80,411	56,716
- a joint venture	-	353	-	-
Write-off of unquoted investments	-	42	-	-
	<u>61,335</u>	<u>25,266</u>	<u>83,810</u>	<u>74,935</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

34 FINANCE COSTS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest expense on financial liabilities at amortised cost:				
- bank and other borrowings	83,877	90,433	39,751	49,088
- hire purchase and finance lease	2,681	4,136	79	88
- inter-companies				
- subsidiary companies	-	-	31,561	38,217
- related companies	414	394	-	-
- medium term notes	55,641	61,527	14,640	20,623
- Sukuk Wakalah MTNs	3,482	-	-	-
- lease liabilities (Note 4)	32,847	21,367	-	-
- loan related expenses	3,590	2,016	1,337	481
- manufacturers' vehicle stocking loans	7,055	11,728	-	-
- defined benefit plans (Note 24)	193	(46)	-	-
- unwinding of discount and charge out of deferred transaction costs	7,709	7,449	4,491	4,807
	<u>197,489</u>	<u>199,004</u>	<u>91,859</u>	<u>113,304</u>

35 (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
(Loss)/Profit before tax is stated after charging/(crediting):				
Depreciation of:				
- property, plant and equipment	111,467	84,805	641	662
- right-of-use assets	97,201	58,913	-	-
Auditors' remuneration				
- auditors of the Company				
- statutory audit	1,886	2,329	684	976
- underprovision				
in previous financial year	44	200	-	48
- other services	325	334	16	14
- other auditors				
other than Ernst & Young PLT				
- statutory audit	3,184	2,145	-	-
- underprovision				
in previous financial year	16	60	-	-
	<u>16</u>	<u>60</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

35 (LOSS)/PROFIT BEFORE TAX (CONT'D)

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
(Loss)/Profit before tax is stated after charging/(crediting) (Cont'd):				
Impairment loss on receivables	4,389	5,635	-	-
Receivables written off	756	1,190	-	-
Expenses relating to leases of:				
- short-term	2,689	2,826	16	-
- low-value assets	1,244	1,192	37	76
Contribution to National Sports Council	30,116	28,692	-	-
Property, plant and equipment written off	13,597	6,516	-	-
Inventories written down	29,531	4,356	-	-
Land held for property development written down	656	436	-	-
Amortisation of:				
- customer relationships	329	314	-	-
- computer software	1,238	761	-	-
Provision for sales warranty	-	398	-	-
Management fees payable to ultimate holding company	1,187	1,188	424	424
Loss on foreign exchange	41,004	17,428	750	302
Loss on disposal of property, plant and equipment	336	450	-	-
Direct operating expenses of investment properties *	5,900	8,019	-	-
Employee benefit expenses (Note 37)	453,211	441,835	17,233	18,896
Management fees receivable from an associated company	-	98	-	-

* 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

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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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Directors of the Company:				
<u>Executive Directors</u>				
Salaries, bonuses and other emoluments	3,453	4,369	264	562
Defined contribution plan	410	562	31	49
Benefits-in-kind	37	61	25	48
<u>Non-Executive Directors</u>				
Fees	425	500	345	420
Salaries, bonuses and other emoluments	653	550	99	112
Defined contribution plan	21	15	-	-
Benefits-in-kind	23	39	10	25
	<u>5,022</u>	<u>6,096</u>	<u>774</u>	<u>1,216</u>

37 EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Wages, salaries, bonuses and allowances (excluding directors' remuneration)	385,235	381,819	14,553	16,254
Social security costs and employee insurance	17,194	19,841	457	364
Retirement benefits				
- defined benefit plans (Note 24)	1,528	844	-	-
- defined contribution plan	27,784	27,361	1,776	1,873
Short term accumulating compensated absences	215	121	-	(29)
Other staff related expenses	21,255	11,849	447	434
	<u>453,211</u>	<u>441,835</u>	<u>17,233</u>	<u>18,896</u>

NOTES TO THE FINANCIAL STATEMENTS

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38 TAXATION

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Income tax:				
Malaysian income tax	94,470	104,261	5,185	8,161
Foreign tax	27,994	10,939	-	-
Under/(Over) provision in prior financial years:				
- Malaysian income tax	1,106	12,908	(31)	10,537
- Foreign tax	(1,646)	(319)	-	-
	121,924	127,789	5,154	18,698
Deferred tax (Note 26):				
Relating to origination and reversal of temporary differences	(22,929)	12,682	-	-
Effects of real property gains tax	1,707	2,341	-	-
Over provision in prior financial years	(671)	(965)	-	-
	(21,893)	14,058	-	-
	<u>100,031</u>	<u>141,847</u>	<u>5,154</u>	<u>18,698</u>

Malaysian income tax is calculated at the Malaysian statutory income tax rate of 24% (2020: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

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38 TAXATION (CONT'D)

A reconciliation of income tax expense applicable to (loss)/profit before tax at the statutory income tax rate to income tax expense at the effective income tax of the Group and of the Company is as follows:

Group	2021 RM'000	2020 RM'000 Restated
(Loss)/Profit before tax	(42,232)	213,616
Tax at Malaysian statutory tax rate of 24% (2020 : 24%)	(10,136)	51,268
Effect of different tax rates in other countries/tax regimes	(1,655)	3,176
Effect of income not subject to tax	(18,333)	(43,066)
Effect of income subject to real property gains tax	1,707	2,341
Effect of expenses not deductible for tax purposes	114,602	107,421
Effect of utilisation of previously unrecognised tax losses, unabsorbed capital allowances and unabsorbed investment tax allowances	(6,147)	-
Effect of share of associated companies' and joint ventures' results	17,521	(35,723)
Deferred tax assets not recognised in respect of current financial year tax losses, unabsorbed capital allowances and other deductible temporary differences	20,376	29,114
Deferred tax liability (reversed)/recognised on undistributed profits of an associated company	(16,693)	15,692
Overprovision of deferred tax in prior financial years	(671)	(965)
(Over)/Under provision of income tax expense in prior financial years	(540)	12,589
Taxation for the financial year	100,031	141,847
Company	2021 RM'000	2020 RM'000
(Loss)/Profit before tax	(59,490)	131,702
Tax at Malaysian statutory tax rate of 24% (2020 : 24%)	(14,278)	31,608
Effect of expenses not deductible for tax purposes	45,407	47,687
Effect of income not subject to tax	(25,944)	(71,134)
(Over)/Under provision of income tax in prior financial years	(31)	10,537
Taxation for the financial year	5,154	18,698

NOTES TO THE FINANCIAL STATEMENTS

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39 LOSS PER SHARE

The loss per share is calculated as follows:

	Group	
	2021	2020
Loss attributable to the equity holders of the Parent (RM'000)	(247,644)	(36,838)
Weighted average number of ordinary shares with voting rights in issue (excluding treasury shares) ('000)	4,920,500	4,975,266
Basic loss per share (sen)	(5.03)	(0.74)

There are no potential ordinary shares outstanding as at 30 June 2021 and at 30 June 2020. 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

	Group	
	2021 RM'000	2020 RM'000
Capital expenditure: - approved and contracted for	135,988	159,249
Investment in a joint venture	8,000	8,000
	143,988	167,249

NOTES TO THE FINANCIAL STATEMENTS

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41 COMMITMENTS (CONT'D)

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

	Group	
	2021 RM'000	2020 RM'000
Future minimum rental receivable:		
Not later than 1 year	14,286	16,041
Later than 1 year and not later than 5 years	9,795	15,603
	24,081	31,644

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;

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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 have mutually agreed to an extension of time to 18 January 2011 to fulfil the CP in the abovementioned conditional sale and purchase agreement. This extension of time was further extended by STC to 18 January 2012. Subsequently, on 22 December 2011, the Company announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

On 13 August 2012, the Company announced that BTSB and STC had entered into a supplemental agreement to mutually vary certain terms of the SPA ("Supplemental Agreement"), details of which are as follows:

- if there is any CP remaining outstanding, BTSB shall be entitled to request from STC further extension of time to fulfil the CPs pursuant to the proposed acquisition of Sungai Besi Land. STC shall grant an extension of one year subject to a cash payment of RM3.0 million by BTSB for such extension; and
- upon signing the Supplemental Agreement, BTSB shall pay STC an advance part payment of RM7.0 million which will be deducted from the cash portion of the consideration of RM35.0 million. The balance of the purchase consideration shall be paid within 33 months from the date of the last CP is fulfilled or such other date as mutually extended.

Pursuant to the aforesaid Supplemental Agreement, BTSB paid a sum of RM3.0 million to extend the period for another year to 18 January 2022 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.

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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, B TSB 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 are allowed to proceed with the development.
3. The Applicants are required to submit the relevant documents to the relevant technical departments for comments.
4. The technical departments are directed to respond within 3 months from the receipt of these documents, and failing which it is deemed that they have no objection to these documents.
5. Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents are directed to 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 are directed to submit the said proposal papers within 1 month upon receipt of the fair order, failing which the Applicants shall forfeit the benefit of the order of mandamus pursuant to paragraph 5.
7. The 1st and 5th Respondents are ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation will be assessed in subsequent proceedings.

Further to the above, on 14 December 2017, the Company announced that the Selangor State Government and several other respondents ("the Appellants") have filed a Notice of Appeal to the Court of Appeal to appeal against the decision of the Shah Alam High Court made on 9 November 2017 ("Main Appeal").

The 1st and 5th Respondents have also applied to stay the ongoing proceedings in the Shah Alam High Court and the execution of the Shah Alam High Court judgement in the judicial review proceedings ("Stay of Proceedings Application"). The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the 1st and 5th respondents ("Extension of Time Application"). In addition, the Applicants have also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgement ("Assessment Proceedings").

The Court of Appeal has granted a stay of execution of the High Court judgement and the Assessment Proceedings pending the disposal of the Main Appeal at the Court of Appeal.

The hearing of the Selangor State Government's appeal at the Court of Appeal which was previously fixed on 24 October 2019 has been vacated by the Court of Appeal. The Court of Appeal will instead hear a motion by the Selangor State Government to adduce further evidence in this matter. The Court of Appeal has then fixed 22 November 2019 as case management date to fix the hearing date of the Main Appeal. On 22 November 2019, the Court of Appeal fixed the hearing date of the Main Appeal on 27 March 2020.

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

The Appellants have also filed a stay application to stay the hearing of the Main Appeal pending disposal of the FC Leave Motion. This stay application is fixed for hearing on the same day as the hearing of the Main Appeal, that is on 27 March 2020. In the event that the stay is refused by the Court of Appeal, the hearing of the Main Appeal will proceed.

Due to the Movement Control Order ("MCO") coming into effect on 18 March 2020, the hearings of the FC Leave Motion and the application for stay as well as the Main Appeal were postponed to 6 July 2020 and 2 July 2020 respectively. A case management date for the Main Appeal was also fixed for 9 July 2020 by the Court of Appeal.

Subsequently, the State Government has 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.

As for the Assessment Proceedings, the Shah Alam High Court has fixed a case management date on 8 November 2021 to update the Shah Alam High Court on the status of the Main Appeal.

The STC Proposals proceedings are still ongoing.

(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 will take all relevant legal measures, including commencing legal proceeding in Hong Kong against Beijing SkyOcean and the Guarantors to protect and enforce GMOC's legitimate rights.

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42 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

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

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 has on 21 May 2020 obtained a favourable arbitration award from the HKIAC ("Final Award"), details of which are as follows:-

- (i) Beijing SkyOcean shall pay to GMOC the outstanding balance amount of RMB974.07 million;
- (ii) Beijing SkyOcean shall pay liquidated damages on the outstanding balance amount calculated at the People's Bank of China's lending rate of 4.75% per annum from the payment due date of 28 November 2017 until the date full payment is made;
- (iii) The Guarantors shall be jointly and severally liable for the amounts payable by Beijing SkyOcean under the Final Award; and
- (iv) The Respondents shall jointly pay legal costs of about RMB15.9 million (equivalent to approximately RM9.72 million) and arbitration costs of about HKD3.96 million (equivalent to approximately RM2.23 million) within 30 days after issuance of the Final Award, failing which late payment interest at 8% per annum shall be charged from the due date until the date of actual payment.

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.

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.

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43 CONTINGENT LIABILITIES

Amat Muhibah Tax Dispute

On 16 June 2021, the Inland Revenue Board of Malaysia ("IRB") issued Notice of Assessment ("Form J") 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 has 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").

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 has 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 has also been granted an interim stay on the payment of the Tax in Dispute until 15 September 2021. Subsequently, the hearing date has been rescheduled to 4 April 2022 and an interim stay has been granted till then.

Based on the opinion obtained from its legal advisors, 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	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 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	(2,393)	(2,457)	-	-
Purchase of land from					
Deru Klasik Sdn Bhd	b	38,450	-	-	-

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44 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Rental of premises and related services receivable from:					
- Sun Media Corporation Sdn Bhd	c	(399)	(399)	-	-
- 7-Eleven Malaysia Sdn Bhd	b	(2,847)	(2,253)	-	-
- Berjaya Starbucks Coffee Company Sdn Bhd	a	(1,485)	(1,551)	-	-
- U Mobile Sdn Bhd ("UMSB")	b	(1,574)	(1,604)	-	-
- BerjayaCity Sdn Bhd	a	(1,880)	(1,346)	-	-
- Berjaya Assets Food (BAF) Sdn Bhd ("BAF")	d	(10)	(657)	-	-
Provision of security guard services to:					
- subsidiary companies of BCorp	a	(475)	(508)	-	-
- subsidiary companies of Berjaya Food Berhad	a	(421)	(406)	-	-
- subsidiary companies of BAssets	d	(10)	(54)	-	-
- Singer (Malaysia) Sdn Bhd	b	(230)	(210)	-	-
Supply of computerised lottery systems and related services to:					
- Berjaya Gia Think Investment Technology Joint Stock Company	a	(21,018)	(35,188)	-	-
- Natural Avenue Sdn Bhd ("NASB")	d	(690)	(1,846)	-	-
Rental of premises payable to					
- Berjaya Times Square Sdn Bhd ("BTSSB")	d	153	95	-	-
- Ambilan Imej Sdn Bhd	a	3,626	3,626	-	-
- Berjaya Sompoo Insurance Berhad	f	-	562	-	-
Procurement of Toto betting rolls, slips and other printing services from:					
- Graphic Press Group Sdn Bhd	a	416	519	-	-
- Berjaya Paper Trading Sdn Bhd	a	8,300	10,992	-	-
Share registration services rendered by Berjaya Registration Services Sdn Bhd					
	a	394	582	46	45
Advertising and publishing services charged by Sun Media Corporation Sdn Bhd					
	c	900	917	42	27
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	2,845	3,408	1,249	1,824

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

44 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

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 Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling ("CTSL"), both of whom are Executive Directors of the Company.
- (d) BTSSB and BAF are wholly owned subsidiary companies of BAssets whilst NASB is effectively 65%-owned by BAssets. Tan Sri Vincent Tan is a substantial shareholder of BAssets and CTSL is an Executive Director of BAssets.
- (e) Subsidiary companies of MOL.com Sdn Bhd ("MOL"). Tan Sri Vincent Tan and BCorp are major shareholders of MOL.
- (f) Associated company of BCorp Group.

As at the reporting date, a foreign subsidiary company had deposit placements amounting to RM90,939,000 (2020 : Nil) 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	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Short-term benefits	24,499	32,632	1,206	1,647
Post-employment benefits	3,428	4,671	83	106
	<u>27,927</u>	<u>37,303</u>	<u>1,289</u>	<u>1,753</u>

NOTES TO THE FINANCIAL STATEMENTS

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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.

NOTES TO THE FINANCIAL STATEMENTS

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45 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments:

Revenue	2021			2020		
	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	2,310,208	-	2,310,208	2,551,365	-	2,551,365
Motor vehicle dealership	2,501,939	-	2,501,939	2,065,903	-	2,065,903
Property development and property investment	316,009	43,966	359,975	213,555	27,917	241,472
Hotels and resorts	169,466	1,805	171,271	235,324	3,465	238,789
Club, recreation and others	108,454	13,968	122,422	94,162	12,983	107,145
Inter-segment eliminations	-	(59,739)	(59,739)	-	(44,365)	(44,365)
	<u>5,406,076</u>	<u>-</u>	<u>5,406,076</u>	<u>5,160,309</u>	<u>-</u>	<u>5,160,309</u>

Inter-segment revenue are eliminated on consolidation.

Results

	2021 RM'000	2020 RM'000 Restated
Toto betting and related activities	287,119	290,120
Motor vehicle dealership	83,024	20,875
Property development and property investment	10,606	24,998
Hotels and resorts	(152,044)	(85,846)
Club, recreation and others	(32,038)	(21,870)
Segment results	196,667	228,277
Unallocated corporate expenses	(46,109)	(48,126)
	150,558	180,151
Investment related income (Note 32)		
- toto betting and related activities	14,939	28,581
- property development and property investment	70,713	2,965
- hotels and resorts	14,681	54,857
- club, recreation and others	22,825	953
- unallocated	16,601	21,532
	139,759	108,888
Investment related expenses (Note 33)		
- toto betting and related activities	(550)	(474)
- property development and property investment	(15,749)	(16,673)
- hotels and resorts	(14,326)	(106)
- club, recreation and others	(15,172)	(5,633)
- unallocated	(15,538)	(2,380)
	(61,335)	(25,266)
	228,982	263,773
Finance costs	(197,489)	(199,004)
Share of results of associated companies	(64,815)	152,352
Share of results of joint ventures	(8,910)	(3,505)
(Loss) / Profit before tax	(42,232)	213,616
Taxation	(100,031)	(141,847)
(Loss) / Profit for the financial year	(142,263)	71,769
Non-controlling interests	(105,381)	(108,607)
Loss attributable to owners of the Parent	<u>(247,644)</u>	<u>(36,838)</u>

NOTES TO THE FINANCIAL STATEMENTS

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45 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

Assets and Liabilities	2021		2020	
	Assets RM'000	Liabilities RM'000	Assets RM'000 Restated	Liabilities RM'000 Restated
Toto betting and related activities	3,590,628	214,235	3,810,116	156,376
Motor vehicle dealership	1,198,959	565,465	1,224,150	568,310
Property development and property investment	3,717,028	750,067	3,638,951	838,661
Hotels and resorts	2,564,426	1,159,435	2,609,549	1,092,809
Club, recreation and others	825,062	833,904	915,153	884,140
Inter-segment eliminations	(926,300)	(886,421)	(886,199)	(848,900)
Segment assets/liabilities	10,969,803	2,636,685	11,311,720	2,691,396
Investment in associated companies	324,601	-	468,067	-
Investment in joint ventures	43,689	-	53,689	-
Assets classified as held for sale	187,768	-	778,056	103,533
Unallocated corporate assets/liabilities	1,406,012	4,389,406	1,252,793	4,815,704
Consolidated assets/liabilities	12,931,873	7,026,091	13,864,325	7,610,633

Inter-segment assets and liabilities are eliminated on consolidation.

Other Information	2021			2020		
	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	8,167	15,629	3,111	10,180	17,984	1,186
Motor vehicle dealership	132,354	45,092	27,479	104,135	41,803	4,405
Property development and property investment	5,678	16,856	645	38,998	9,691	893
Hotels and resorts	10,330	112,250	2,419	33,404	46,597	8,024
Club, recreation and others	4,946	26,466	17,585	3,082	24,452	3,855
Unallocated	12,869	1,552	7,725	42,918	4,914	523
	174,344	217,845	58,964	232,717	145,441	18,886

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	2021 RM'000	2020 RM'000
Toto betting and related activities	90	432
Property development and property investment	1,526	230
Hotels and resorts	14,326	106
Club, recreation and others	15,152	5,352
Unallocated	14,103	1,663
	45,197	7,783

(b) Geographical Locations:

	2021			2020		
	Revenue RM'000	Segment assets RM'000	Capital expenditure RM'000	Revenue RM'000	Segment assets RM'000 Restated	Capital expenditure RM'000
Malaysia	2,521,731	7,108,832	168,394	2,916,465	7,502,222	203,351
Outside Malaysia	2,884,345	3,860,971	5,950	2,243,844	3,809,498	29,366
	5,406,076	10,969,803	174,344	5,160,309	11,311,720	232,717

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.

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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:

Group 2021	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Investment properties	-	-	704,115	704,115
2020				
Investment properties	-	-	712,071	712,071

- (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 -66% and 33% (2020 : -56% and 38%) of the respective properties' comparables.

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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	
	2021 RM'000	2020 RM'000
At beginning of financial year	712,071	555,635
Transfer from Level 2 in the fair value hierarchy	-	173,131
Additions during the financial year	5,889	-
Net fair value adjustments (Note 33)	(14,703)	(16,723)
Exchange differences	858	28
At end of financial year	704,115	712,071

During the previous financial year, an amount of RM173,131,000 was transferred from Level 2 in the fair value hierarchy to Level 3, as the Group has assessed the adjustment factors for this categories of investment properties became significant in the light of softer real estate market mainly due to the effect of the COVID-19 pandemic.

(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:

2021	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>Financial assets - Investments</u>				
Group	149,218	-	58,802	208,020
Company	52,443	-	5,958	58,401
<u>Financial assets - Short term investments</u>				
Group	-	11,207	-	11,207
<u>Financial assets - Derivative asset</u>				
Group	-	80	-	80
Company	-	80	-	80

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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):

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2021				
<u>Financial liabilities</u>				
<u>- Derivative liabilities</u>				
Group	-	640	-	640
Company	-	640	-	640
2020				
<u>Financial assets - Investments</u>				
Group	138,563	-	51,821	190,384
Company	52,477	-	5,958	58,435
<u>Financial assets - Short term investments</u>				
Group	-	8,727	-	8,727
<u>Financial assets - Derivative asset</u>				
Group	-	343	-	343
Company	-	343	-	343
<u>Financial liabilities</u>				
<u>- Derivative liabilities</u>				
Group	-	763	28,239	29,002
Company	-	763	-	763

The Level 3 investments consist certain equity and debt securities inside and outside Malaysia of which their market values are not quoted in an active market. The fair values of unquoted equity securities inside Malaysia are determined to be the Group's and the Company's share of the net assets or estimated through discounted cashflows analysis of the respective investees.

The Level 3 derivative liability is determined by the terms in the call and put option agreement, which requires making assumptions on the future performance of an investee, such as discount rate and the expected growth rate in the discounted cashflows of the investee.

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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

2021	Group RM'000	Company RM'000
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>
2020	Group RM'000	Company RM'000
At beginning of financial year	51,522	5,958
Additions during the financial year	7,699	-
Net fair value changes through other comprehensive income	(10,539)	-
Exchange differences	3,139	-
At end of financial year	<u>51,821</u>	<u>5,958</u>

Fair value reconciliation of financial liabilities - derivative liabilities measured at Level 3

Group	2021 RM'000	2020 RM'000
At beginning of financial year	28,239	-
Fair value change recognised in profit or loss upon derecognition	(14,128)	-
Settlement during the financial year	(4,134)	-
Reclassified to payables	(9,977)	-
Initial recognition during the financial year	-	28,257
Fair value loss on the option	-	(18)
At end of financial year	<u>-</u>	<u>28,239</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:

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47 FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

	Note	Group		Company	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<u>Financial assets</u>					
<u>Fair value through other comprehensive income</u>					
Investments	10	193,150	183,889	56,904	57,603
<u>Fair value through profit or loss</u>					
Investments	10	14,870	6,495	1,497	832
Short term investments	15	11,207	8,727	-	-
Derivative asset	25	80	343	80	343
		26,157	15,565	1,577	1,175
<u>At amortised cost</u>					
Receivables	13	1,737,430	1,763,044	1,375,519	1,790,970
Deposits	16	371,001	242,161	35,756	66,423
Cash and bank balances	17	277,382	402,048	4,502	5,486
		2,385,813	2,407,253	1,415,777	1,862,879
Total financial assets		2,605,120	2,606,707	1,474,258	1,921,657
<u>Financial liabilities</u>					
<u>Fair value through profit or loss</u>					
Derivative liabilities	25	640	29,002	640	763
<u>At amortised cost</u>					
Long term borrowings	22	1,721,389	2,338,311	457,277	843,276
Long term liabilities	23	79,101	4,692	-	-
Lease liabilities	4	1,020,852	1,020,813	-	-
Payables	27	1,258,572	1,157,854	650,077	579,798
Short term borrowings	28	1,367,394	1,285,547	548,703	596,615
		5,447,308	5,807,217	1,656,057	2,019,689
Total financial liabilities		5,447,948	5,836,219	1,656,697	2,020,452

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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
Lease liabilities	4

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due either to the insignificant impact of discounting or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

(iii) Financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximation of fair value

	Group			
	2021 Carrying amount RM'000	2021 Fair value RM'000	2020 Carrying amount RM'000	2020 Fair value RM'000
<u>Financial liabilities</u>				
Medium term notes	1,098,213	1,105,516	1,197,658	1,220,780
Sukuk Wakalah MTNs	85,360	87,208	-	-
	<u>1,183,573</u>	<u>1,192,724</u>	<u>1,197,658</u>	<u>1,220,780</u>
	Company			
	2021 Carrying amount RM'000	2021 Fair value RM'000	2020 Carrying amount RM'000	2020 Fair value RM'000
<u>Financial liabilities</u>				
Medium term notes	299,914	298,855	399,832	405,271
	<u>299,914</u>	<u>298,855</u>	<u>399,832</u>	<u>405,271</u>

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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 (2020 : 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	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Fixed rate instruments</u>				
Financial assets	741,554	610,945	35,756	66,423
Financial liabilities	1,440,214	1,466,660	300,775	400,720
<u>Floating rate instruments</u>				
Financial assets	184,315	168,263	1,208,470	1,218,376
Financial liabilities	1,648,569	2,157,198	1,656,573	1,895,165

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.

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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

A change of 25 basis points in interest rates at the reporting date would result in the profit/(loss) before tax of the Group to be lower/higher by RM3,661,000 (2020 : RM4,972,000), and the profit/(loss) before tax of the Company to be lower/higher by RM1,120,000 (2020 : RM1,692,000) respectively, assuming that all other variables remain constant.

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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, Euro, Seychelles Rupees, Singapore Dollar, Chinese Renminbi, Vietnam Dong, Thai Baht, Great Britain Pound, Korean Won, Philippine Peso, Hong Kong Dollar, Icelandic Króna and Japanese Yen.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located.

The significant unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

Financial Assets/Liabilities Held in Non-Functional Currencies

Functional Currency of Group Companies	Thai Baht RM'000	Euro RM'000	United States Dollar RM'000	Singapore Dollar RM'000	Japanese Yen RM'000	Vietnam Dong RM'000	Total RM'000
<u>Receivables</u>							
Ringgit Malaysia	129,232	-	199,386	101	-	61,049	389,768
Singapore Dollar	-	-	-	-	77	-	77
Seychelles Rupees	-	1,742	574	-	-	-	2,316
At 30 June 2021	<u>129,232</u>	<u>1,742</u>	<u>199,960</u>	<u>101</u>	<u>77</u>	<u>61,049</u>	<u>392,161</u>
Ringgit Malaysia	91,341	-	215,772	220	-	63,172	370,505
Singapore Dollar	-	-	-	-	80	-	80
Seychelles Rupees	-	3,697	366	-	-	-	4,063
Icelandic Króna	-	499	-	-	-	-	499
At 30 June 2020	<u>91,341</u>	<u>4,196</u>	<u>216,138</u>	<u>220</u>	<u>80</u>	<u>63,172</u>	<u>375,147</u>
<u>Cash and bank balances and deposits</u>							
Singapore Dollar	-	-	37	-	15,227	-	15,264
Seychelles Rupees	-	7,537	859	-	-	-	8,396
Ringgit Malaysia	-	9	4,977	220	-	-	5,206
Icelandic Króna	-	4,228	94	-	4,973	-	9,295
At 30 June 2021	<u>-</u>	<u>11,774</u>	<u>5,967</u>	<u>220</u>	<u>20,200</u>	<u>-</u>	<u>38,161</u>
Singapore Dollar	-	-	8	-	7,408	-	7,416
Seychelles Rupees	-	8,469	1,291	-	-	-	9,760
Ringgit Malaysia	-	-	21,469	29,715	-	-	51,184
Icelandic Króna	-	379	423	-	-	-	802
At 30 June 2020	<u>-</u>	<u>8,848</u>	<u>23,191</u>	<u>29,715</u>	<u>7,408</u>	<u>-</u>	<u>69,162</u>
<u>Payables</u>							
Ringgit Malaysia	-	-	1,103	5,929	-	61,465	68,497
Singapore Dollar	-	-	-	-	9,618	-	9,618
Seychelles Rupees	-	21	240	-	-	-	261
Icelandic Króna	-	13,894	1,609	-	-	-	15,503
At 30 June 2021	<u>-</u>	<u>13,915</u>	<u>2,952</u>	<u>5,929</u>	<u>9,618</u>	<u>61,465</u>	<u>93,879</u>
Ringgit Malaysia	-	-	1,804	4,172	-	63,173	69,149
Singapore Dollar	-	-	3	-	8,515	-	8,518
Seychelles Rupees	-	6	81	-	-	-	87
Icelandic Króna	-	237	-	-	-	-	237
At 30 June 2020	<u>-</u>	<u>243</u>	<u>1,888</u>	<u>4,172</u>	<u>8,515</u>	<u>63,173</u>	<u>77,991</u>

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48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk (Cont'd)

Financial Assets/Liabilities Held in Non-Functional Currencies

Functional Currency of Group Companies	Thai Baht RM'000	Euro RM'000	United States Dollar RM'000	Singapore Dollar RM'000	Japanese Yen RM'000	Vietnam Dong RM'000	Total RM'000
<u>Borrowings</u>							
Seychelles Rupees	-	17,522	-	-	-	-	17,522
Singapore Dollar	-	-	-	-	116,814	-	116,814
Ringgit Malaysia	-	-	55,711	12,326	-	-	68,037
Icelandic Króna	-	249,432	-	-	-	-	249,432
At 30 June 2021	-	266,954	55,711	12,326	116,814	-	451,805
Seychelles Rupees	-	16,427	-	-	-	-	16,427
Singapore Dollar	-	-	-	-	90,406	-	90,406
Ringgit Malaysia	-	-	86,399	10,661	-	-	97,060
Icelandic Króna	-	242,975	-	-	-	-	242,975
At 30 June 2020	-	259,402	86,399	10,661	90,406	-	446,868

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, EUR, SCR, SGD, THB, JPY and ISK exchange rates against the respective major functional currencies of the Group entities, with all other variables remaining constant:

Group		2021 RM'000	2020 RM'000
<u>Increase/(decrease) to profit before tax</u>			
USD/RM	- strengthened 3% (2020 : 4%)	4,426	5,962
	- weakened 3% (2020 : 4%)	(4,426)	(5,962)
USD/SCR	- strengthened 14% (2020 : 1%)	167	16
	- weakened 14% (2020 : 1%)	(167)	(16)
EUR/SCR	- strengthened 8% (2020 : 4%)	(661)	(171)
	- weakened 8% (2020 : 4%)	661	171
SGD/RM	- strengthened 0.37% (2020 : 1%)	(67)	151
	- weakened 0.37% (2020 : 1%)	67	(151)
THB/RM	- strengthened 3% (2020 : 3%)	3,877	2,740
	- weakened 3% (2020 : 3%)	(3,877)	(2,740)
JPY/SGD	- strengthened 6.38% (2020 : 1%)	(7,099)	(914)
	- weakened 6.38% (2020 : 1%)	7,099	914
EUR/ISK	- strengthened 4.31% (2020 : 0.2%)	(11,174)	(519)
	- weakened 4.31% (2020 : 0.2%)	11,174	519

The impact of sensitivity analysis of the rest of the foreign currencies is not material to the Group.

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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.

Sensitivity analysis for market price risk

At the reporting date, if the prices of the investments quoted on the stock exchanges had been 1% higher/lower, with all other variables held constant, the Group's loss before tax would have been RM51,000 (2020 : RM28,000) lower/higher, arising as a result of higher/lower fair value gains on investments classified at fair value through profit or loss. The Group's equity would also have been RM1,441,000 (2020 : RM1,358,000) higher/lower, arising as a result of higher/lower fair value gains on investments classified at fair value through other comprehensive income.

(b) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to the shortage of funds.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funds so as to ensure that refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

Analysis of undiscounted financial instruments by remaining contractual maturities

Financial liabilities Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2021				
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 liabilities	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>

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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)

Financial liabilities Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2020				
Trade and other payables	1,157,854	-	-	1,157,854
Hire purchase and finance lease liabilities	13,110	59,231	-	72,341
Long term liabilities	-	3,935	22,411	26,346
Lease liabilities	88,518	354,817	859,643	1,302,978
Derivative liabilities	763	36,120	-	36,883
Loans and borrowings	1,361,972	1,700,979	835,269	3,898,220
	<u>2,622,217</u>	<u>2,155,082</u>	<u>1,717,323</u>	<u>6,494,622</u>
Company				
2021				
Other payables	650,077	-	-	650,077
Hire purchase and finance lease liabilities	363	704	-	1,067
Derivative liabilities	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>
2020				
Other payables	579,798	-	-	579,798
Hire purchase and finance lease liabilities	339	763	-	1,102
Long term liabilities	-	384,803	-	384,803
Derivative liabilities	763	-	-	763
Loans and borrowings	600,950	761,975	87,021	1,449,946
	<u>1,181,850</u>	<u>1,147,541</u>	<u>87,021</u>	<u>2,416,412</u>

(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.

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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 RM891,306,000 (2020: RM602,602,000) 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	2021		2020	
	RM'000	%	RM'000	%
Toto betting and related activities	122,356	44	127,826	45
Motor vehicle dealerships	46,693	17	58,039	21
Property development and property investment	72,344	26	64,921	23
Hotels and resorts	19,045	7	21,076	8
Club, recreation and others	15,930	6	9,335	3
	<u>276,368</u>	<u>100</u>	<u>281,197</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 2021 and 30 June 2020.

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.

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49 CAPITAL MANAGEMENT (CONT'D)

The gearing ratios as at 30 June 2021 and 30 June 2020 were as follows:

		Group	
	Note	2021 RM'000	2020 RM'000 Restated
Short term borrowings	28	1,367,394	1,285,547
Long term borrowings	22	1,721,389	2,338,311
Total debt		<u>3,088,783</u>	<u>3,623,858</u>
Total equity		<u>5,905,782</u>	<u>6,253,692</u>
Gearing ratio (%)		<u>52</u>	<u>58</u>

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

50 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 4 June 2018, the Company announced that BLCL had entered into a Capital Transfer Agreement for the proposed disposal by BLCL of the entire remaining 32.5% of the capital contribution in Berjaya Vietnam Financial Center Limited ("BVFC") to Vinhomes Joint Stock Company ("Vinhomes") and Can Gio Tourist City Corporation for a cash consideration of VND884.93 billion (equivalent to approximately RM154.86 million) ("Proposed BVFC Disposal"). The Proposed BVFC Disposal is pending completion.

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

In conjunction with the Proposed BVFC Disposal, Vinhomes and its affiliates are also being considered as potential purchasers of Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT") and have in December 2017 also injected a cash sum of VND11,904 billion (equivalent to approximately RM2.08 billion) as fresh capital contribution into BVIUT in order to meet certain similar conditions imposed by the Vietnamese authorities which require BVIUT to increase its charter capital to VND12,000 billion (RM2.10 billion). Accordingly, BLCL's initial stake in BVIUT has also been diluted from 100% to 0.8%. It is the intention of BLCL to dispose of its 0.8% stake in BVIUT in the near future ("Proposed BVIUT Disposal").

- (b) On 1 August 2020, BGRB Venture Sdn Bhd ("BVSB"), a wholly-owned subsidiary of Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad) ("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 10 years ("Sukuk Wakalah MTNs"). The Sukuk Wakalah MTNs are secured with a corporate guarantee from BHartanah. As at 30 June 2021, a total of RM85,360,000 Sukuk Wakalah MTNs has been issued.
- (c) On 28 August 2020, the Company announced that the resolution of the JDC Lawsuit involving the settlement of all claims and disputes in relation to the Jeju Project has been completed upon the receipt of the settlement for damages incurred in relation to the Jeju Project amounting to approximately KRW112 billion (equivalent to approximately RM394.0 million) ("Settlement Sum") from JDC. Accordingly, BJeju ceased as a subsidiary of the Group.
- (d) On 8 April 2021, Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary company of the Company, entered into a Share Purchase Agreement with Icelandair Group hf., to acquire the remaining 25% equity interest in Icelandair Hotels ehf, for a cash consideration of USD3.40 million (equivalent to approximately RM14.11 million). Consequently, Icelandair Hotels ehf became a wholly owned subsidiary company of BPIL. Upon the completion of the aforementioned acquisition, the Shareholders Agreement and the Put and Call Option Agreement entered into between BPIL and Icelandair Group hf were terminated.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

50 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (e) The World Health Organisation declared the Covid-19 as a pandemic on 11 March 2020. The Covid-19 pandemic remains fluid and continuing to evolve locally and globally to date. In order to curb the spread of the Covid-19 outbreak, the Malaysian Government as well as the governments of the respective countries where the Group has business operations have implemented multiple phases of lockdown or restrictive measures and this has disrupted the Group's operations.

The Group's toto betting business segment operated by BToto's subsidiary, Sports Toto Malaysia Sdn Bhd ("Sports Toto") were partially and fully closed when the Movement Control Order ("MCO") 2.0 was imposed from 13 January 2021 to 18 February 2021 and subsequently MCO 3.0 from 1 June 2021, respectively. The closure was further extended until September 2021 in line with the National Recovery Plan and Sports Toto was only allowed to resume business on 14 September 2021. Similarly, the Group's motor vehicle dealership business segment operated by H.R. Owen Ltd shut down its showrooms for about 4 months during the financial year in compliance with the lockdown measures implemented by the UK government.

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. These segments had mostly relied on domestic tourism whenever domestic travelling restrictions were eased. The hospitality industry is quite dependent on international tourism and therefore sole reliance on domestic tourism is not sustainable during this pandemic.

The progress of the Group's property developments are now well underway despite being hampered by the imposition of lockdowns. Footfalls to the Group's shopping malls were significantly reduced during the financial year and rental reliefs were offered to eligible tenants as support during this challenging period.

The ultimate impact of the Covid-19 is highly uncertain. Nevertheless, the management will continue to monitor the development and impact of Covid-19 on the Group's operations and their financial performance. The Group will also be taking appropriate and timely measures to minimise the potential impact from Covid-19 when more economic and social sectors are reopened, as the government adopt the practice of living with the pandemic as the new normal.

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51 PRIOR YEAR ADJUSTMENT

In the previous financial year ended 30 June 2020, the Group had acquired 75% equity interest in Icelandair Hotels ehf ("Icelandair") for a total final cash consideration of USD45.31 million (equivalent to approximately RM179.84 million). The consolidation of Icelandair was regarded as a business combination in accordance with MFRS 3: Business Combinations and a purchase price allocation ("PPA") exercise was undertaken to determine the fair values of identifiable assets and liabilities at acquisition. During the current financial year, the PPA exercise was finalised resulting in the identification of negative goodwill arising on consolidation of Icelandair amounting to RM28.23 million. The amount of negative goodwill is adjusted retrospectively to the financial statements of the previous financial year ended 30 June 2020.

As a result of the above, certain comparative amounts as at 30 June 2020 have been adjusted as disclosed below:

Group At 30 June 2020

Statement of Financial Position	As previously reported RM'000	Adjustment RM'000	As restated RM'000
Property, plant and equipment	1,709,233	187,962	1,897,195
Right-of-use assets	1,308,012	(142,630)	1,165,382
Reserves:			
- Foreign currency translation reserve	107,447	12,369	119,816
- Retained earnings	242,951	28,234	271,185
Deferred tax liabilities	1,006,042	4,729	1,010,771
Statement of Profit or Loss			
Investment related income	80,654	28,234	108,888
Profit before tax	185,382	28,234	213,616
Profit for the financial year	43,535	28,234	71,769

The finalisation of the PPA exercise did not have an impact to the Group's statement of cash flows and the Company's financial statements for the financial year ended 30 June 2020.

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
Subsidiary Companies				
(a) Subsidiaries of Berjaya Land Berhad				
* Alam Baiduri Sdn Bhd	Malaysia	Property investment	100	100
Amat Muhibah Sdn Bhd	Malaysia	Dormant	52.60	52.60
* Amat Teguh Sdn Bhd	Malaysia	Property development	100	100
* AM Prestige Sdn Bhd	Malaysia	Ceased operations	100	100
* Angsana Gemilang Sdn Bhd	Malaysia	Property investment	100	100
* Awan Suria Sdn Bhd	Malaysia	Provision of landscaping service, selling and renting of ornament plants	100	100
* Bahan Cendana Sdn Bhd	Malaysia	Property investment	100	100
* Berjaya Air Capital (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Enamelware Sdn Bhd	Malaysia	Dormant	100	100
Berjaya Engineering Construction Sdn Bhd	Malaysia	Provision of civil engineering contracting works	100	100
* Berjaya Fukuoka Development (S) Pte Ltd	Singapore	Investment holding	100	100
* Berjaya Guard Services Sdn Bhd	Malaysia	Provision of security services	100	100
* Berjaya Holiday Cruise Sdn Bhd	Malaysia	Investment holding	86.36	86.36
* Berjaya Hotels and Resorts (Seychelles) Limited	Republic of Seychelles	Management and operation of hotel resorts in Seychelles	100	100
Berjaya Hotels & Resorts Vietnam Sdn Bhd	Malaysia	Investment holding	100	100
Berjaya Jet Charter Sdn Bhd	Malaysia	Jet charter	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
* Berjaya Kawat Industries Sdn Bhd	Malaysia	Property investment and rental of properties	100	100
Berjaya Land (Labuan) Limited	Malaysia	Investment holding	100	100
Berjaya Leasing (Labuan) Limited	Malaysia	Provision of aircraft leasing services and undertaking of offshore financial related business	100	100
Berjaya Land Development Sdn Bhd	Malaysia	Property development and investment holding	100	100
* Berjaya Leisure Capital (Cayman) Limited	Cayman Islands	Investment holding	100	100
Berjaya Leisure (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Megamall Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
Berjaya Myanmar Holdings Sdn Bhd	Malaysia	Investment holding	100	100
* Berjaya North Asia Holdings Pte Ltd	Singapore	Investment holding	100	100
* Berjaya Okinawa Investment (S) Pte Ltd	Singapore	Investment holding	100	100
* Berjaya Project Management Sdn Bhd	Malaysia	Project management	100	100
Berjaya Property Management Sdn Bhd	Malaysia	Investment holding	100	100
* Berjaya Property Ireland Limited	Ireland	Investment holding	100	100
a * Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	60	60

a Additional 20% being held by Berjaya Sports Toto Berhad.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
* Berjaya Reykjavik Investment Limited	Ireland	Investment holding	100	100
Berjaya Sports Toto Berhad	Malaysia	Investment holding	40.63	40.36
Berjaya Tagar Sdn Bhd	Malaysia	Property development and investment holding	100	100
* Berjaya Theme Park Management Sdn Bhd	Malaysia	Dormant	100	100
Berjaya Vacation Club Berhad	Malaysia	Time sharing vacation operator, property investment and investment holding	100	100
* B.L. Capital Sdn Bhd	Malaysia	Investment holding	100	100
* B.T. Properties Sdn Bhd	Malaysia	Property development and investment holding	100	100
* BTS Leaseback Management Sdn Bhd	Malaysia	Coordination of pool-profit sharing of owner-owned suites	100	100
* Budi Impian Sdn Bhd	Malaysia	Hotel operator	100	100
Cempaka Properties Sdn Bhd	Malaysia	Property development and investment	100	100
Cerah Bakti Sdn Bhd	Malaysia	Property development	70	70
* Cerah Tropika Sdn Bhd	Malaysia	Investment holding	70	70
* Cergas Jati Sdn Bhd	Malaysia	Property investment	100	100
* Flexiwang Sdn Bhd	Malaysia	Dormant	100	100
Gateway Benefit Sdn Bhd	Malaysia	Investment holding	100	100
* Gemilang Cergas Sdn Bhd	Malaysia	Property investment	100	100
Immediate Capital Sdn Bhd	Malaysia	Investment holding	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
* Junjung Delima Sdn Bhd	Malaysia	Investment holding	100	100
Klasik Mewah Sdn Bhd	Malaysia	Property investment	100	100
Kota Raya Development Sdn Bhd	Malaysia	Investment and rental of property	100	100
* Landasan Lumayan Berjaya Sdn Bhd	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
<i>b</i> * Regnis Industries (Malaysia) Sdn Bhd	Malaysia	Investment and rental of property	87.12	87.12
Securiservices Sdn Bhd	Malaysia	Property development	100	100
* Semakin Sinar Sdn Bhd	Malaysia	Dormant	51	51
* Semangat Cergas Sdn Bhd	Malaysia	Property development	100	100

b Inclusive of 30% being held by B.L. Capital Sdn Bhd.

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30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
* 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) Subsidiaries of Berjaya Fukuoka Development (S) Pte Ltd ("BFD")				
* Berjaya Hakkoda Resort Development Godo Kaisha	Japan	Hotel and resort operation	100	100
c * Seikou Okinawa Construction Co. Ltd ("SOCC")	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
* Berjaya Japan Kabushiki Kaisha	Japan	Operations of real estate	100	-
(c) Subsidiaries of Berjaya Land Development Sdn Bhd				
* Indra Ehsan Sdn Bhd	Malaysia	Property development	100	100
* Kim Rim Enterprise Sdn Bhd	Malaysia	Property development, temporarily ceased operations	100	100
Sri Panglima Sdn Bhd	Malaysia	Property development	100	100

c BFD disposed of its entire equity interest in SOCC to BEC in an internal restructuring.

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(d) Subsidiaries of Berjaya Leisure (Cayman) Limited				
* Berjaya (China) Great Mall Co Ltd	People's Republic of China	Property investment and development, temporarily ceased operations	51	51
# Berjaya-D2D Company Limited	Socialist Republic of Vietnam	Property investment and development	100	100
Berjaya FC (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya International Casino Management (Seychelles) Limited	Republic of Seychelles	Casino operations	60	60
Berjaya IUT (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Jeju Resort Limited	Republic of Korea	Disposed	-	72.60
# Berjaya Mount Royal Beach Hotel Limited	Sri Lanka	Owner and operator of hotel	92.60	92.60
# Berjaya Properties (HK) Limited	Hong Kong	Struck off during the financial year	-	60
* BHR (Cayman) Limited	Cayman Islands	Property investment and investment holding	100	100
* Mahameru Consultancy d.o.o. Visoko	Bosnia and Herzegovina	Property investment	100	100
# Natural Gain Investments Limited	Hong Kong	Dormant	100	100
# T.P.C Development Limited	Hong Kong	Investment holding	100	100
(e) Subsidiary of Berjaya Leisure Capital (Cayman) Limited				
# Informatics Education Limited	Singapore	Investment holding, franchisor and licensor for computer and commercial training centres and examination facilitators	67.42	67.42

NOTES TO THE FINANCIAL STATEMENTS

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(e) Subsidiary of Berjaya Leisure Capital (Cayman) Limited (Cont'd)				
(i) Subsidiaries of Informatics Education Limited				
# Informatics Academy Pte Ltd	Singapore	Computer and business education and training, business management consultancy and child development	100	100
* Informatics Computer Education Sdn Bhd	Malaysia	Dormant	100	100
* Informatics Education (HK) Ltd	Hong Kong	Computer education and training	100	100
* Informatics Education Malaysia Sdn Bhd	Malaysia	Struck off during the financial year	-	100
* Informatics Education UK Ltd	United Kingdom	Investment holding	100	100
# Informatics Global Campus Pte Ltd	Singapore	Dormant	100	100
# Informatics International Pte Ltd	Singapore	Dormant, under striking off process	100	100
* Singapore Informatics Computer Institute (Pvt) Ltd	Sri Lanka	Dormant, under striking off process	100	100
(ii) Subsidiaries of Informatics Education UK Ltd				
d # NCC Education Limited	United Kingdom	Educational and business management consultancy	100	100
* 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
(f) Subsidiaries of Berjaya Myanmar Holdings Sdn Bhd				
* Berjaya HT Eco Company Limited	Myanmar	Provision of consultation and technical services for property development projects	90	90

d Inclusive of 50.7% being held by Informatics Education Limited.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(f) Subsidiaries of Berjaya Myanmar Holdings Sdn Bhd (Cont'd)				
* BDS Smart City Co. Ltd	Myanmar	Property development and other related activities	80	80
(g) Subsidiary of Berjaya North Asia Holdings Pte Ltd				
* Berjaya Okinawa Development Co Ltd	Japan	Resort hotel and residence development	100	100
(h) Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd				
* Berjaya Okinawa Hospitality Asset TMK	Japan	Property investment and development, under striking off process	100	100
* Berjaya Okinawa Investment Godo Kaisha	Japan	Investment holding	100	100
* Opportunity 24 TMK	Japan	Acquisition, management and disposition of asset	100	100
(i) Subsidiary of Opportunity 24 TMK				
* LAC ML2 GK	Japan	Sale and purchase, leasing and management of real estate	100	100
(i) Subsidiary of Berjaya Property Ireland Limited				
* Icelandair Hotels ehf	Iceland	Lease and hotel operator	100	75
(i) Subsidiaries of Icelandair Hotels ehf				
* Asgarour hf	Iceland	Hotel and real estate assets	80	80
* Hljomalindarreitur ehf	Iceland	Hotel and real estate assets	100	100
(j) Subsidiary of Berjaya Reykjavik Investment Limited				
* Geirsgata 11 ehf	Iceland	Leasehold real estate	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(k) Subsidiary of Berjaya Property Management Sdn Bhd				
Taman TAR Development Sdn Bhd	Malaysia	Property development	100	100
(i) Subsidiary of Taman TAR Development Sdn Bhd				
* Aces Parking Sdn Bhd	Malaysia	Provision for operations of parking services for motor vehicles	100	100
(l) Subsidiaries of Berjaya Sports Toto Berhad				
# Berjaya-ILTS Limited	Hong Kong	Deregistered and dissolved	-	100
FEAB Equities Sdn Bhd	Malaysia	Investment holding	100	100
FEAB Land Sdn Bhd	Malaysia	Property development and property investment	100	100
FEAB Properties Sdn Bhd	Malaysia	Property investment and investment holding	100	100
Magna Mahsuri Sdn Bhd	Malaysia	Property investment and investment holding	100	100
Sports Toto Malaysia Sdn Bhd	Malaysia	Toto betting operations	100	100
STM Resort Sdn Bhd	Malaysia	Property investment	100	100
Sports Toto Fitness Sdn Bhd	Malaysia	Operation of health and fitness centre	100	100
(i) Subsidiary of FEAB Land Sdn Bhd				
FEAB Realty Sdn Bhd	Malaysia	Deregistered and dissolved	-	100
(ii) Subsidiaries of Magna Mahsuri Sdn Bhd				
Berjaya Sports Toto (Cayman) Limited ("BSTC")	Cayman Islands	Investment holding	100	100
Sports Toto Apparel Sdn Bhd	Malaysia	Dormant	100	100
Sports Toto Computer Sdn Bhd	Malaysia	Computer consultancy services	100	100
Sports Toto Products Sdn Bhd	Malaysia	Dormant	100	100

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(I) Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)				
(iii) Subsidiary of Berjaya Sports Toto (Cayman) Limited				
# Berjaya Lottery Management (HK) Limited	Hong Kong	Investment holding	100	100
(iv) Subsidiaries of Berjaya Lottery Management (HK) Limited				
e * Berjaya Philippines Inc.	Philippines	Investment holding	74.20	74.20
* International Lottery & Totalizator Systems, Inc.	United States of America	Development, manufacturing, distribution of computerised wagering systems and provision of software licences and support	100	100
(v) Subsidiaries of Berjaya Philippines Inc. ("BPI")				
* eDoc Holdings Limited	United Kingdom	Investment holding	100	100
* 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
(vi) Subsidiaries of H.R. Owen Plc				
* 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

e Additional 14.06% being held by BSTC.

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(I) Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)				
(vi) Subsidiaries of H.R. Owen Plc (Cont'd)				
* Holland Park Limited	United Kingdom	Provision of aftersales services	100	100
* H.R. Owen Dealerships Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
* HR Owen Insurance Services Limited	United Kingdom	Provision of insurance agents and brokers services	60	60
* H.R. Owen Investments Limited	United Kingdom	Dormant	100	100
* H.R. Owen Leasing Limited	United Kingdom	Dormant	100	100
* H.R. Owen Motor Dealerships Limited	United Kingdom	Dormant	100	100
* H.R. Owen Motor Properties Limited	United Kingdom	Dormant	100	100
* H.R. Owen Vehicle Leasing Company Limited	United Kingdom	Dormant	100	100
* Hatfield 6939 Limited	United Kingdom	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	100	100
* Malaya Dealerships Limited	United Kingdom	Dormant	100	100
f * Netprofit.com Limited ("Netprofit")	United Kingdom	Dormant	100	100

f H.R. Owen Plc and Bradshaw Webb (Chelsea) Limited each holds 50% equity interest in Netprofit.

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(l) Subsidiaries of Berjaya Sports Toto Berhad (Cont'd)				
(vi) Subsidiaries of H.R. Owen Plc (Cont'd)				
* Pangbourne 6939 Limited	United Kingdom	Property investment	100	100
* Shepperton 6939 Limited	United Kingdom	Dormant	100	100
* Upbrook Mews Limited	United Kingdom	Property investment	100	100
(vii) Subsidiaries of International Lottery & Totalizator Systems, Inc.				
* ILTS Vietnam Company Limited	Socialist Republic of Vietnam	Provision of lottery technical support services	100	100
* Unisyn Voting Solutions, Inc.	United States of America	Development, manufacturing, distribution of voting systems and provision of software, licences and support	100	100
(m) Subsidiaries of Berjaya Vacation Club Berhad				
* ANSA Hotels & Resorts Sdn Bhd	Malaysia	Dormant	100	100
Berjaya Air Sdn Bhd	Malaysia	Charter flight operator	100	100
* Berjaya Beau Vallon Bay (Cayman) Limited	Cayman Islands	Investment holding	100	100
Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad)	Malaysia	Property development and investment and operator of golf and recreation club	100	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

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52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(m) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)				
* Berjaya Hotel & Resorts A/S	Greenland	Hotel business	100	100
# Berjaya Hotels and Resorts (HK) Limited	Hong Kong	Investment holding	60	60
* Berjaya Hotels & Resorts (M) Sdn Bhd	Malaysia	Resort management	100	100
# Berjaya International Casino Management (HK) Limited	Hong Kong	Investment holding	100	100
Berjaya Langkawi Beach Resort Sdn Bhd	Malaysia	Hotel and resort operation	100	100
* Berjaya Praslin Beach (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Vacation Club (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Vacation Club (Philippines) Inc.	Philippines	Dormant	100	100
# Berjaya Vacation Club (HK) Limited	Hong Kong	Struck off during the financial year	-	100
* Berjaya Vacation Club (S) Pte Ltd	Singapore	Vacation time sharing	100	100
Bukit Kiara Resort Berhad	Malaysia	Developer and operator of equestrian and recreational club	100	100
BTS Hotel Sdn Bhd	Malaysia	Owner of hotel	100	100
Georgetown City Hotel Sdn Bhd	Malaysia	Hotel operator	100	100
* Hotel Integrations Sdn Bhd	Malaysia	Provision of hotel consultancy and related services	100	70
Indah Corporation Berhad	Malaysia	Developer and operator of golf resort and property development	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(m) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)				
KDE Recreation Berhad	Malaysia	Developer and operator of golf and recreational club	100	100
* Redang Village Resort Sdn Bhd	Malaysia	Dormant	51	51
* Redang Development Sdn Bhd	Malaysia	Airport development, property development, hotel and resort operation	100	100
Sinar Merdu Sdn Bhd	Malaysia	Investment and rental of property	100	100
Staffield Country Resort Berhad	Malaysia	Developer and operator of golf resort	80	80
The Taaras Beach & Spa Resort (Redang) Sdn Bhd	Malaysia	Hotel and resort operation	99.80	99.80
* The Taaras Luxury Group Sdn Bhd	Malaysia	Management of hotel operations	100	100
* Tioman Pearl Sdn Bhd	Malaysia	Development of hotel and resort	70	70
* Tioman Travel & Tours Sdn Bhd	Malaysia	Property investment	100	100
(i) Subsidiary of Berjaya Air Sdn Bhd				
* Berjaya Air Cargo Sdn Bhd	Malaysia	Dormant	100	100
(ii) Subsidiary of Berjaya Beau Vallon Bay (Cayman) Limited				
* Berjaya Beau Vallon Bay Beach Resort Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
(iii) Subsidiaries of Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad)				
BGRB Venture Sdn Bhd	Malaysia	Investment holding	100	100
* Bukit Jalil Golf Club Sdn Bhd	Malaysia	Operations of golf club and property development	100	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(m) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)				
(iv) Subsidiary of Berjaya Praslin Beach (Cayman) Limited				
* Berjaya Praslin Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
(v) Subsidiary of Berjaya Vacation Club (Cayman) Limited				
* Berjaya Vacation Club (UK) Limited	United Kingdom	Hoteliers and hotel management	100	100
(vi) Subsidiaries of Georgetown City Hotel Sdn Bhd				
Berjaya Georgetown Sharksfin Restaurant Sdn Bhd	Malaysia	Dormant	100	100
BG Karaoke Sdn Bhd	Malaysia	Dormant	68.97	68.97
(vii) Subsidiary of KDE Recreation Berhad				
* Infinity Worth Creation Sdn Bhd	Malaysia	Dormant	100	100
(viii) Subsidiary of Redang Development Sdn Bhd				
* Redang Infra Sdn Bhd	Malaysia	Infrastructure development	100	100
(ix) Subsidiary of Sinar Merdu Sdn Bhd				
* ANSA Hotel KL Sdn Bhd	Malaysia	Property investment and hoteliers	100	100
(x) Subsidiary of The Taaras Beach & Spa Resort (Redang) Sdn Bhd				
* Redang Island Golf and Country Club Berhad	Malaysia	Dormant	100	100
(n) Subsidiary of Cerah Tropika Sdn Bhd				
* Penstate Corp. Sdn Bhd	Malaysia	Property development	100	100
(o) Subsidiary of Kota Raya Development Sdn Bhd				
* Kota Raya Complex Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
(p) Subsidiary of Noble Circle (M) Sdn Bhd				
* Noble Circle Management Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(q) Subsidiary of Nural Enterprise Sdn Bhd				
* Aras Klasik Sdn Bhd	Malaysia	Property management, temporarily ceased operations	100	100
(r) Subsidiaries of Tioman Island Resort Berhad				
* Berjaya Hotels & Resorts (Singapore) Pte Ltd	Singapore	Hotel booking, marketing agent and investment holding	100	100
* Ever Perpetual Growth Sdn Bhd	Malaysia	Dormant	100	100
* Ever Revenue Sdn Bhd	Malaysia	Dormant	100	100
* Tioman Golf Management Sdn Bhd	Malaysia	Dormant	100	100
(i) Subsidiary of Berjaya Hotels & Resorts (Singapore) Pte Ltd				
* BHR Okinawa Management Godo Kaisha	Japan	Hotel management	100	100
(s) Subsidiary of Wisma Stephens Management Co Sdn Bhd				
* Wujud Jaya Sdn Bhd	Malaysia	Dormant	100	100
(t) Subsidiaries of Berjaya Engineering Construction Sdn Bhd ("BEC")				
* Mantra Design Sdn Bhd	Malaysia	Provision of interior design and consultancy services for land and building development projects	51	-
<i>g</i> * 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	-

g BEC acquired SOCC from BFD in an internal restructuring.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
Associated Companies				
* 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
* AM Automotive (S) Pte Ltd	Singapore	Ceased to be dealer of "Aston Martin" vehicles	49.90	49.90
* Bermaz Auto Philippines Inc.	Philippines	Selling and distribution of Mazda brand cars within the territory of the Philippines	28.28	28.28
* Berjaya Auto Asia Inc.	Philippines	Selling and distribution of vehicles within the territory of the Philippines	30	30
<i>h</i> * 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

h 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 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
Associated Companies (Cont'd)				
* Cashsystems Asia Technology Sdn Bhd	Malaysia	Dormant, under liquidation	30	30
* Centreplus Sdn Bhd	Malaysia	Dormant	30	30
* Chailease Berjaya Finance Corporation	Philippines	Provision of hire purchase and loan financing services	25	25
* Cosway Philippines Inc.	Philippines	Dormant	40	40
* Focus Equity Sdn Bhd	Malaysia	Dormant, under liquidation	32.50	32.50
* Gufa ehf	Iceland	Real estates and spa operations	31.50	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	23.73	23.73

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2021

52 LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2021 %	2020 %
Associated Companies (Cont'd)				
* Ssangyong Berjaya Motor Philippines Inc.	Philippines	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines	21.67	21.67
* Tjarnir hf	Iceland	Disposed	-	22
* Tioman Ferry Services Sdn Bhd	Malaysia	Dormant	20	20
* VideoDoc Limited	United Kingdom	Deregistered and dissolved	-	20.15

Audited by member firms of Ernst & Young Global

* Not audited by Ernst & Young PLT or a member firm of Ernst & Young Global

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Berjaya Land Berhad, which comprise the statements of financial position as at 30 June 2021 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 71 to 236.

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 2021, 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD (INCORPORATED IN MALAYSIA)

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 27% of the non-current assets and total assets of the Group as at 30 June 2021 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.

In addressing this area of focus, we involved the component auditor in performing the procedures below:

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amount of the CGU;
- evaluated, with the involvement of our internal valuation experts, the appropriateness of the methodology and approach applied, and considered whether they are commonly used in the industry;
- evaluated the basis of preparing the cash flow forecasts taking into consideration management's historical budgeting accuracy;
- evaluated whether key assumptions which 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 (INCORPORATED IN MALAYSIA)

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. As at 30 June 2020, the debt receivable was written back to the nominal amount of RMB974.1 million. Currently, the enforcement proceedings are still ongoing and the Group expects the proceedings to be completed by 30 June 2022.

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.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD (INCORPORATED IN MALAYSIA)

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 RM2.26 billion from Toto betting operations, which accounted for 42% 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 auditor in performing the procedures below:

- obtained an understanding of the relevant internal controls over the process of recording of revenue and cost of sales;
- evaluated the operating effectiveness of 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 (INCORPORATED IN MALAYSIA)

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 2021, the carrying amount of investment properties amounted to RM704.1 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.

Acquisition of Icelandair Hotels ehf

(Refer to the disclosure of acquisition of subsidiary companies in Note 7(a)(iv) and Note 51 to the financial statements.)

In the previous financial year ended 30 June 2020, the Group acquired the 75% equity interest in Icelandair Hotels ehf ("IH"), a company incorporated in Reykjavik, Iceland that owns several hotels and real estate assets ("Hotel Assets") in Iceland for a total cash consideration of USD45.31 million (equivalent to approximately RM179.8 million).

The Group has now finalised the Purchase Price Allocation ("PPA") exercise in respect of this acquisition. Based on the finalised PPA, the Group recorded net assets of RM236.3 million, derivative liability of RM28.2 million and negative goodwill of RM28.2 million, which was recognised as a retrospective gain in the profit and loss for the year ended 30 June 2020.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (Cont'd)

Key audit matters in respect of audit of the financial statements of the Group (Cont'd)

Acquisition of Icelandair Hotels ehf (cont'd)

The valuation of the net assets and derivative liability is complex and requires significant judgement based on assumptions and estimates that are subjective. The principal risk relates to the estimates of the fair value of the identifiable assets and liabilities assumed in preparing the PPA. Management has engaged an external independent valuer to fair value the Hotel Assets. Accordingly, we considered this to be a key audit matter.

Our procedures to address this area of focus include, amongst others, the following:

- read the sale and purchase agreement to gain an understanding of the key terms and conditions and to assess the adequacy of the accounting treatment;
- reviewed the finalised PPA workings prepared by management and evaluated the reasonableness of the key assumptions used in calculating the value of the assets and liabilities;
- assessed the objectivity, independence, reputation, experience and expertise of the independent valuer; and
- evaluated the appropriateness of the data used by the independent valuer as input into their valuation of the Hotel Assets. We interviewed the independent valuer, 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 the acquisition.

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 2021, the carrying amount of the investment in subsidiary companies of the Company amounted to RM3.52 billion, representing 77% and 69% 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD (INCORPORATED IN MALAYSIA)

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 (INCORPORATED IN MALAYSIA)

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;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD (INCORPORATED IN MALAYSIA)

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 (INCORPORATED IN MALAYSIA)

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 52 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

NG KIM LING
No. 03236/04/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
18 October 2021

LIST OF MAJOR PROPERTIES

AS AT 30 JUNE 2021

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Lot 28 (GRN 20366) Lot 403 (GRN 20428) Lot 728 (GRN 18054) Seksyen 2 Bandar Georgetown Daerah Timor Laut Pulau Pinang	Freehold	55.37 acres	Land for mixed development	N/A	31.03.2014	454,444
Smidjustigur 4 (Reg.No. 200-4476) Hverfisgata 26 (Reg.No. 200-4428) Hverfisgata 28 (Reg.No. 200-433) Hverfisgata 30 (Reg.No. 200-6423) Hverfisgata 32 (Reg.No. 200-4438) Hverfisgata 34 (Reg.No. 200-4446) Reykjavik, Iceland (Canopy by Hilton Reykjavik City Centre)	Freehold	6,909 sqm	Hotel (112 guest rooms)	5 years 82 years 116 years 5 years 5 years 5 years	03.04.2020	350,916
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	320,843
Lot 352 Seksyen 20 Bandar Kuantan District of Kuantan Pahang Darul Makmur	Freehold	5.46 acres	Shopping mall for rental	23 years	05.02.1991	234,519
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	18 years	06.01.1998	180,480
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	18 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	18 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	18 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	18 years	10.02.2010	
B44-04, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	3,821 sq ft	Penthouse	18 years	08.05.2012	
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	156,197

LIST OF MAJOR PROPERTIES

AS AT 30 JUNE 2021

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
HS(D) 4/94, PT 278	Leasehold expiring on 30.04.2069	85.83 acres	Beach resort (424 guest rooms/ chalets)	28 years	27.05.1994)))	112,611
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))))))	
Lot 558	Freehold	613.68 acres	Beach resort (189 guest rooms and a villa)	>25 years	Year 1990)))	111,536
Lot 705) Lot 50000) Lot 50001) Lot 50002)	Leasehold 60 years expiring in year 2070				Year 2010))))	
Lot 239, 240-242) PT 925, 926, 927) PT 928, 929) Teluk Dalam and Teluk Siang) Pulau Redang) Terengganu Darul Iman)	Leasehold 60 years expiring in year 2051				16.10.1993))))))	
Geran No. 29726 Lot 1261, Seksyen 67 Daerah Kuala Lumpur (Plaza Berjaya, 12 Jalan Imbi Kuala Lumpur)	Freehold	158,154 sq ft	Land with office, residential block and shopping complex for rental	35 years	27.11.1989	99,635
Lot 5001 to 5005 Lot 5007 to 5020 PN 14706 to 14710 PN 14712 to 14714 PN 14721 to 14731 Daerah Rompin Bandar Tioman Pulau Tioman Pahang Darul Makmur	Leasehold 99 years expiring on 02.05.2107	201.39 acres	Land for hotel and resort operations	34 years	30.12.1985	88,494
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	88,036
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
10 parcels of land at Uruma-shi Okinawa Island, Japan	Freehold	57,479 sq m	Land with hotel building (123 guest rooms)	27 years	30.03.2017	89,850
Lot PT 4805, 4806 HS(D) 81319, 81320 Mukim Petaling Kuala Lumpur	Freehold	7,129,260 sq ft	Club house and golf course	> 29 years	05.09.1991	80,014
Title Reg No 215-1892 Pingvallastraeti 23, Akureyri, (Icelandair Hotel Akureyri)	Freehold	3,566 sqm	Hotel (99 guest rooms)	52 years	03.04.2020	69,436
Lot 100080, Geirsgata 11 Reykjavik, Iceland	Leasehold 60 years expiring on 31.12.2037	4,805 sqm	Land with warehouse	N/A	14.11.2019	67,200

LIST OF MAJOR PROPERTIES

AS AT 30 JUNE 2021

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
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	18 years	06.01.1998	65,556
Reykjahlid (Reg.No. 216-3143) Reykjahlid (Reg.No. 216-3499) Reykjahlid (Reg.No. 216-3458) Reykjahlid (Reg.No. 2163161-2) Reykjahlid (Reg.No. 216-3462) Reykjahlid (Reg.No. 216-3466) Reykjahlid (Reg.No. 216-3467) (Icelandair Hotel Myvatn)	Freehold	4,571 sqm	Hotel (59 guest rooms)	73 years 110 years 58 years 79 years 70 years 44 years 44 years	03.04.2020	64,366
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	57,408
7835 Makati Avenue Corner Eduque Street Makati City, Philippines 1209	Freehold	586 sqm	Hotel (223 guest rooms)	20 yrs	04.12.2009	55,965
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	18 years	06.01.1998	51,906
ANSA Kuala Lumpur No. 101 Jalan Bukit Bintang Kuala Lumpur	Leasehold 60 years expiring on 30.04.2062	22,853 sq ft	Hotel (167 guest rooms)	> 42 years	05.05.2008	51,601
164-166 Sussex Gardens London W2 1UD United Kingdom	Freehold	3,926 sq ft	Hotel (46 guest rooms)	> 156 years	26.09.2014	51,356
HS(D) 11814, Lot 11527 Lots 1 to 8, Lots 49 to 55 Taman Tun Abdul Razak Ampang, Selangor Darul Ehsan	Freehold	351,903 sq ft	Land held for development	N/A	22.12.1990	50,119

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 2021 amounted to RM325,000 (2020 : RM334,000).

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
Bureau 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

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-ken
030-0111, Japan
Tel : 81-17-738-2233
Fax : 81-17-738-2531
Email : hakkouda-resort@adagio.ocn.ne.jp
Website : www.hakkouda-resort.jp

ANSA Okinawa Resort

1468 Yamashiro, Ishikawa
Uruma, Okinawa, Japan, 904-1113
Tel : 81 (0) 98 963 0123
Fax : 81 (0) 98 963 0111
Email : aor.rsvn@ansahotels.com

Berjaya Makati Hotel – Philippines

7835, Makati Avenue, Corner Eduque
Street, Makati City, Philippines 1209
Tel : 632-7750 7500
Fax : 632-7750 6783
Email : manila.inquiry@berjayahotel.com
Website : www.berjayahotel.com/makati

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

Icelandair Hotels, Iceland

Canopy by Hilton Reykjavik City Centre

Smidjustigur 4
101 Reykjavik, Iceland
Tel : 354-528-7000
Website : www.icelandairhotels.com/
en/hotels/reykjavik/canopy-reykjavik

Icelandair Hotel Herad

Midvangur 1-7
700 Egilsstaðir, Iceland
Tel : 354-471-1500
Email : herad@icehotels.is
Website : www.icelandairhotels.com/
en/hotels/east/icelandair-hotel-herad

Icelandair Hotel Akureyri

Pingvallarstræti 23
600 Akureyri, Iceland
Tel : 354-518-1000
Email : akureyri@icehotels.is
Website : www.icelandairhotels.com/
en/hotels/north/icelandair-hotel-akureyri

Icelandair Hotel Myvatn

660 Reykjahlid - Myvatn
Iceland
Tel : 354-594-2000
Email : myvatn@icehotels.is
Website : www.icelandairhotels.com/
en/hotels/north/icelandair-hotel-myvatn

GROUP ADDRESSES

Icelandair Hotels, Iceland (cont'd)

Hilton Reykjavik Nordica

Sudurlandsbraut 2
108 Reykjavik, Iceland
Tel : 354-444-5000
Website : www.icelandairhotels.com/en/hotels/reykjavik/hilton-reykjavik-nordica

Icelandair Hotel Reykjavik Natura

Nautholsvegur 52
102 Reykjavik, Iceland
Tel : 354-444-4500
Email : natura@icehotels.is
Website : www.icelandairhotels.com/en/hotels/reykjavik/reykjavik-natura

Icelandair Hotel Reykjavik Marina

Myrargata 2
101 Reykjavik, Iceland
Tel : 354-560-8000
Email : marina@icehotels.is
Website : www.icelandairhotels.com/en/hotels/reykjavik/reykjavik-marina

Reykjavik Konsulat Hotel, Curio Collection by Hilton

Hafnarstraeti 17-19
101 Reykjavik, Iceland
Tel : 354-514-6800
Email : konsul@icehotels.is
Website : www.hilton.com/en/hotels/rekcuqq-reykjavik-konsulat-hotel/

Alda Hotel Reykjavik

Laugavegur 66-68
101 Reykjavik, Iceland
Tel : 354-553-9366
Email : aldahotel@icehotels.is
Website : www.icelandairhotels.com/en/hotels/reykjavik/hotel-alda-reykjavik

Iceland Parliament Hotel, Curio Collection by Hilton

Aoalstraeti 1 & 11, Thorvaldsenstraeti 2-6,
Vallarstraeti 2-4, Reykjavik, Iceland

CLUBS & RECREATION

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 Hanger
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : 603-7847 1338
Fax : 603-7842 2038

Asia Jet Partners Malaysia Sdn Bhd

Lot M6 & M7, Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : 603-7845 1888
Email : admin@asiajet.com.my

PROPERTY INVESTMENT & DEVELOPMENT

Main Office:

Level 12 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2149 1999/2142 8028
Fax : 603-2143 2028/2145 2126
Email : property@berjaya.com.my

Vietnam Office:

Berjaya – D2D Co., Ltd
6th Floor, Bao Viet Tower
233 Dong Khoi Street
Ben Nghe Ward, District 1
Ho Chi Minh City
Socialist Republic of Vietnam
Tel : 84-28-3521 0038 (General)
84-28-3521 0001 (Marketing)
Fax : 84-28-3521 0039

Berjaya – Handico 12 Co., Ltd. The Pavilion

Hanoi Garden City
Khu DTM Thach Ban
Phuong Thach Ban
Long Bien District, Hanoi
Socialist Republic of Vietnam
Tel : 84-24-3652 6666
Fax : 84-24-3652 6668

China Office:

Berjaya (China) Great Mall Co. Ltd.
38, Xingggong West Street
Yanjiao Development Zone
065201 Sanhe City
Hebei Province
People's Republic of China
Tel : 86-10-61597200 / 86-316-3338022

Property Management:

Lot 1, 35 B,
1st Floor Podium Block
Plaza Berjaya
No.12 Jalan Imbi
55100 Kuala Lumpur
Tel: 03-2110 6858
Fax: 03- 2110 3272
Email : propmgmt@berjaya.com.my

GROUP ADDRESSES

PROPERTY INVESTMENT & DEVELOPMENT (CONT'D)

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

GROUP ADDRESSES

GAMING & LOTTERY MANAGEMENT

Sports Toto Malaysia Sdn Bhd

Lot 13-01, Level 13 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 603-2148 9888
Fax : 603-2141 9581
Email : webmaster@sportstoto.com.my
Website : www.sportstoto.com.my

International Lottery & Totalizator Systems, Inc., USA

2310 Cousteau Court
Vista (San Diego)
California 92081 – 8346
USA
Tel : 1-760-598-1655
Fax : 1-760-598-0219
Email : mktg@ilts.com
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EDUCATION

Informatics Education Ltd

133 Cecil Street
#17-01B, Keck Seng Tower
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Tel : 65 96984237
Website : www.informaticseducation.com

MOTOR RETAILER

H.R. Owen Plc

Melton Court
25-27 Old Brompton Road
London SW7 3TD
Tel : 44-20-7245 1122
Website : www.hrowen.co.uk

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED
30 JUNE 2021

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 2021 (RM’000)
Berjaya Corporation Berhad (“BCorp”) and its unlisted subsidiary companies:-		
BCorp	Management fees payable by BLand for services rendered that include, inter-alia, the provision of finance, secretarial and general administrative services	400
Berjaya Registration Services Sdn Bhd	Receipt of share registration, printing and mailing services by BLand Group	46
Berjaya Higher Education Sdn Bhd	Rental receivable by Nural Enterprise Sdn Bhd (“NESB”) for renting of Unit 12.2 of Apartment Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	31
	Rental receivable by Tiram Jaya Sdn Bhd for renting of Unit 8.5, 8th Floor of 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	144
Berjaya Krispy Kreme Doughnuts Sdn Bhd	Rental income receivable by Sri Panglima Sdn Bhd (“SPSB”) for renting of shoplots at No. 1 & 9, Jalan Kinrara TK 4/13, Taman Kinrara, Seksyen 4, Puchong, Selangor	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	47
Inter-Pacific Securities Sdn Bhd	Provision of security guard services by BGSSB	97
	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	223
Ambilan Imej Sdn Bhd	Rental payable by BLand for renting of office at Level 12, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	1,092
Cosway (M) Sdn Bhd	Rental income receivable by NESB for renting of shoplots at Lots 2.03, 2.04 & 2.11, 2nd Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	90
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the various hotels and resorts in BLand Group	92
BLoyalty Sdn Bhd	Loyalty reward charges payable by BLand Group	7

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2021

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 2021 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:- (Cont'd)		
Stephens Properties Sdn Bhd	Rental payable by: <ol style="list-style-type: none"> BLand for renting of storage space at Lots 19D, E & F, 25B, D & E and shoplot at Lot 6.07, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur Berjaya Hotel & Resort (M) for renting of storage space at Lot 22F, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur Provision of security guard services by BGSSB	17 3 196
Graphic Press Sdn Bhd	Provision of security guard services by BGSSB	182
E.V.A Management Sdn Bhd	Human resources management service fees payable by BLand Group	79
JL Morison (Malaya) Sdn Bhd	Purchase of consumer products by BLand Group	119
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 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	1,863 17
Berjaya Pharmacy Retail Sdn Bhd	Rental income receivable by NESB for renting of shoplots at Lots 1.01& 1.02, 1st Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	60
Total		5,637
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiary companies:-		
Berjaya Times Square Sdn Bhd	Rental payable by: <ol style="list-style-type: none"> Marvel Fresh Sdn Bhd for renting of storage space at G-31, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur Mantra Design Sdn Bhd for renting of office premises at Lots 09-13A, 09-14 & 09-15, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur 	38 115
Berjaya Times Square Theme Park Sdn Bhd	Provision of security guard services by BGSSB	10
BTS Car Park Sdn Bhd	Parking charges paid by BLand Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur	125
Total		288

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED 30 JUNE 2021

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 2021 (RM'000)
7-Eleven Malaysia Holdings Berhad ("SEM") and its unlisted subsidiary company:-		
7-Eleven Malaysia Sdn Bhd (a)	Rental income receivable by: <ol style="list-style-type: none"> 1. Angsana Gemilang Sdn Bhd for renting of shoplot at No.32G, Jalan Sultan Ismail, Kuala Lumpur 2. NESB for renting of shoplot at Kiosk II at Lower Ground Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 3. NESB for renting of offices at Lots 3.05, 3.12, 3.35 & 3.36, 3rd Floor and Lot 4.01, 4th Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 4. NESB for renting of office at Lot 1.05, 1st Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 5. NESB for renting offices at Lots 5.01A&B, 5B, 5C, 5D & 5E, 5th Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 6. CPSB for renting of shoplots at G21, G22 & G22A, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan 7. NESB for renting office at Lots 5A, 5th Floor, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 8. BHB for renting of shoplot at Lot 42, Upper Ground Floor, Jalil Link, 2, No.5, Jalan Jalil Perkasa 1, Bukit Jalil, Kuala Lumpur 9. ANSA for renting of shoplot at Lot No. S.1. Sidewalk Island, 101, Jalan Bukit Bintang, Kuala Lumpur 10. NESB for renting office at suite 5F, Office Tower, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 	156 82 1,132 143 557 216 34 25 469 33
Total		2,847
Other Related Parties:-		
Sun Media Corporation Sdn Bhd (b)	Rental income receivable by Regnis for renting of office at part of Ground Floor, whole of 4th Floor and store room at basement level, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor Provision of security guard services by Regnis Receipt of advertising and publishing services by BLand Group	398 35 42
Singer (Malaysia) Sdn Bhd ("Singer") (c)	Rental income receivable by Regnis for renting of: <ol style="list-style-type: none"> 1. offices at Part of G/F, 1/F and 2/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor 2. offices at Part of 3/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor Provision of security guard services by BGSSB Purchase of products and services by BLand Group	404 81 230 374

RECURRENT RELATED PARTY TRANSACTIONS

OF A REVENUE OR TRADING NATURE DURING THE FINANCIAL YEAR ENDED
30 JUNE 2021

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 2021 (RM’000)
Other Related Parties:- (Cont’d)		
U Mobile Sdn Bhd (d)	Rental income receivable by: <ol style="list-style-type: none"> Regnis for renting of rooftop at Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad) (“BHB”) for renting of watchtower at Bukit Jalil Golf & Country Resort, Jalan 3/155B, Kuala Lumpur Bukit Kiara Resort Berhad for renting of broadcasting facility at Bukit Kiara Equestrian & Country Resort, Off Jalan Damansara, Kuala Lumpur Georgetown City Hotel Sdn Bhd for renting of rooftop at Berjaya Penang Hotel, Jalan Burmah, Pulau Pinang Parking charges received by NESB for leasing of parking at basement of Plaza Berjaya, Jalan Imbi, Kuala Lumpur	29 54 55 92 12
Qinetics Solutions Sdn Bhd (e)	Receipt of information technology consultancy and management related services and purchase of networking equipment by BLand Group	5
Qinetics Services Sdn Bhd (e)	Receipt of information technology consultancy and management related services and purchase of networking equipment by BLand Group	236
Qinetics MSP Sdn Bhd (e)	Receipt of information technology consultancy and management related services & purchases of equipment by BLand Group	1,156
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
Total		3,304
Grand Total		14,070

Notes:

- A wholly-owned subsidiary of SEM. SEM is deemed a related party by virtue of Tan Sri Dato’ Seri Vincent Tan Chee Yioun’s (“TSVT”) direct and indirect interests in SEM. TSVT is the father of Nerine Tan Sheik Ping and Chryseis Tan Sheik Ling, 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 Services Sdn Bhd and Qinetics MSP Sdn Bhd are wholly owned subsidiaries 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 1 OCTOBER 2021

THE COMPANY

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	360,808	0.01	-	-
Nerine Tan Sheik Ping	2,000,000	0.04	-	-
Chryseis Tan Sheik Ling	5,000,000	0.10	-	-

ULTIMATE HOLDING COMPANY BERJAYA CORPORATION BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	1,093,606	0.02	-	-
Chryseis Tan Sheik Ling	211,026	0.00	-	-

No. of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each

	No. of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	2,516,508	0.54	-	-
Nerine Tan Sheik Ping	132,000	0.03	-	-
Chryseis Tan Sheik Ling	275,000	0.06	-	-

Number of Warrants 2012/2022

	Number of Warrants 2012/2022			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	170,108	0.02	-	-

RELATED COMPANY BERJAYA SPORTS TOTO BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Datuk Robert Yong Kuen Loke	124,903	0.01	-	-

Save as disclosed, none of the other Directors of the Company has any interests in the shares, warrants and debentures of the Company or its related corporations as at 1 October 2021.

STATISTICS ON SHAREHOLDINGS

AS AT 1 OCTOBER 2021

ANALYSIS OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF ORDINARY SHARES	%
less than 100	404	5.27	7,895	- #
100 - 1,000	1,405	18.33	683,457	0.01
1,001 - 10,000	2,742	35.78	15,476,251	0.32
10,001 - 100,000	2,504	32.67	86,689,451	1.76
100,001 – 246,024,999	608	7.94	4,300,264,850	87.39
246,025,000* and above	1	0.01	517,378,096	10.52
Total	7,664	100.00	4,920,500,000	100.00

Note: Each share entitles the holder to one vote.

Less than 0.01%.

* Denotes 5% of total number of issued shares with voting rights.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
1	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Juara Sejati Sdn Bhd	517,378,096	10.51
2	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd	175,000,000	3.56
3	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd IPM For Juara Sejati Sdn Bhd	133,000,000	2.70
4	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Corporation Berhad	130,800,000	2.66
5	RHB Nominees (Tempatan) Sdn Bhd OSK Capital Sdn Bhd For Bizurai Bijak (M) Sdn Bhd	126,000,000	2.56
6	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	124,000,000	2.52
7	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd (51401114879C)	110,980,000	2.26
8	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Corporation Berhad (MGN-BCB0001M)	103,208,000	2.10
9	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd (CBD-BERJAYABASB)	98,000,000	1.99
10	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd (51401172844C)	95,900,000	1.95
11	Teras Mewah Sdn Bhd	95,716,914	1.94
12	RHB Nominees (Tempatan) Sdn Bhd OSK Capital Sdn Bhd For Juara Sejati Sdn Bhd	92,000,000	1.87
13	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Juara Sejati Sdn Bhd	88,870,000	1.81
14	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Juara Sejati Sdn Bhd (01408432026D)	87,900,000	1.79
15	BBL Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Juara Sejati Sdn Bhd	85,000,000	1.73

STATISTICS ON SHAREHOLDINGS

AS AT 1 OCTOBER 2021

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

	NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	%
16	Bizurai Bijak (M) Sdn Bhd	84,100,000	1.71
17	RHB Nominees (Tempatan) Sdn Bhd Bank Of China (Malaysia) Berhad Pledged Securities Account For Juara Sejati Sdn Bhd	82,000,000	1.67
18	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - AmBank (M) Berhad For Teras Mewah Sdn Bhd	81,000,000	1.65
19	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Juara Sejati Sdn Bhd (MGN-BCB0001M)	80,522,904	1.64
20	RHB Nominees (Tempatan) Sdn Bhd Industrial And Commercial Bank Of China (Malaysia) Berhad Pledged Securities Account For Teras Mewah Sdn Bhd	79,000,000	1.60
21	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Bright Sdn Bhd (41408491163A)	78,000,000	1.59
22	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Corporation Berhad	77,000,000	1.56
23	RHB Nominees (Tempatan) Sdn Bhd Industrial And Commercial Bank Of China (Malaysia) Berhad Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd	76,000,000	1.54
24	RHB Nominees (Tempatan) Sdn Bhd Bank Of China (Malaysia) Berhad Pledged Securities Account For Inter-Pacific Capital Sdn Bhd	75,000,000	1.52
25	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd (BGroup OD Facility)	67,950,000	1.38
26	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Bizurai Bijak (M) Sdn Bhd (BCB CBM-C2-SBLC)	66,636,220	1.35
27	Juara Sejati Sdn Bhd	64,939,850	1.32
28	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd (51408445822D)	63,500,000	1.29
29	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teras Mewah Sdn Bhd (51435681347A)	57,000,000	1.16
30	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Berjaya Times Square Sdn Bhd	55,881,000	1.13
		3,152,282,984	64.06

SUBSTANTIAL SHAREHOLDERS

AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 1 OCTOBER 2021

Names of Substantial Shareholder	← No. of Shares →				Notes
	Direct	%	Indirect	%	
Teras Mewah Sdn Bhd	1,109,288,914	22.54	0	0.00	
Juara Sejati Sdn Bhd	1,397,560,850	28.40	273,300,112	5.55	(a)
Bizurai Bijak (M) Sdn Bhd	608,486,220	12.37	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	3,388,636,096	68.87	(d)
Berjaya Corporation Berhad	374,500,000	7.61	3,494,422,496	71.02	(e)
Tan Sri Dato' Seri Vincent Tan Chee Yioun	97,442,000	1.98	4,149,570,372	84.33	(f)

Notes:

- (a) Deemed interested by virtue of its interests in Berjaya Capital Berhad and Redtone Digital Berhad (formerly known as Redtone International Berhad).
- (b) Deemed interested by virtue of its interest in Berjaya Capital Berhad.
- (c) Deemed interested by virtue of its interests in Berjaya Sampo 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 (formerly known as Redtone International Berhad) as well as its interests in Berjaya Sampo 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, MOL.com Sdn Bhd, Berjaya Assets Berhad (the holding company of Berjaya Times Square Sdn Bhd and Berjaya Bright Sdn Bhd), HQZ Credit Sdn Bhd (the ultimate holding company of 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-First Annual General Meeting of the Company will be conducted on a fully virtual basis from the broadcast venue ("Broadcast Venue") at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Tuesday, 14 December 2021 at 10.00 a.m. for the following purposes:-

AGENDA

As Ordinary Business:-

1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2021 and the Directors' and Auditors' Reports thereon.
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 15 December 2021 until the next Annual General Meeting of the Company to be held in 2022. 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 15 December 2021 until the next Annual General Meeting of the Company to be held in 2022. Resolution 2
4. To re-elect the following Directors retiring pursuant to Clause 117 of the Company's Constitution:-
 - a) Datuk Robert Yong Kuen Loke Resolution 3
 - b) Nerine Tan Sheik Ping Resolution 4
5. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. Resolution 5
6. As Special Business:
 - (a) To consider and, if thought fit, pass the following Ordinary Resolutions:-
 - (i) **Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

"THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

Resolution 6

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 2021 (“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 resolution for the Proposed Mandate was passed, at which time it will lapse, unless by 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 7

(iii) Proposed Renewal of Authority for the Company to Purchase Its Own Shares

“THAT, subject always to the Companies Act 2016 (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Exchange”) and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company (“B-Land Shares”) through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

NOTICE OF ANNUAL GENERAL MEETING

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 resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the B-Land Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any B-Land Shares so purchased by the Company in the following manner:-

- (a) cancel all the B-Land Shares so purchased; or
- (b) retain all the B-Land Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”

Resolution 8

(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 more than twelve years.”

Resolution 9

- (b) To consider and, if thought fit, pass with or without modifications, the following Special Resolution:-

PROPOSED ADOPTION OF A NEW CONSTITUTION

“THAT the proposed new Constitution as set out in Appendix II of Part C of the Circular/ Statement to Shareholders dated 28 October 2021 be and is hereby approved and adopted as the Constitution of the Company to replace the whole of the existing Constitution of the Company in its entirety with immediate effect AND THAT the Board of Directors (“Board”) and/or Secretary of the Company be and are hereby authorised to do all such acts and things in any manner as they may deem necessary and/or expedient in order to give full effect to the aforesaid with full powers to assent to any conditions, modifications and/or amendments as may be required or permitted by any relevant authorities.”

Special Resolution

By Order of the Board
THAM LAI HENG MICHELLE
SSM PC No. 202008001622 (MAICSA 7013702)

Secretary

Kuala Lumpur
28 October 2021

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 ("CA 2016"). Hence, this item on the Agenda is not put forward for voting.

2. Directors' Fees and Directors' Remuneration

Section 230(1) of the CA 2016 provides that "fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this Annual General Meeting ("AGM") for the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company under Resolutions 1 to 2.

The quantum of the Directors' fees proposed for each of the Non-Executive Directors for the period from 15 December 2021 until the next AGM of the Company were the same as last year.

The current Directors' remuneration (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises of meeting allowances and other emoluments.

The proposed Resolutions 1 and 2, if passed, is to facilitate the payment of Directors' fees and Directors' remuneration on a monthly basis and/or as and when incurred. The Board opined that it is just and equitable for the Non-Executive Directors to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company.

In determining the estimated remuneration payable to the Non-Executive Directors, the Board considered various factors including the number of scheduled meetings for the Board of Directors ("Board"), Board Committees and general meetings of the Company, assuming full attendance by all of the Non-Executive Directors. The estimated amount of remuneration also caters for unforeseen circumstances, for example, the appointment of additional Directors and additional unscheduled Board meetings and/or Board Committees meetings as well as the provisions for an increase in meeting allowances.

In the event, where the payment of Directors' fees and Directors' remuneration (excluding Directors' fees) payable during the above period exceeded the estimated amount sought at this AGM, a shareholders' approval will be sought at the next AGM.

3. Re-election of Directors

Pursuant to Clause 117 of the Company' Constitution, one third (1/3) of the Directors shall retire from office at least once in every three (3) years at each Annual General Meeting ("AGM") of the Company and the retiring Directors can offer themselves for re-election.

Accordingly, Datuk Robert Yong Kuen Loke and Nerine Tan Sheik Ping shall retire by rotation at this Thirty-First AGM. Datuk Robert Yong Kuen Loke and Nerine Tan Sheik Ping being eligible, have offered themselves for re-election.

4. Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

Resolution 6 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 11 December 2020 and which will lapse at the conclusion of the Thirty-First Annual General Meeting.

NOTICE OF 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.

5. Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution 7, 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 2021 which can be viewed and downloaded from the website of the Company at www.berjaya.com/berjaya-land/ and/or Bursa Malaysia Securities Berhad at <https://www.bursamalaysia.com>.

6. Proposed Renewal of Authority for the Company to Purchase its Own Shares

Resolution 8, 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 2021 which can be viewed and downloaded from the website of the Company at www.berjaya.com/berjaya-land/ and/or Bursa Malaysia Securities Berhad at <https://www.bursamalaysia.com>.

7. Proposed Retention of Independent Non-Executive Director

Resolution 9 is proposed pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance and if passed, will allow Datuk Robert Yong Kuen Loke to be retained and continue to act as an Independent Non-Executive Director. The full details of the Board's justifications for the retention of Datuk Robert Yong Kuen Loke is set out in the Corporate Governance Overview Statement in the Company's 2021 Annual Report.

8. Proposed Adoption of a New Constitution

The Special Resolution, if passed, will further streamline and clarify the Company's existing Constitution with the provision of the Act and the relevant amendments made to the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. The relevant information on the Special Resolution is set out in Part C of the Circular/Statement to shareholders dated 28 October 2021 which can be viewed and downloaded from the websites of the Company at www.berjaya.com/berjaya-land/ and/or Bursa Malaysia Securities Berhad at <https://www.bursamalaysia.com>.

The Constitution shall take effect once the Special Resolution had been passed by majority of not less than 75% of such members who are entitled to vote and do vote in person or by proxy at the Thirty-First Annual General Meeting.

9. Proxy and Entitlement of Attendance

- (i) As part of the measures to curb the spread of Covid-19 Disease, the Thirty-First Annual General Meeting ("AGM") of the Company will be conducted on a fully virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by SS E Solutions Sdn Bhd which are available on Securities Services e-Portal ("SSeP") platform 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.**
- (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.

NOTICE OF ANNUAL GENERAL MEETING

- (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, 12 December 2021 at 10.00 a.m.**
- (x) Only members whose names appear in the Record of Depositors as at 7 December 2021 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.

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FORM OF PROXY

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

I/We _____
(Name in full)

I.C. or Company No. _____ CDS Account No. _____
(New and Old I.C. Nos. 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-First Annual General Meeting (“AGM”) of the Company to be conducted on a fully virtual basis through live streaming from the broadcast venue held at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur (“Broadcast Venue”) on Tuesday, 14 December 2021 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
ORDINARY RESOLUTION 1	To approve payment of Directors’ Fees		
ORDINARY RESOLUTION 2	To approve payment of Directors’ remuneration (excluding Directors’ fees) for the period from 15 December 2021 until the next Annual General Meeting of the Company		
ORDINARY RESOLUTION 3	To re-elect Datuk Robert Yong Kuen Loke as Director		
ORDINARY RESOLUTION 4	To re-elect Nerine Tan Sheik Ping as Director		
ORDINARY RESOLUTION 5	To re-appoint Auditors		
ORDINARY RESOLUTION 6	To approve authority to issue and allot shares		
ORDINARY RESOLUTION 7	To renew and to seek shareholders’ mandate for Recurrent Related Party Transactions		
ORDINARY RESOLUTION 8	To renew authority for the Company to purchase its own shares		
ORDINARY RESOLUTION 9	To approve the proposed retention of Datuk Robert Yong Kuen Loke as an Independent Non-Executive Director		
SPECIAL RESOLUTION	To approve the proposed adoption of a new Constitution		

No. of shares held

Signature(s) /Common Seal of Member(s) _____

Dated this _____ day of _____ 2021

Notes:

- As part of the measures to curb the spread of Covid-19 Disease, the Thirty-First Annual General Meeting (“AGM”) of the Company will be conducted on a fully virtual basis through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities provided by SS E Solutions Sdn Bhd which are available on Securities Services e-Portal (“SSeP”) platform 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.
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- 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.
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- Only members whose names appear in the Record of Depositors as at 7 December 2021 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

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Stamp

THE COMPANY SECRETARY
BERJAYA LAND BERHAD
LOT 13-01A, LEVEL 13 (EAST WING)
BERJAYA TIMES SQUARE
NO. 1, JALAN IMBI
55100 KUALA LUMPUR

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1st fold here

For further information, please contact:

The Company Secretary
Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur.
Tel: (6)03-2149 1999 Fax: (6)03-2143 1685

www.berjaya.com/berjaya-land/

