



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

CULTIVATING STEADFAST GROWTH

ANNUAL REPORT 2023



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.

Iceland Parliament Hotel – Curio Collection By Hilton, Iceland



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CORPORATE PROFILE

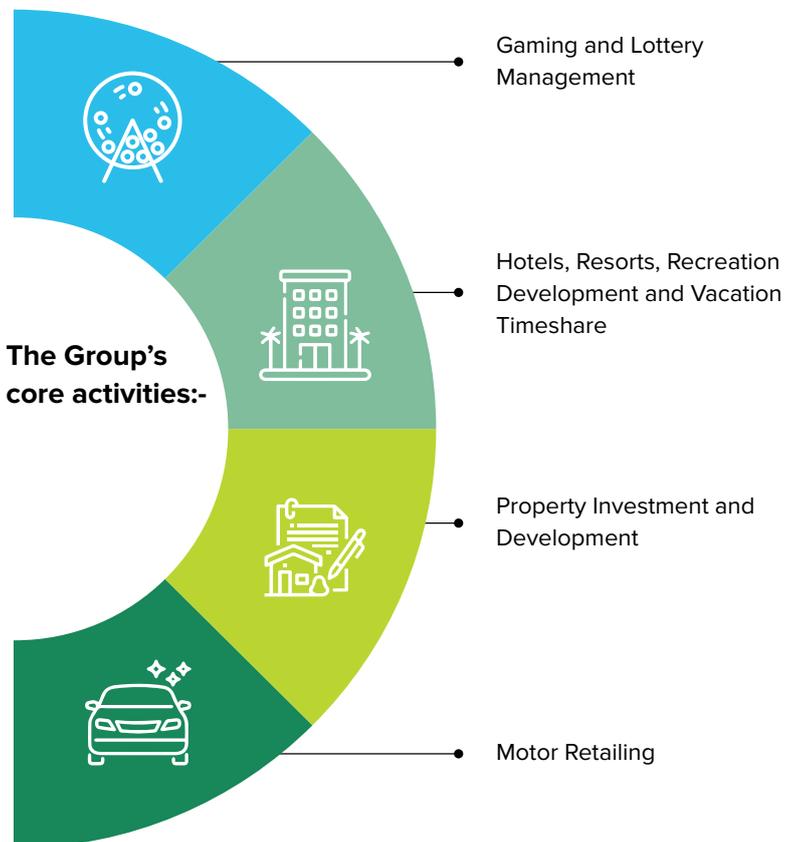
Berjaya Land Berhad (“BLand”) was incorporated in 1990 to implement the Restructuring Scheme undertaken by Sports Toto Berhad (“SPToto”) whereby the entire paid-up capital of SPToto was acquired by BLand. Simultaneously, BLand made major acquisitions of various property and leisure activities which were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

SPToto 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 of SPToto. SPToto was listed on Kuala Lumpur Stock Exchange in July 1987.

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

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

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



VISION

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



MISSION

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

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



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tun Richard Malanjum

Chairman/Independent Non-Executive Director

Dato' Sri Robin Tan Yeong Ching

Deputy Chairman/Non-Independent Non-Executive Director

Syed Ali Shahul Hameed

Group Chief Executive Officer

Datuk Abdul Rahim Bin Mohd Zin

Group Executive Director

Executive Directors

Tan Tee Ming

Chryseis Tan Sheik Ling

Independent Non-Executive Directors

Datuk Kee Mustafa

Tan Peng Lam

Kua Choo Kai

Abang Abdillah Izzarim Bin Tan Sri Datuk

Patinggi Abang Haji Abdul Rahman Zohari

AUDIT COMMITTEE

Tan Peng Lam (Chairman)

Datuk Kee Mustafa

Kua Choo Kai

NOMINATION COMMITTEE

Tan Peng Lam (Chairman)

Datuk Kee Mustafa

Kua Choo Kai

REMUNERATION COMMITTEE

Tan Peng Lam (Chairman)

Datuk Kee Mustafa

Kua Choo Kai

RISK MANAGEMENT COMMITTEE

Tun Richard Malanjum (Chairman)

Datuk Kee Mustafa

Tan Peng Lam

SUSTAINABILITY COMMITTEE

Tun Richard Malanjum (Chairman)

Datuk Kee Mustafa

Tan Peng Lam

COMPANY SECRETARIES

Tham Lai Heng Michelle

(SSM Practising Certificate No. 202008001622)

(MAICSA 7013702)

Wong Siew Guek

(SSM Practising Certificate No. 202008001490)

(MAICSA 7042922)

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd

Registration No. 199401008064 (293743-X)

09-27, Level 9

Berjaya Times Square

No. 1 Jalan Imbi

55100 Kuala Lumpur

Tel : 03-2145 0533

Fax : 03-2145 9702

Email address: shareg@berjayareg.com.my

AUDITORS

Messrs Ernst & Young PLT

202006000003 (LLP0022760-LCA) & AF 0039

Chartered Accountants

Level 23A, Menara Milenium

Jalan Damanlela

Pusat Bandar Damansara

50490 Kuala Lumpur

Tel : 03-7495 8000

Fax : 03-2095 5332

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

Email address: cosec@berjaya.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad

CIMB Bank Berhad

OCBC Bank (Malaysia) Berhad

RHB Bank Berhad

Alliance Bank Malaysia Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Sector: Consumer Products & Services

Stock Name: BJLAND

Stock Code: 4219

PLACE OF INCORPORATION AND DOMICILE

Malaysia

WEBSITE ADDRESS

www.berjaya.com/berjaya-land/

PROFILE OF DIRECTORS

Tun Richard Malanjum

Chairman/Independent Non-Executive Director



Nationality
Malaysian



Age and Gender
71 / Male

Tun Richard Malanjum was appointed to the Board as Chairman/Independent Non-Executive Director of the Company 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 known as 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. Since February 2022, Tun Richard Malanjum is a consultant with the United Nations on a yearly contract basis.

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

Tun Richard Malanjum is the Chairman of the Risk Management Committee and Sustainability Committee of the Company.



PROFILE OF DIRECTORS

Dato' Sri Robin Tan Yeong Ching

Deputy Chairman/Non-Independent Non-Executive Director



Nationality
Malaysian



Age and Gender
49 / Male

Dato' Sri Robin Tan Yeong Ching was appointed to the Board as Deputy Chairman/ Non-Independent Non-Executive Director of the Company on 1 March 2023. He graduated with a Bachelor of Social Science Degree in Accounting/Law from the University of Southampton, United Kingdom, in 1995.

He joined Berjaya Group Berhad in 1995 as an Executive and subsequently became the General Manager, Corporate Affairs in 1997.

Currently, he is the Executive Chairman of Sports Toto Berhad, a Director of Atlan Holdings Bhd and KDE Recreation Berhad. He is also an Executive Director of STM Lottery Sdn Bhd, Berjaya Hartanah Berhad, Bukit Kiara Resort Berhad and Staffield Country Resort Berhad. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Both his sister, Ms Chryseis Tan Sheik Ling and brother-in-law, Mr Tan Tee Ming are the Executive Directors of the Company.



Syed Ali Shahul Hameed

Group Chief Executive Officer



Nationality
Indian



Age and Gender
52 / Male

Mr Syed Ali Shahul Hameed was appointed to the Board as an Executive Director on 20 March 2019. He was later appointed as Chief Executive Officer of the Company in August 2019. On 1 April 2022, he relinquished his position as Chief Executive Officer and was re-designated as Deputy Executive Chairman of the Company when he was appointed as Berjaya Corporation Berhad (“BCorp”)’s Joint Chief Executive Officer from 1 April 2022 to 1 March 2023. Subsequently on 1 March 2023, he relinquished his position as the Deputy Executive Chairman of the Company and was re-designated as the Group Chief Executive Officer of the Company. He holds a Bachelor of Engineering from the Institute of Road & Transport Technology, Bharathiar University at Coimbatore, India.

He has over 26 years of experience with the BCorp group of companies where he started his career as an Assistant Engineer at Berjaya Tioman Resort under Berjaya Land Berhad’s Group (“BLand Group”) in September 1997.

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

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

His wealth of experience in technical engineering, project management, business development and strategy are instrumental in the success and growth for both domestic and overseas investments and operations under Berjaya Hotels & Resorts, Berjaya Air Sdn Bhd, and Asia Jet Sdn Bhd.

Currently, he is a Director of Berjaya Construction Berhad, Berjaya Hartanah Berhad, Berjaya Japan Developments Berhad, Berjaya Yokohama Investment Pte Ltd, Berjaya Vacation Club Berhad, Berjaya Hills Resort Berhad, Bukit Kiara Resort Berhad, Indah Corporation Berhad, KDE Recreation Berhad, Landasan Lumayan Berjaya Sdn Bhd, Staffield Country Resort Berhad and Tioman Island Resort Berhad. He also holds directorships in several other private limited companies in the BCorp group of companies.



PROFILE OF DIRECTORS

Datuk Abdul Rahim Bin Mohd Zin

Group Executive Director



Nationality
Malaysian



Age and Gender
60 / Male

Datuk Abdul Rahim Bin Mohd Zin was appointed to the Board as Director and Chief Executive Officer of the Company on 1 April 2022. Subsequently on 1 March 2023, he relinquished his position as the Chief Executive Officer of the Company and was re-designated as the Group Executive Director of the Company. He graduated with a Bachelor of Accounting degree from Universiti Kebangsaan Malaysia and a Master of Accountancy from the University of Glasgow Scotland. He is a Chartered Accountant and a Member of the Malaysian Institute of Accountants.

He has 29 years of senior management experience in leading and growing businesses as well as drive transformation, in several industries that included property development, banking and finance, healthcare facility management, shipyard and shipbuilding, plantation management, telecommunication, information technology and power industry support services, liquefied petroleum gas (“LPG”) business and retail restaurant business.

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

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

He was also the President/Group Managing Director of KUB Malaysia Berhad, a conglomerate listed on the Main Market of Bursa Malaysia Securities Berhad, operating a group of businesses in food and beverage, oil palm plantations, information and communications technology, LPG and power industries from 2015 to 2019.

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



Tan Tee Ming

Executive Director



Nationality
Malaysian



Age and Gender
46 / Male

Mr Tan Tee Ming was appointed to the Board as an Executive Director of the Company on 1 April 2022. He graduated with a Bachelor of Science Degree in Business Management from King's College London, United Kingdom in 1998. Since 2001, he has held various positions in several major private banks in Malaysia and Singapore including Citi Private Bank and CIMB.

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.

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

In addition, he was appointed as an Executive Director of Berjaya Times Square Sdn Bhd on 1 October 2021. Currently, he oversees the tenancy of Berjaya Times Square shopping mall as well as Berjaya Waterfront, Johor Bahru.

His brother in-law, Dato' Sri Robin Tan Yeong Ching, is the Deputy Chairman/ Non-Independent Non-Executive Director of the Company and his sister in-law, Ms Chryseis Tan Sheik Ling is an Executive Director of the Company.



PROFILE OF DIRECTORS

Chryseis Tan Sheik Ling

Executive Director



Nationality
Malaysian



Age and Gender
35 / Female

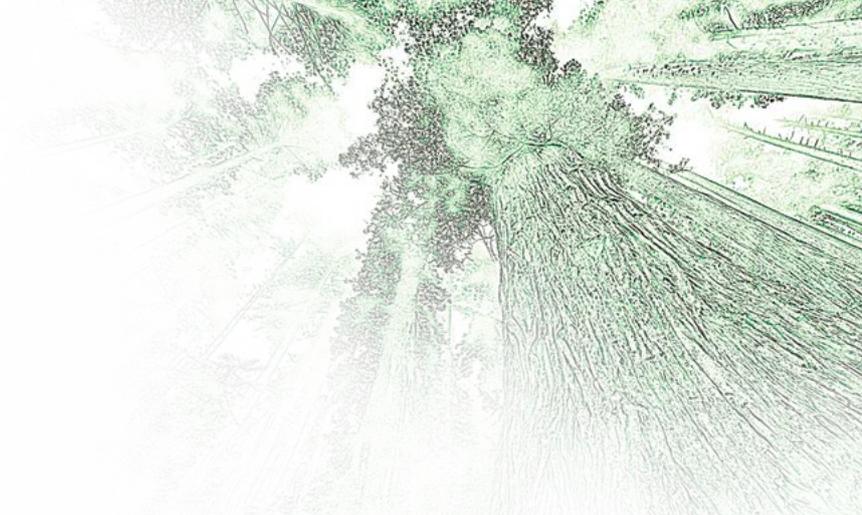
Ms Chryseis Tan Sheik Ling was appointed to the Board as an Executive Director of the Company on 1 April 2016. She graduated with a Bachelor of Arts in Liberal International Studies from Waseda University, Tokyo in 2012. She also did an exchange program in Accounting and Finance in London School of Economics,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

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

Presently, she is an Executive Director of Berjaya Assets Berhad and Berjaya Corporation Berhad as well as 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 brother, Dato’ Sri Robin Tan Yeong Ching, is the Deputy Chairman/ Non-Independent Non-Executive Director of the Company and her brother in-law, Mr Tan Tee Ming is an Executive Director of the Company.





Datuk Kee Mustafa

Independent Non-Executive Director



Nationality
Malaysian



Age and Gender
73 / Male

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

He 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.



PROFILE OF DIRECTORS

Tan Peng Lam

Independent Non-Executive Director



Nationality
Malaysian



Age and Gender
64 / Male

Mr Tan Peng Lam was appointed to the Board as an Independent Non-Executive Director of the Company on 1 March 2023. He holds a Master of Business Administration (MBA) from Massey University, New Zealand and a Diploma in Commerce from Tunku Abdul Rahman College. He is a Fellow Member of the Association of Chartered Certified Accountants and a Member of Malaysian Institute of Accountants.

He had 39 years of working experience in Auditing, Finance, Accounting and Corporate Finance both in Malaysia and overseas. He had worked in Big 8 Accounting Firm and listed company in Malaysia. Prior to his retirement in 2019, he was the Chief Financial Officer of Texchem Resources Bhd and had worked with Texchem for 19 years.

Currently, he is an Independent Non-Executive Director of Yenher Holdings Berhad.

Mr Tan Peng Lam is the Chairman of Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is also a member of Risk Management Committee and Sustainability Committee of the Company.



Kua Choo Kai

Independent Non-Executive Director



Nationality
Malaysian



Age and Gender
63 / Male

Mr Kua Choo Kai was appointed to the Board as an Independent Non-Executive Director of the Company on 27 June 2023. He graduated with a Bachelor of Economics from Monash University, Australia in 1983. He later obtained a Master of Business Administration from the University of Bath (in association with The Malaysian Institute of Management) in 1995. He is a Member of the Malaysian Institute of Accountants, a Member of the Malaysian Institute of Certified Public Accountants and a Fellow of the Chartered Practising Accountants, Australia.

He began his career with the Messrs Ernst & Young PLT's ("EY") predecessor firm, Ernst & Whinney (EW) after his graduation and was with the firm for 38 years. Prior to his retirement in June 2020, he was a Partner within the Kuala Lumpur Assurance Practice and was the Professional Practice Director for East Malaysia. He was also the Administration Leader of the Malaysian Firm responsible for facilities management and support services.

His professional service experiences were in internal and external audits, information systems assurance, enterprise risk management framework, corporate governance framework, financial and management advisory. His industry experience included automation, technology, telecommunications, property development and construction, gaming, consumer products and healthcare industries. He was also involved in international expatriate assignments in the United Kingdom and the United States of America.

He was previously head of EY Advisory Services from 1997 until 2005 where he was instrumental in the start-up of EY Risk & Assurance Business Services. He was the partner in charge of numerous Corporate Governance and Risk Management framework implementation assignments. He returned to mainstream Assurance in 2005 and was the engagement partner in charge of several large conglomerates in Malaysia and MNCs. He was also a Certified Information Systems Auditor (CISA) from 2001 to 2020.

Currently, he is an Independent Non-Executive Director of REDtone Digital Berhad and Cengild Medical Berhad.

Mr Kua Choo Kai is a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company.



PROFILE OF DIRECTORS

Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari

Independent Non-Executive Director



Nationality
Malaysian



Age and Gender
45 / Male



Encik Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari was appointed to the Board as an Independent Non-Executive Director on 10 August 2023. He is a qualified Commercial Pilot and Private Pilot of Aviation Institute of Australia.

He is an accomplished professional whose career spans from the world of commercial aviation to the dynamic realm of Information and Communication Technology (ICT). Initially trained as a professional commercial pilot, he expertly transitioned his expertise into the world of technology and business.

His entrepreneurial journey commenced with Aerotrain Charter, a company specialising in aviation cargo operations. However, his lifelong passion with technology, digital animation, software development, and PC gaming inspired him to establish a successful Animation PC games development business.

With a diverse background spanning various industries, he has cultivated an exceptional skill set and aptitude for overseeing multiple enterprises across ASEAN countries and China. Known for his hands-on approach, he actively engages in day-to-day operations, leading and guiding his team to ensure alignment with client expectations and fruitful business partnerships.

As the Chairman of irix Sdn Bhd (formerly known as PP Telecommunication Sdn Bhd), he exerts his influential leadership to steer the company towards success. His significant shareholding in irix underscores his deep commitment to its growth. Additionally, he assumes the role of a Director at Cempaka Helicopter Corporation Sdn Bhd, contributing his strategic insights to further the company's objectives.

In summary, he exemplifies a dynamic professional whose journey from aviation to technology showcases a proven track record of effective leadership across diverse industries.

Currently, he is an Executive Chairman of Sarawak Consolidated Industries Berhad.

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 or potential conflict of interest, including interest in any competing business with the Company and/or its subsidiaries;
3. any conviction for offences within the past 5 years other than traffic offences, if any; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

Tan Sri Dato' Seri Vincent Tan Chee Yioun

Managing Director/
Chief Executive Officer
STM Lottery Sdn Bhd



Nationality
Malaysian



Age and Gender
71 / Male

Tan Sri Dato' Seri Vincent Tan Chee Yioun 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 Founder & Advisor of Berjaya Corporation Berhad, as well as the Chairman of Berjaya Hills Resort Berhad and U Mobile Sdn Bhd.

On 5 December 1988, he was appointed as the Managing Director/Chief Executive Officer of STM Lottery Sdn Bhd. He also holds directorships in several other private limited companies and also in Berjaya Corporation group of companies.

His son, Dato' Sri Robin Tan Yeong Ching, his daughter Ms Chryseis Tan Sheik Ling, and his son in law, Mr Tan Tee Ming are also members of the Board. His daughter, Ms Nerine Tan Sheik Ping is one of the Key Senior Management of the Company.

Nerine Tan Sheik Ping

Chief Executive Officer
Sports Toto Berhad



Nationality
Malaysian



Age and Gender
47 / Female

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

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

In addition, she was also appointed as Vice President in the Marketing division of Berjaya Hotels & Resorts (M) Sdn Bhd ("BHRM") in January 1999 and was appointed as Executive Director of Berjaya Hotels & Resorts (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 STM Lottery Sdn Bhd and was subsequently promoted to Executive Director in April 2010. On 1 June 2018, she was appointed as the Chief Executive Officer of Sports Toto Berhad.

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

Her husband, Mr Tan Tee Ming, her brother Dato' Sri Robin Tan Yeong Ching and her sister, Ms Chryseis Tan Sheik Ling are members of the Board.

PROFILE OF KEY SENIOR MANAGEMENT

Hew Chit Kong

Corporate Director, Finance
Berjaya Hotels & Resorts Division



Nationality
Malaysian



Age and Gender
58 / Male

Mr Hew Chit Kong is a member of The Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He has over 30 years of working experience in the fields of accounting, audit and financial management. He started his career as an Audit Assistant in Messrs Anuarul, Azizan, Chew & Co, a public accounting firm in Kuala Lumpur from 1991 to 1995 where he last held the position of an Audit Manager. Between 1996 and 2001, he held senior management positions in several private limited companies.

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

He was appointed as Corporate Director, Finance on 1 April 2009. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Linnert Hoo Ley Beng

Head, Berjaya Clubs



Nationality
Malaysian



Age and Gender
60 / Female

Ms Linnert Hoo Ley Beng holds a Bachelor's Degree in Accounting from University Malaya. She is a member of the Malaysian Institute of Accountants (MIA), an associate member of the Chartered Tax Institute of Malaysia (CTIM) and she is a Certified Financial Planner (CFP) Qualification holder.

She has more than 34 years of experience in finance, accounting, audit, taxation and the equity market. She started her career in 1988 with Pricewaterhouse and Coopers & Lybrand in the area of audit and tax. In 1992, she joined a retail and video tape distributor company and she was the Finance and Admin Manager before she left in 2001.

She joined Bukit Kiara Resort Berhad as the Finance Manager in 2001 and was promoted to Senior Finance Manager in 2004. In 2008, she was tasked with the responsibility of overseeing the Finance department of all 5 clubs under Berjaya Clubs and Recreation Division where she was involved in the finance, operations and internal control as well as advisory role to Sales and Marketing department on the cost-benefits of the proposed strategies.

She was appointed as Head of Berjaya Clubs on 10 January 2023. She oversees and leads the overall management of the Clubs and Recreation Division which currently operates four golf clubs and one equestrian club. Prior to joining Berjaya Clubs, she was the Head, Research and Monitoring at Minority Shareholders Watch Group.

Currently, she is the EXCO member of the Malaysian Golf & Recreational Owners Association (MAGRO).

Datuk Chester Voo Chee Soon

Chief Executive Officer
Group Aviation



Nationality
Malaysian



Age and Gender
48 / Male

Datuk Captain Chester Voo Chee Soon graduated from the Cadet Pilot Training from the Australian Civil Aviation Academy, Australia. He commenced his illustrious career as a pilot with Malaysia Airlines in 1993. He subsequently joined AirAsia in 2009 where he was very much involved in the flight operations before joining Civil Aviation Authority of Malaysia ("CAAM").

He is a veteran in the aviation industry with 29 years of experience. Prior to his appointment, he was the Chief Executive Officer of the CAAM from June 2020 until December 2022 where he led the aviation safety regulator through the Covid-19 crisis and regained its Category 1 rating from the United States of America Federal Aviation Administration, enabling Malaysian carriers to enter and add flights to the United States of America.

On 2 February 2023, he was appointed as the Chief Executive Officer of Group Aviation Officer where he oversees the airlines under the Group namely Berjaya Air, Asia Jet and Rafflesia Airways.

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 or potential conflict of interest, including interest in any competing business with the Company and/or its subsidiaries;
4. any conviction for offences within the past 5 years other than traffic offences if any; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Thriving on all fronts

On behalf of the Board of Directors of Berjaya Land Berhad ("BLand"), I am pleased to present the Annual Report and financial statements for the financial year ended 30 June 2023.

As the world gradually recovers from the pandemic, global economies return to pre-pandemic activity levels. With the World Health Organisation reclassifying COVID-19 from a pandemic to an endemic phase, many countries have reopened their borders, thus giving rise to the increased business and leisure travels and these have stimulated global economies. Despite the challenges, our Group has demonstrated resilience and determination, resulting in better performance for the financial year compared to the previous year.

Iceland Parliament Hotel Lobby



Group Revenue

RM7.27 billion

an increase of 20% compared to 2022



Pre-Tax Profit

RM394.0 million

compared to a pre-tax loss of RM100.30 million



The Group remains confident in the performance of its business segments, expecting improvements due to strong domestic spending, rebounding tourism activities, and favourable labour market conditions.

FINANCIAL RESULTS

During the financial year under review, BLand recorded a higher revenue of RM7.27 billion compared to RM6.04 billion in the previous year. The improvement in financial results was mainly attributed to various business segments within the Group. The number forecast operator segment, STM Lottery Sdn Bhd, experienced a 32.1% increase in revenue due to the full resumption of Toto betting operations. The Group's hotel businesses benefited from the resumption of global travel, leading to higher occupancy rates and average room rates. The property development and investment segments reported higher property progress billings and revenue from the disposal of several parcels of vacant land. Additionally, the motor vehicle segment, H.R. Owen Plc, saw an increase in new and used car sales due to strong local demand and the recovery of the global supply chain.

Despite the challenging business and political landscape, the Group reported a turnaround pre-tax profit of RM394.0 million in the current financial year, compared to a pre-tax loss of RM100.30 million in the previous year. The improved performance of the Group's business segments was mainly attributed to the full resumption of business operations following the reclassification of COVID-19 to an endemic phase. The Group also accounted for a dividend distribution from an associated company which is in excess of its carrying value amounting to RM208.1 million.

However, the Group's profitability was dampened by higher finance costs, inflationary pressures, operating expenses related to the opening of the Iceland Parliament Hotel, and partial impairment on balance sale proceeds of the Great Mall Project in China.

DIVIDEND

The Board did not recommend any dividend for the financial year ended 30 June 2023.

SIGNIFICANT CORPORATE DEVELOPMENT

Pursuant to the Supplement Agreement dated 13 August 2012 entered between Selangor Turb Club ("STC") and Berjaya Tagar Sdn Bhd ("BTSB"), STC has granted an extension of time to 18 January 2024 to fulfil the remaining conditions precedent pursuant to the proposed acquisition of the Sungai Besi land by BTSB.

FUTURE OUTLOOK

According to the International Monetary Fund (IMF) and The World Bank, Malaysia economic growth is expected to moderate in 2023 due to weaker global trades, geopolitical tensions, elevated inflation pressures, and tighter financial conditions. Extreme climate occurrences and political uncertainty from recent state elections may also hamper economic activities, especially in the tourism and construction sectors. However, the Group remains confident in the performance of its business segments, expecting improvements due to strong domestic spending, rebounding tourism activities, and favourable labour market conditions. The Group will closely monitor economic and political conditions in the countries where it operates.

Despite the challenging global economic and political outlook, the Directors are cautiously optimistic that the operating performance of the Group's business segments for the upcoming financial year will be satisfactory.

NOTE OF APPRECIATION

On behalf of the Board, I would like to express our heartfelt gratitude to Datuk Robert Yong Kuen Loke, who resigned as Senior Independent Non-Executive Director on 1 June 2023, marking his 28 years of dedicated service. We deeply appreciate his contributions and wish him every success in his future endeavours.

We would like to extend a warm welcome to Dato' Sri Robin Tan Yeong Ching, our new Deputy Chairman and the newly appointed Independent Non-Executive Directors, namely, Mr. Tan Peng Lam, Mr. Kua Choo Kai and Encik Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari to our Board.

Additionally, we would like to acclaim the new roles of Mr. Syed Ali Shahul Hameed, as the Group Chief Executive Officer and Datuk Abdul Rahim Bin Mohd Zin as the Group Executive Director, effective 1 March 2023.

We also wish to extend our sincere appreciation to all our valued customers, business associates, financiers and shareholders as well as relevant government and regulatory bodies for their continued support and confidence towards the Group.

Our heartfelt thanks also go to the Management team and all our employees for their steadfast commitment, hard work and resilience particularly during this challenging period.

Last but not least, I would like to express my sincerest gratitude and appreciation to my fellow Directors for their leadership, wise advice, and invaluable contributions towards the Group. Let us continue to work together to achieve sustainable growth for the Group.

Tun Richard Malanjum
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

Vitalising value across key segments

OVERVIEW

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

PERFORMANCE REVIEW BY BUSINESS SEGMENTS

GAMING

For the financial year under review, the Group registered a revenue of RM6.1 billion and pre-tax profit of RM339.3 million. The revenue registered was mainly attributed to revenue from STM Lottery Sdn Bhd (“STM Lottery”) and H.R. Owen PLC (“H.R. Owen”).

The pre-tax profit of the Group was largely due to profit achieved by STM Lottery and H.R. Owen amidst a challenging business environment post COVID-19 and rising interest rates in the countries the Group operates in. STM Lottery registered a full year revenue contribution as opposed to previous year’s revenue impacted by the cancellation of draws with the imposition of nationwide lockdown. STM Lottery continues to attract punters with the most games offerings and it created 17 new millionaires with a total of RM234.8 million jackpot prizes ranging from RM3.0 million to RM32.0 million from its four jackpot games – Toto 4D Jackpot, Star Toto 6/50, Power 6/55, and Supreme Toto 6/58.

H.R. Owen has expanded its reputation in the United Kingdom (“UK”) as a preferred luxury motor retailer by inaugurating a new bespoke supercar showroom in Hatfield, spanning 110,000 square feet. The new 5.4 acres facility is home to four luxury car showrooms, aftersales services and a multi-level complex for pre-owned cars and event spaces for launches. H.R. Owen also welcomes two new brands, Czinger and Hennessey, to its stable this year.



Malaysia

STM Lottery, the principal operating subsidiary of SPToto, is the leading Number Forecast Operator (“NFO”) in Malaysia. It has approximately 680 outlets nationwide offering 8 different games. Lottery draws are conducted three days a week on every Wednesday, Saturday and Sunday. The Digit games are Toto 4D, Toto 4D Jackpot, Toto 4D Zodiac, Toto 5D, Toto 6D while the Lotto games are Star Toto 6/50, Power Toto 6/55, and Supreme Toto 6/58.

For the financial year ended 30 June 2023, STM Lottery recorded a revenue of RM2.83 billion with 175 draws conducted, an increase of 32.1% as compared to revenue of RM2.14 billion in the previous financial year with 138 draws conducted. The increase in revenue was attributed to the full resumption of business operations in the current financial year as well as higher accumulated jackpot prizes from jackpot games. The previous financial year was adversely affected following the cancellation of 37 draws with the imposition of the Movement Control Order 3.0 from 1 June 2021 until 13 September 2021. Throughout the pandemic years, illegal NFOs had proliferated by offering online betting alternatives to the punters. STM Lottery also faced regulatory challenges imposed by the Kedah state government to stop the renewal of its business licences in the Kedah state.

Gaming Revenue

Malaysia

RM2.83 billion

2022 : RM2.14 billion

Motor Retailing Revenue

The United Kingdom

£567.1 million

2022 : £536.2 million

Despite headwinds, STM Lottery continued to strive forward by improving the average sales per draw by 4.2% over the previous financial year. STM Lottery are confident in continued sales growth with focused marketing activities, responsible gaming advocacy and supported by higher accumulated jackpots across all its jackpot games.

All the jackpot games have rewarded punters with significant jackpot prizes. The Toto 4D Jackpot digit games rewarded the most winners with SPToto's top five winners winning between RM12.0 million to RM23.0 million. The Supreme Toto 6/58 Jackpot games produced four winners with two of the highest prizes of RM31.9 million and RM27.1 million.

Profit before tax for the financial year under review was RM296.6 million as compared to RM227.8 million in the previous financial year, an increase of 30.2%. This was primarily a result of the higher revenue recorded in the financial year under review.

STM Lottery remains vigilant on the macroeconomics uncertainties and rising interest rates bringing headwinds to the Malaysian economic recovery. The management will spearhead economic, sustainability and government (ESG) practices to harness intrinsic opportunities and leverage on innovation to drive business growth. STM Lottery is confident on its fundamentals to maintain its market share in the NFO business and accelerate profitability for the stakeholders in the upcoming financial year 2024.

The United Kingdom

In the UK, H.R. Owen, a subsidiary of Berjaya Philippines Inc. ("BPI"), is a luxury motor retailer for prestige and specialist cars and aftersales service. In June 2023, H.R. Owen officiated its new headquarters on a 5.4 acres site in Hatfield, UK. H.R. Owen's state-of-the-art showrooms are home to four major luxury automotive marques on a single site, representing the hallmarks of Ferrari, Lamborghini, Bentley and Maserati. H.R. Owen also gained accolades as the Rolls-Royce Global Dealer of the Year, twice in five years as it was applauded for an immersive client experience. H.R. Owen currently owns 18 showrooms and 18 service centres for Rolls-Royce, Ferrari, Bugatti, Lamborghini, Maserati, Aston Martin, Bentley, Rimac Automobili, Hennessey, Czinger, BAC, and Radford.

For the financial year ended 30 June 2023, H.R. Owen recorded a revenue of £567.1 million with a total of 1,195 new prestige cars and 1,811 pre-owned cars sold, as compared to revenue of £536.2 million with 1,244 new prestige cars and 1,892 pre-owned cars sold in the previous financial year. The 5.8% increase in revenue was mainly attributed to marginal price increases of new cars albeit softer demand after an exceptional performance in the previous financial year.

H.R. Owen registered a profit before tax of £7.5 million in the financial year under review as compared to profit before tax of £15.6 million in the previous financial year ended 30 June 2022. The previous financial year reported strong profit margin with exceptional demand on pre-owned cars as a result of new car supply constraints. The decrease was also due to higher operating costs arising from inflationary pressures and higher finance costs from the sharp interest rate hike in the current financial year.

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

The United States of America

In the USA, ILTS supplies secure and reliable computerised wagering systems and terminals to the global lottery industry. Its wagering system features include real-time, secure processing of data received from multiple locations, hardware redundancy and complete communications redundancy in order to provide the highest level of fault tolerant operation. For over 40 years, ILTS has provided computerised wagering systems, quality support and at least 70,000 terminals to more than 25 customers in more than 20 countries. ILTS continues to manage challenges to its margin and delivery schedules due to the supply chain constraints and high inflationary environment caused by the COVID-19 pandemic and the Russia-Ukraine conflict.

During the financial year under review, ILTS posted a higher revenue and profit before tax for the financial year ended 30 June 2023 compared to the previous financial year. This was mainly attributable to higher revenue recognition arising from substantial contractual sales recognised for deliverables in a contract. ILTS had also delivered additional lottery terminals to and provided other customers with new games and technical support.

ILTS will continue to explore new and emerging technologies based on current industry developments to remain competitive and explore new markets where its core competencies can be applied.

MANAGEMENT DISCUSSION & ANALYSIS

Total Gross Revenue

RM720.7 million

2022 : RM488.1 million

Overall Room Occupancy

59.1%

2022 : 49.2%

BERJAYA HOTELS & RESORTS

The hotels and resorts business segment of BLand is operated via the Berjaya Hotels and Resorts Division (“BHR”). Currently, the Group owns and operates 28 hotels and resorts locally and internationally.

For the financial year under review, as travel and social restrictions gradually relaxed across the region, BHR’s total gross revenue reported a positive growth to RM720.7 million as compared to RM488.1 million posted in the previous financial year. The revenue increase was mainly contributed by the hotels and resorts in Iceland and Malaysia. However, the bottom line was negatively impacted by higher operating expenditure, finance cost and unrealised foreign exchange loss, which resulted in the total loss before tax widening to RM87.7 million from RM57.4 million posted in the previous financial year.

Overall, the leisure and commercial demands from the key markets returned steadily after the removal of pandemic-related restrictions, which helped the overall room occupancy to grow to 59.1% as compared to 49.2% registered in the previous financial year, while the combined Average Room Rate (“ARR”) rose by 16.4%. The positive growth in occupancy rate and ARR led the Revenue per Available Room (“RevPAR”) to improve significantly to RM341 as compared to RM244 in the previous financial year.



Berjaya Tioman Resort, Tioman

Malaysia Hotels & Resorts

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

Revenue and Loss Before Tax

For the financial year ended 30 June 2023, the overall results reflected an improvement in the operating performance across all BHR’s hotels & resorts businesses in Malaysia. Year-on-year, the Malaysian-based properties recorded a 97.1% increase in total gross revenue to RM184.7 million compared to RM93.7 million in the previous year. As a result of the top-line performance improvement, the Malaysian-based properties recorded a reduction in the total loss before tax to RM23.1 million in the financial year under review, an improvement of 51.7% versus the loss of RM47.7 million incurred in the previous financial year.

Benefiting from higher leisure demand following the progressive lifting of COVID-related restrictions and border controls, the combined ARR improved by 20.4%. The overall room occupancy increased by 15.0 percentage points to 46.4% compared to 31.4% over a year ago. As a result, Malaysian-based properties recorded a higher RevPAR of RM181 which represents an increase of 77% from RM102 recorded in the previous financial year.

↑ 97.1%
Total Gross Revenue
RM184.7 million
 2022 : RM93.7 million

↑ 77%
Revenue per Available Room
RM181
 2022 : RM102



Berjaya Langkawi Resort, Langkawi

The resort performed well due to a rise in leisure demand from international arrivals, which enabled the resort to enjoy positive growth both in rooms and in food and beverage operations. Overall, the resort's gross revenue improved to RM58.4 million as compared to RM24.9 million in the previous financial year, and room occupancy at the resort grew to 45.3%, from 32.2% in the previous year. Accordingly, the resort reported a profit before tax of RM6.56 million, a positive turnaround as compared to a loss before tax of RM5.09 million incurred in the previous financial year.



The Taaras Beach & Spa Resort, Redang Island

The Taaras Beach & Spa Resort, Redang

For the financial year under review, the resort's ARR recorded a rise of nearly 10% to RM1,830, while the room occupancy averaged at 25.4%. Year-on-year, the resort achieved better revenue performance as compared to the previous financial year, and the total revenue rose by 20.0% to RM33.84 million compared to RM28.21 million recorded a year ago. The improvement was driven by positive growth both in rooms and in food and beverage business operations. In spite of the increase in revenue, the higher operating costs, specifically for the personnel and related expenses and food prices, caused an overall increase in the loss before tax to RM3.9 million compared to RM2.5 million in the previous financial year.

Berjaya Tioman Resort, Tioman

For the financial year 2023, the resort reported a total gross revenue of RM12.6 million compared to RM2.4 million in the previous financial year, and the room occupancy was 35.1%. The room night bookings were mainly contributed by the leisure individual segment of Malaysia and Singapore. However, the revenue earned was not enough to cover the fixed and overhead costs, which resulted in the resort incurring a loss before tax of RM11.5 million versus a loss of RM10.9 million in the previous financial year. In the coming years, the resort will continue to enhance operating efficiency, improve its yield management strategy and adopt a vigorous rate strategy to drive higher room rates.

Berjaya Times Square Hotel, Kuala Lumpur

Benefiting from the higher leisure and functions demand enabled the hotel to increase its revenue from the rooms and banqueting business (seminars, meetings and social events) operations. Year-on-year, the hotel recorded a total gross revenue of RM45.7 million compared to RM21.2 million in the previous financial year. The room occupancy at the hotel was 47.7% versus 31.0% in last year, driven by higher room night bookings from its leisure individual segment of Malaysia and Singapore. With the positive growth in business operations, the hotel reduced its loss before tax to RM16.5 million from RM26.2 million incurred in the previous financial year.

ANSA Hotel Kuala Lumpur, Kuala Lumpur

The hotel registered a significant growth in total gross revenue to RM18.1 million from RM8.8 million in the previous year, due to an increase in both room and retail rental revenue. Room revenue increased to RM12.1 million from RM4.5 million in the previous financial year, and the hotel's occupancy rate was higher at 54.9% compared to 32.4% recorded a year ago. As a result of the improved revenue and profit contributions from both business operations, the hotel turned in a profit before tax of RM4.8 million compared to a loss before tax of RM0.9 million incurred in the previous financial year.

Berjaya Penang Hotel, Penang

For the financial year under review, room occupancy rate at the hotel was 59.5% compared to 36.8% a year ago. The hotel's improved occupancy rate was mainly due to higher room night bookings in the leisure individual and commercial group segments of Malaysia and Indonesia. With the improvement both in rooms and in food and beverage business operations, the hotel recorded an improved total revenue of RM14.7 million compared to RM7.9 million in the previous financial year. However, the bottom line was negatively impacted by higher operating costs mainly from personnel costs, which caused the hotel to report a higher loss before tax of RM752,000 versus a loss of RM272,000 incurred in the previous year.

MANAGEMENT DISCUSSION & ANALYSIS

Overseas Hotels & Resorts

The major overseas hotels and resorts of BLand are Iceland Hotel Collection by Berjaya 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 in London, United Kingdom.

Revenue and Loss Before Tax

Overall, year-on-year, the performance of BHR’s overseas properties performed well as a rise in leisure and commercial demands enabled the Group to improve the combined room occupancy rate to 71.2% from 66.3% in the previous financial year, with ARR rising by 20.8%. The improved occupancy and ARR helped the RevPAR to grow by 29.8% to RM494 compared to RM381 recorded a year ago.

With the healthy growth both in occupancy rate and ARR, for the financial year ended 30 June 2023, the BHR’s overseas properties recorded an increased total gross revenue of RM536.0 million compared to RM394.4 million in the previous financial year. Despite the much improved revenue, the total loss before tax of BHR’s overseas properties increased to RM64.7 million from RM9.7 million posted in the previous financial year, mainly due to the higher operating expenditure and finance costs resulting from higher inflationary pressures, and the unrealised foreign exchange losses.

Total Gross Revenue

RM536.0 million

2022 : RM394.4 million

Room Occupancy Rate

71.2%

2022 : 66.3%

Berjaya Beau Vallon Bay Resort & Casino, Seychelles

For the financial year under review, the resort registered room occupancy rate of 70.1% compared to 51.0% in the previous financial year. The improved occupancy rate was mainly supported by its key leisure individual segment of Europe. Accordingly, the resort recorded an increase to RM40.1 million in total gross revenue compared to RM31.8 million in the previous year. However, the profit before tax dipped to RM7.5 million from RM8.6 million in the previous year. The decrease in profit was mainly due to lower unrealised foreign exchange gain and higher operating expenses, especially the personnel costs.

Berjaya Praslin Resort, Seychelles

Year-on-year, the resort’s room occupancy rate grew to 74.5% from 58.5% in the previous financial year, on the back of a healthy upturn in demand from the leisure individual segment of the European market, especially from Germany. The resort recorded a total gross revenue of RM12.1 million compared to RM9.1 million in the previous year. Nevertheless, the resort experienced the same fate as Berjaya Beau Vallon Bay Resort & Casino and registered a drop in profit before tax to RM1.6 million against RM2.4 million in the previous financial year. The drop in profit was also mainly due to the higher personnel costs and lower gain on foreign exchange.



Berjaya Praslin Resort, Seychelles

Berjaya Hotel Colombo, Sri Lanka

For the financial year ended 30 June 2023, the hotel recorded a marginal increase in total gross revenue to RM2.7 million compared to RM2.3 million recorded in the previous year. Despite the increase in revenue, the performance was negatively impacted by inflationary cost pressures on the gross profit margin and higher operating costs. Consequently, the hotel still incurred a loss before tax of RM227,000 compared to a loss of RM589,000 recorded in the previous year.

Berjaya Eden Park London Hotel, United Kingdom

For the financial year under review, the hotel recorded a 143% growth in gross revenue to RM12.3 million compared to RM5.1 million in the previous year. This was largely driven by the improved room rates through better yield management. The occupancy rate at the hotel was 52.5%, while the ARR increased by 57%. With the positive growth in revenue, the hotel reported a reduction in loss before tax to RM1.1 million, an improvement of nearly 60% versus the loss of RM2.7 million incurred in the previous financial year.

ANSA Okinawa Resort, Japan

In the previous financial year, the hotel property was leased to the local government in Okinawa, Japan as a quarantine station. Throughout the lease period, the resort earned fixed lease rental income on all guestroom utilisation. The lease arrangement was terminated effective February 2023. Consequently, for the financial year ended 30 June 2023, the resort reported a lower gross revenue of RM12.2 million compared to RM17.8 million in the previous year, while the profit before tax dipped by 89% to RM0.5 million from RM4.8 million in the year before.



ANSA Okinawa Resort, Japan

Iceland Hotel Collection by Berjaya (“Iceland Hotels”)

The Iceland Hotels operates 13 hotels all around Iceland. During the financial year under review, a new 5-star 145-room hotel, namely Iceland Parliament Hotel in Reykjavik’s Parliament district, has commenced operations in December 2022. For the financial year under review, Iceland Hotels enjoyed positive growth after the lifting of travel and social restrictions. This has driven strong demand in business levels both in rooms and in food and beverage operations at all the hotels in Iceland. Accordingly, the Iceland Hotels’ combined room occupancy rate rose to 77.5% from 72.9% in the previous year, and the ARR rose by 26.8% compared to the previous year. The healthy growth both in occupancy rate and ARR have led to an 34.6% increase in RevPAR to RM634 from RM471 in the previous year. Boosted by improved contributions from the leisure and food and beverage businesses, the total gross revenue at Iceland Hotels increased by 38.2% to RM452.8 million compared to RM327.5 million in the previous year. Despite the positive growth in revenue, the Iceland Hotels reported a higher loss before tax of RM70.2 million compared to RM19.8 million loss, recorded in the previous financial year. The Iceland Hotels incurred higher lease related expenses, partly due to the addition of a new leased hotel property, Iceland Parliament Hotel, and also incurred an unrealised foreign exchange loss of RM23.3 million in the current financial year.



Alda Hotel Reykjavik, Iceland

MANAGEMENT DISCUSSION & ANALYSIS

Interests In Other Hotels

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

Four Seasons Hotel and Hotel Residences Kyoto, Japan

Following the lifting of COVID-19 related restrictions and border controls, the hotel enjoyed a good pick up in business from the leisure individual segments of the United States of America, Japan, China and the United Kingdom markets. This contributed to the improvements in room occupancy rate of 38.1% compared to 15.8% in the previous year, with a higher ARR of RM5,580 as well. The improved occupancy rate had a direct positive contribution to the food and beverage operations as well. As a result, for the financial year under review, the hotel recorded a significant increase in total gross revenue to RM188.6 million compared to RM78.6 million in the previous financial year. The positive growth in revenue has led the hotel to achieve a profit before tax of RM8.0 million, a turn-around from a loss before tax of RM54.0 million incurred a year ago.

Sheraton Hanoi Hotel, Vietnam

During the current financial year, the lifting of travel and social restrictions has helped to improve the leisure and corporate demands from the domestic and international markets. In addition, the rise in corporate and social events has led to an increase in food and beverage revenue as well. As a result, the hotel recorded an 186% increase in total gross revenue for the full year to RM78.2 million compared to RM27.3 million in the previous year, in response to the higher occupancy rate recorded of 72.5% against 30.8% posted in the previous financial year. The hotel ended the current financial year with a profit before tax of RM6.4 million in contrast to a loss of RM7.8 million recorded a year ago.



Future Prospects

Despite the ongoing economic challenges, rising food prices, inflationary pressures and geopolitical tension, the overall outlook for BHR's hotel operations remains encouraging with travel demand recovering at a resilient pace. The BHR businesses are expected to see continued positive momentum in their operating performances for the financial year 2024, as all properties are well placed to take further advantage of the ongoing recovery in both leisure and business travel demand as well as to capitalise on the reopening of China's international borders. For the room business operations, to further maximise room yield, BHR will continue to improve the yield management strategy and adopt a vigorous rate strategy to drive higher room rates, while maintaining an excellent standard of customer service. For the Malaysian-based properties, the focus is to boost BHR's market share in its key leisure and corporate markets of Malaysia, Singapore, the Middle East, and key markets like China and India. More efforts will also be made to capture a larger share of the meeting and incentive markets. For the food and beverage businesses, the focus is to step up sales and marketing activities to promote banqueting in order to secure more high-rated corporate events, government functions, weddings and social events. Additionally, BHR will continue to focus on cost containment measures and optimising business operations efficiency.

CLUBS & RECREATION

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

Revenue

RM56.3 million

2022 : RM53.1 million

↑ 37%

Profit Before Tax

RM10.7 million

2022 : RM7.8 million

As of 30 June 2023, The Clubs have a total membership of 11,860 as at 30 June 2023 of which 6,457 are golf membership and 5,403 are non-golf membership. With Malaysia transitioning to the endemic phase on 1 April 2022, The Clubs focused on preparing for the challenges in the post-COVID-19 era during the financial year ended 30 June 2023. Efforts were made to revamp and upgrade facilities, reconnect with customers, and review operating and management procedures to address increasing operating costs and labour shortages.

Revenue and Profit Before Tax

For the financial year ended 30 June 2023, The Clubs’ revenue increased by 6% to RM56.3 million from RM53.1 million for the previous financial year. This growth was driven by higher golf rounds, food and beverage business, and increased event and banquet functions. As social gathering restrictions eased post-pandemic, members returned to the clubs, and corporate events and banquets saw an uptick.

To cope with rising operating costs, The Clubs had to increase the membership subscription fees by approximately 5% in January 2023. Rates for various sports activities, including golfing and driving range usage, were also increased. Despite these increases, The Clubs’ rates remained competitive compared to neighbouring clubs. With higher revenue and cost optimisation measures, The Clubs’ profit before tax for the financial year ended 30 June 2023 increased by 37% to RM10.7 million compared to RM7.8 million in the previous financial year.

Future Prospects

While we are pleased with the improved financial results in the financial year 2023, we acknowledge that the operating environment will remain competitive and challenging. However, we are confident that we are well-positioned to benefit from the ongoing market recovery. The demand for banqueting and events, golfing, and recreational activities is expected to remain strong. We will continue to prioritise the improvement of our facilities and services for our members and guests, and we will consistently review our management procedures to enhance the efficiency and effectiveness of our club operations.

Overall, the outlook for The Clubs is generally favourable.

VACATION TIMESHARE

Berjaya Vacation Club (“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, the Middle East and Africa, among others.

Revenue and Operating Profit

During the financial year under review, BVC reported revenue of RM14.5 million, a slight decrease from RM15.5 million in the previous financial year. This decrease was attributed to the recognition of lower revenue resulting from the termination of delinquent members.

The operating profit decreased to RM4.6 million from RM9.1 million in the previous financial year. The drop in operating profit was primarily influenced by the increased room rental costs for members’ accommodation.

Future Prospects

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



MANAGEMENT DISCUSSION & ANALYSIS

PROPERTY DEVELOPMENT

BLand's property development business segment, known as the PD Division, is primarily involved in developing land banks and selling completed property projects both domestically and internationally. In the post-pandemic world, the PD Division experienced an increase in business activities, improved labour market conditions, and higher domestic demands, resulting in a better financial performance. However, this was offset by higher local and global interest rates and increased borrowing costs to finance project developments.

The domestic real estate sector has seen growth due to favourable government policies, improving labour market conditions, and increased local demand. The lifting of pandemic movement restrictions and the reopening of international borders has also attracted international property buyers looking to invest in Malaysian real estate.

During the financial year under review, the PD Division successfully completed and organised the grand opening of The Tropika Bukit Jalil Commercial on 2 December 2022. This commercial project consists of 9 units of double-storey shop lots, 11 retail units and a commercial space, catering to the daily needs of residents in the area. At the grand opening, all the commercial lots were fully occupied, with Jaya Grocer as the anchor tenant, along with a mix of restaurants, retail shops, and services. The Tropika Bukit Jalil is a 6.5-acre freehold mixed development by the Group, with the residential component expected to be completed in the first quarter of 2024. During the financial year under review, the PD Division sold 123 residential units with a total sales value of RM130.8 million. To date, they have sold 833 residential units with a total sales value of RM746.1 million.

The PD Division saw a return of foreign customers, particularly from China and Singapore, who chose Malaysia as a destination for a better lifestyle and investment opportunities during the financial year under review. With the increase in Additional Buyer's Stamp Duty (ABSD) in Singapore, there has been an influx of Singaporean customers looking for properties in Malaysia. Taking advantage of this trend, the PD Division collaborated with local foreign property agents and agencies to market the property inventories from various developments by the Group.

In Penang, the PD Division sold 2 bungalow residential lots with a total sale value of RM12.6 million during the financial year under review. Out of the 68 bungalow residential lots, the division sold a cumulative of 53 lots with a total value of RM239 million during the financial year under review. To capitalise on the influx of foreign property buyers, the PD Division conducted digital marketing campaigns to create awareness and generate leads for the unsold bungalow lots. They also worked closely with real estate and Malaysia My Second Home (MM2H) agencies to further market the project to prospective foreign buyers.

Revenue and Profit Before Tax

For the financial year under review, the PD division recorded a revenue of RM312.7 million and a pre-tax profit of RM113.2 million.

The Group's commitment to affordable housing, in collaboration with Yayasan My First Home (YMFH), will be launching the Berjaya Flagship Affordable Homes (BFAH) in the fourth quarter of 2023.



The Tropika Bukit Jalil, Kuala Lumpur – Phase 1 completed

Future Prospects

Moving forward, the PD Division has an exciting lineup of project developments for the upcoming financial year. In Bukit Jalil, the PD Division will officially launch the first phase of KM2 Parcel A1, known as Oaka Residences Bukit Jalil, in December 2023. Situated on 12.24 acres of elevated land, this project consists of two blocks of 175 freehold residential units to be developed on 2.2 acres of land. The unit sizes range from 882 square feet to 1,509 square feet and feature ensuite bathrooms for all bedrooms, as well as balconies or lanais. The targeted selling price is a gross RM861 per square foot, with an estimated GDV of RM352.4 million.

In the first quarter of 2024, the PD Division plans to launch the Bayu Timur Condominium development in Berjaya Park. Spanning 8.51 acres of freehold land, this project offers 518 units with 3 bedrooms and 3+1 bedrooms on a dual-key concept. The unit sizes range from 1,000 square feet to 1,280 square feet and provide a stunning view of the Bukit Kemuning Golf & Country Resort. The expected selling price is a gross RM534 per square foot, with an estimated GDV of RM307 million.

In line with the Group's commitment to affordable housing, the PD Division, in collaboration with Yayasan My First Home (YMFH), will be launching the Berjaya Flagship Affordable Homes (BFAH) in the fourth quarter of 2023. This development, part of the Rumah Selangorku (RSKU) affordable housing initiative, features 402 freehold units in Subang Heights. Each unit has a built-up area of 900 square feet and a unique 5-room, 4-bathroom layout with a dual-key concept. The expected selling price per unit is a gross RM278 per square foot, with an estimated GDV of RM100 million.

In the first quarter of 2024, the PD Division plans to launch Phase 2 of its prestigious development Jesselton Courtyard at Jesselton Selatan, located in the centre of Penang Island. This phase is a 12-acre freehold exclusive gated and guarded project next to Kensington Gardens. The project offers three rows of 5-storey low-rise condominiums with 207 units and sizes ranging from approximately 2,749 square feet to 3,354 square feet. In addition, there are 32 units of 4-storey zero-lot bungalows with a built-up area ranging from 5,967 square feet to 7,860 square feet. The selling prices for these luxurious units range from RM2.5 million to RM7.9 million per unit, and the estimated gross GDV for the project is RM862 million.



PROPERTY INVESTMENT

Under the Property Investment Division ("PI Division"), The Group owns 3 commercial properties comprising Plaza Berjaya, Kuala Lumpur; Kota Raya Complex Kuala Lumpur; and Berjaya Megamall, Kuantan, Pahang. These commercial properties maintained an average occupancy rate of 83% in the current financial year, which improved from 72% reported in the previous financial year.

Revenue and Profit Before Tax

For the financial year under review, the PI Division achieved higher revenue of RM15.4 million, compared to RM12.9 million in the previous financial year. The increase in revenue was attributed to higher rental billings for new and existing tenants and an increase in the number of occupants across all commercial complexes. The PI Division recorded a higher pre-tax loss of RM3.4 million as compared to a pre-tax loss of RM1.5 million in the previous financial year mainly due to the higher service charges charged by the management corporations of the respective commercial complexes.

Future Prospects

Looking ahead, the PI Division will continue to innovate and adapt to the changing retail industry landscape. To remain competitive and relevant, the division will focus on enhancing shopping experiences, attracting new tenants, and implementing various marketing initiatives. This includes upgrading and refreshing existing facilities, as well as developing strategies to draw potential tenants and customers to visit and shop at the commercial complexes.

CORPORATE STRUCTURE

of main subsidiaries, associated companies and joint ventures as at 6 October 2023

BERJAYA LAND BERHAD

HOTELS, RESORTS, RECREATION DEVELOPMENT, VACATION TIMESHARE AND OTHERS



- Listed Company
- Combined Interest
- wholly-owned subsidiary companies of Berjaya Philippines Inc.
- subsidiary company of Berjaya Corporation Berhad

BERJAYA LAND BERHAD

PROPERTY INVESTMENT & DEVELOPMENT

100% Taman TAR Development Sdn Bhd

- The Peak @ Taman TAR, Ampang, Selangor

100% Berjaya Tagar Sdn Bhd

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

80% Pakar Angsana Sdn Bhd

- Berjaya Park, Shah Alam, Selangor

100% Sri Panglima Sdn Bhd

- Taman Kinrara IV, Puchong, Kuala Lumpur

100% Berjaya Land Development Sdn Bhd

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

90% Berjaya Construction Berhad

100% Securiservices Sdn Bhd

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

80% Berjaya-Handico 12 Co. Ltd

- Ha Noi Garden City, Hanoi – Vietnam

100% Berjaya-D2D Company Limited

- Bien Hoa City Square, Dong Nai Province – Vietnam

100% Berjaya Okinawa Development Co. Ltd

- ANSA Okinawa Resort
- Owner of land for future development in Okinawa, Japan

100% Opportunity 24 TMK

- Development of Four Seasons Resort and Private Residences Okinawa, Japan

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

9.21% 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

+ **41.57%** Sports Toto Berhad

100% STM Lottery 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

● Listed Company

+ Combined Interest

wholly-owned subsidiary companies of Berjaya Philippines Inc.

* subsidiary company of Berjaya Corporation Berhad

GROUP FINANCIAL SUMMARY

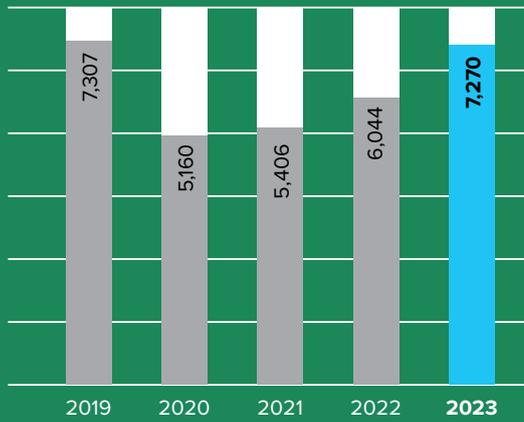
Description	2023 US\$'000	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000
Revenue	1,551,356	7,269,652	6,044,240	5,406,076	5,160,309	7,307,221
Profit/(Loss) Before Tax	84,082	394,006	(100,296)	(42,232)	213,616	546,397
Profit/(Loss) for the Financial Year/Period	50,631	237,258	(237,515)	(142,263)	71,769	352,472
Profit/(Loss) Attributable To Owners of the Parent	31,433	147,297	(242,964)	(247,644)	(36,838)	154,083
Share Capital	533,540	2,500,168	2,500,168	2,500,168	2,500,168	2,500,168
Reserves	309,804	1,451,743	1,186,710	1,376,341	1,653,037	1,697,945
Equity Funds	843,344	3,951,911	3,686,878	3,876,509	4,153,205	4,198,113
Treasury Shares	(7,179)	(33,643)	(33,643)	(33,643)	(33,643)	(20,699)
Net Equity Funds	836,165	3,918,268	3,653,235	3,842,866	4,119,562	4,177,414
Non-controlling Interests	440,765	2,065,423	2,006,089	2,062,916	2,134,130	2,080,907
Total Equity	1,276,930	5,983,691	5,659,324	5,905,782	6,253,692	6,258,321
Long Term Loans	425,968	1,996,088	2,434,931	1,721,389	2,338,311	1,742,770
Deferred Tax Liabilities	212,337	995,013	996,073	993,958	1,010,771	959,611
Lease Liabilities	291,331	1,365,177	893,971	942,930	947,078	–
Other Non-Current Liabilities	59,362	278,170	276,003	307,842	282,865	274,818
Current Liabilities	830,882	3,893,511	2,830,712	3,059,972	2,928,075	2,817,539
Liabilities Directly Associated to Disposal Group Classified as Held for Sale	–	–	–	–	103,533	12,093
Total Equity and Liabilities	3,096,810	14,511,650	13,091,014	12,931,873	13,864,325	12,065,152
Property, Plant And Equipment	475,891	2,230,023	1,969,995	1,938,953	1,897,195	1,571,650
Right-Of-Use Assets	330,104	1,546,868	1,131,035	1,172,983	1,165,382	–
Intangible Assets	772,119	3,618,148	3,586,069	3,609,310	3,612,867	3,592,282
Other Non-Current Assets	636,088	2,980,707	2,868,738	2,862,321	2,808,204	3,771,918
Current Assets	843,401	3,952,178	3,346,209	3,160,538	3,602,621	2,899,218
Non-Current Assets/Disposal Group Classified As Held for Sale	39,207	183,726	188,968	187,768	778,056	230,084
Total Assets	3,096,810	14,511,650	13,091,014	12,931,873	13,864,325	12,065,152
Net Assets Per Share (US\$/RM)	0.17	0.80	0.74	0.78	0.84	0.84
Net Earnings/(Loss) Per Share (US\$/RM)	0.01	0.03	(0.05)	(0.05)	(0.01)	0.03
Dividend (cents/sen)	–	–	–	–	–	–
Dividend Amount (US\$'000/RM'000)	–	–	–	–	–	–

Notes:

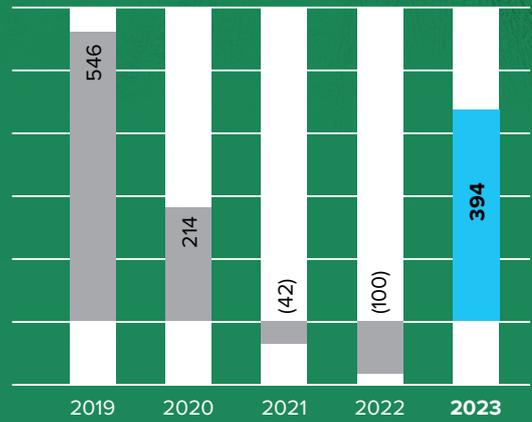
- Following the change of financial year end in 2019, the group financial summary of 2019 was for a 14-mth financial period ended 30 June 2019.
- Net assets per share represents the net equity funds divided by the number of outstanding shares with voting rights in issue.
- Where additional shares are 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 30.6.2023: US\$1.00=RM4.686

GROUP FINANCIAL HIGHLIGHTS

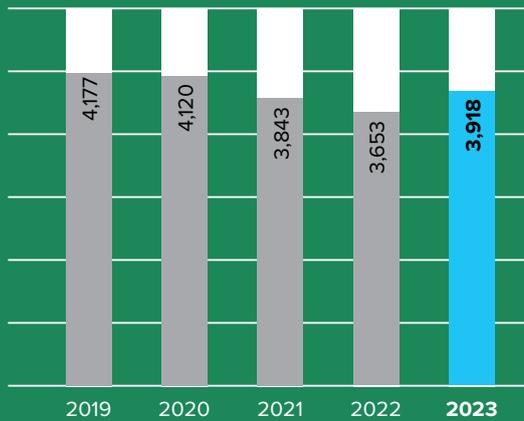
Revenue (RM' Million)



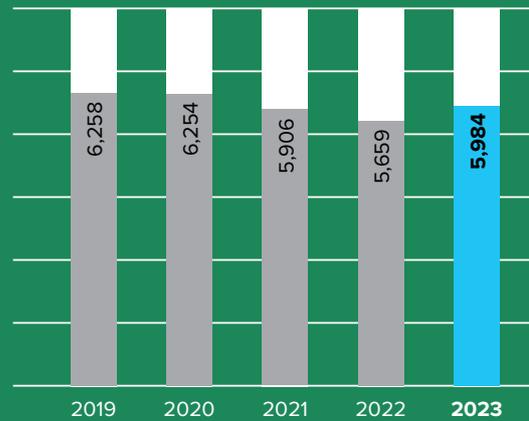
Profit/(Loss) Before Tax (RM' Million)



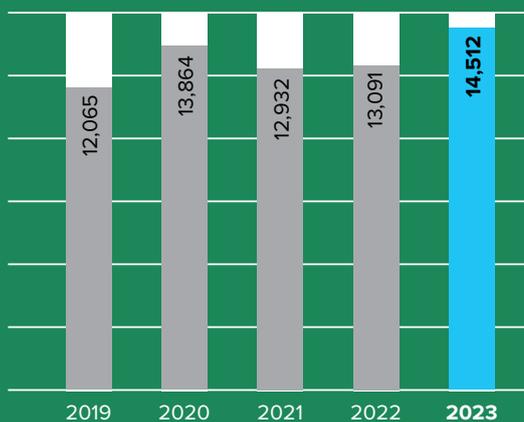
Net Equity Funds (RM' Million)



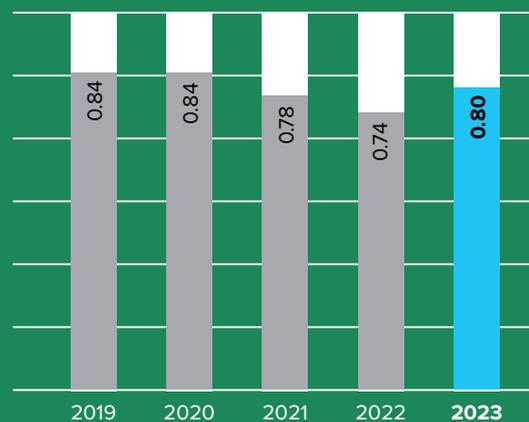
Total Equity (RM' Million)



Total Assets (RM' Million)



Net Assets Per Share (RM)



SUSTAINABILITY STATEMENT

ABOUT THIS REPORT

Welcome to Berjaya Land Berhad’s (“BLand” or “the Group”) annual Sustainability Statement. This statement accounts for the Group’s sustainability progress and performance during Financial Year 2023 (“FY2023”). It sets out how the Group meets its purpose to sustainably advance the future of hospitality, property development, services and retail industries amongst others.

Reporting Approach	The BLand Sustainability Statement 2023 focuses on reporting its sustainability strategy and performance. It discloses its management approach, performance and progress against targets and a broader range of environmental and social topics identified as material based on industry analysis and engagement with the Group’s internal and external stakeholders.
Reporting period	1 July 2022 to 30 June 2023
Reporting cycle	Annually
Scope and Boundaries	<p>This Sustainability Statement covers the operations of business segments under BLand:</p> <ul style="list-style-type: none"> • Hospitality (Hotels & Resorts) • Hospitality (The Clubs and Recreation) • Hospitality (Aviation) • Property Development • Services (Gaming) • Retail (Non-Food) • Philippines operations • United Kingdom (“UK”) operations • Overseas operations <p>The consolidation method and organisational boundary of data reported in this report covers the majority of the operations. BLand has excluded overseas hotels and resorts for FY2023’s workforce data reporting.</p>
Reporting Guidelines and Principles	<p>Principle Guideline: Global Reporting Initiative (“GRI”) Standards: Core Option</p> <p>Additional Guidelines:</p> <ul style="list-style-type: none"> • Bursa Malaysia’s Sustainability Reporting Guide • FTSE4Good Bursa Malaysia ESG Index
Accuracy and Reliability of the Information Disclosed	<p>The accuracy of the statement’s content has been:</p> <ul style="list-style-type: none"> • Reviewed by the Sustainability Committee; • Subject matters under Environmental, Social and Governance (“ESG”) verified by SIRIM QAS International Sdn. Bhd. (refer to the Statement of Assurance on page 56 and 57); and • Approved by the Board of Directors.
Feedback	<p>Please direct any comments or feedback on this report or the Group’s sustainability journey through the ‘Contact Us’ section of the corporate website: https://www.berjaya.com/berjaya-land/inquiry.php.</p>

SUSTAINABILITY AT THE CORE

Sustainability is a cornerstone for BLand’s competitive advantage, guiding every facet of its operations. By intertwining social and ecological responsibility with innovation, the Group drives meaningful change for its stakeholders. BLand is committed to growing responsibly, delivering long-term economic value, and contributing to environmental and social well-being in local communities.

Sustainability Stewardship

BLand formalised its Sustainability Governance Structure to strengthen the Group’s sustainability stewardship. The Board of Directors (“BOD”) ensures effective alignment between the sustainability agenda and the Group’s business objectives, enhancing their congruence. Their vigilant oversight nurtures a seamless integration, driving a cohesive strategy that harmonises economic, environmental and social element for optimal results. The Board remains centrally involved in determining, managing and monitoring BLand’s material Economic, Environmental, Social and Governance (“EESG”) factors and performance, including its potential and actual impact. BLand BOD are dedicated to participating in training programmes focused on sustainability and EESG initiatives, with several having already completed courses beginning this year.



The Sustainability Committee (“SC”) is an intermediary between the Board and the Sustainability Working Group (“SWG”), ensuring that sustainability efforts are seamlessly integrated and aligned with its objectives through balanced efforts across all functions. The SC supports the Board by tabling the sustainability agenda, including action plans, goals and critical concerns. The SC also organises internal sustainability training and workshops to further educate its stakeholders.

BLand aligns its sustainability practices and policies with the Group Policy. Additionally, BLand is enrolled in the Bursa Malaysia Public Listed Companies Transformation (“PLCT”) Programme, encompassing both Module 1 and Module 2.



How BLand Sustainability Reporting Has Evolved



- 1** Starting with basic metrics in the last Sustainability Statement, BLand now embraces comprehensive EESG framework. BLand is one of the early adopters of the enhanced Bursa Malaysia Sustainability Listing Requirements, which will become mandatory from next year. This proactive approach exemplifies the Group’s commitment to setting benchmarks for others in the industry.
- 2** The Group has also expanded its reporting scope, covering almost 100% of entities under the Group to provide stakeholders comprehensive insights into BLand’s sustainability journey.
- 3** Throughout the year, BLand has invested significant resources in enhancing its data management processes. The performance data table on page 51 to 55 of this report demonstrates BLand’s improvement in quality and comprehensiveness. BLand has also expanded its carbon footprint disclosure, reflecting the Group’s commitment to progressing towards climate neutrality.
- 4** This Sustainability Statement illustrates BLand’s value creation by emphasising focused impact, metrics and tangible outcomes. The Group’s efforts, supported by measurable results, are crucial for shaping the next step of formulating strategic goals for BLand’s sustainability journey.

SUSTAINABILITY STATEMENT

VALUES

KEY INPUTS

SUSTAINABILITY COMMITMENT



Financial Capital

- ▶ RM14.511 billion of total assets
- ▶ RM3.918 billion of net equity



Manufactured Capital

- ▶ Approximately 680 gaming outlets nationwide
- ▶ 18 showrooms and 18 service centres in the United Kingdom
- ▶ 28 hotels and resorts locally and internationally
- ▶ 5 recreational clubs
- ▶ 4 aircrafts owned by Berjaya Aviation
- ▶ Prestigious properties locally and internationally



Human Capital

- ▶ 3,865 employees



Intellectual Capital

- ▶ Leading Number Forecast Operator (“NFO”) since 1969
- ▶ H.R. Owen remains a leading luxury car distributor in the prestige and specialist car market
- ▶ Developer, Manager and Operator of major Malaysian-based and overseas signature hotels, resorts and clubs



Social and Relationship Capital

- ▶ Sustainable Supply Chain
- ▶ Supplier Relationship Management



Natural Capital

- ▶ 271 TJ energy consumed
- ▶ 1,461,787 m³ water used



Economic

- ▶ Creating long-term value for shareholders and the Group’s stakeholders



Environmental

- ▶ Striving to reduce the Group’s environmental footprint by improving the efficiency of resources and supporting conservation efforts



Social

- ▶ Engaging with customers and communities according to good market practices and regulatory requirements, conducive workplace practices and community engagement through various initiatives involving the Group’s monetary and non-monetary resources



Governance

- ▶ Ensuring healthy business practices by fully complying with approved policies, standard operating procedures, Malaysian and other governing laws, and local and international standards of corporate behaviour
- ▶ Promoting fair engagement, accountability and access to justice, internally and externally

WE CREATE

VALUES CREATED FOR STAKEHOLDERS

KEY OUTPUTS



Employees

- BLand provides its employees with career and personal development. The Group continues to promote a working environment based on equality, merits, ethics and compassion, the premise of an open-door policy with management



Shareholders/Investors

- As BLand grows, it continues to deliver sustainable profits with due care and consideration for the environment, society and governance



Customers

- BLand offers its customers high-quality products and services while also assisting them in meeting the challenges of their operating and business environments



Government and Regulators

- BLand will continue to be diligent in complying with regulations and engage with relevant authorities in countries in which it operates



Suppliers

- BLand employs fair practices and transparent procedures to ensure that its suppliers enjoy mutual benefits for sustainable business partnerships



Communities, Non-Governmental Organisations, Peer Companies and Industry Groups

- The Group works closely with the community to elevate their standard of living, create job opportunities, encourage talents and contribute positively to society

- ▶ RM7.269 billion in total revenue
- ▶ RM237.258 million in net profit

- ▶ Generated revenue from various business segments, including Hospitality, Property Development, Services and Retail

- ▶ 0 fatalities and 0 LTI
- ▶ 5,040 training hours completed

- ▶ H.R. Owen has again been named as Rolls-Royce Global Dealer of the Year. The company also won awards as Regional Sales Dealer of the Year and Regional Whispers Dealer of the Year
- ▶ Four Seasons Hotel and Hotel Residences (a joint investment by Berjaya Land Berhad and Berjaya Corporation Berhad), won the International Awards at the Malaysia Developer Awards (“MDA”)

- ▶ Mutual and respectful relationships with supply chain partners
- ▶ Active involvement in society to enrich communities

- ▶ Renewable energy portfolio at several entities under Hotels and Resorts as well as a Retail Segment Green development at The Tropika Bukit Jalil

SUSTAINABILITY STATEMENT

STAKEHOLDER RELATIONS

BLand promises two-way communications and responds to stakeholders’ expectations and requirements through direct action and strategic integration. The Group’s stakeholder engagement is an ongoing process, focusing on identifying potential risks and opportunities for its business operations and obtaining different opinions, which are crucial for BLand’s development. Their expectations are integrated into the Group’s daily operations to cope with the rapid changes in society.

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

MATERIALITY

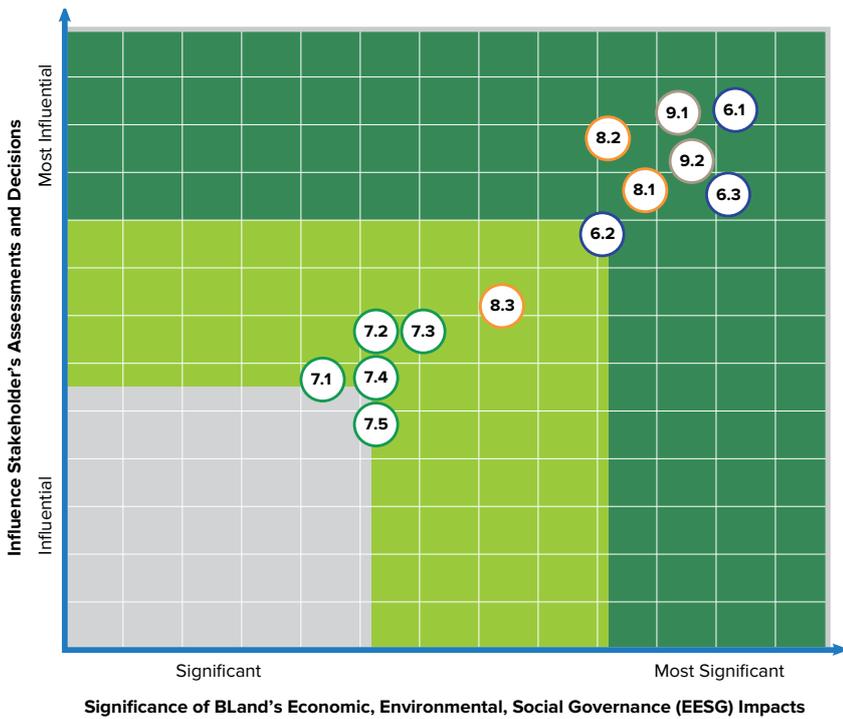
An annual material review helps BLand focus on the essential elements for creating value and responding appropriately to stakeholder concerns.

BLand conducts regular reviews, assessments and feedback processes concerning its EESG. The group-wide materiality exercise identifies, assesses, and documents material risks and corresponding internal controls.

A comprehensive materiality exercise conducted in FY2022 identified 13 material issues. The Board and Sustainability Committee reviewed the exercise results and found them relevant. The Group will continue progressing on these sustainable material matters by formalising the baseline, tracking achievements, identifying gaps and setting targets. BLand will conduct a new materiality study biannually to align with the Group’s priorities.

The following materiality matrix showcases each material matter’s alignment to their respective influence on stakeholders’ perspectives and their significance to the Group. The materiality exercise findings help the Group improve its economic viability and stakeholders’ value creation.

BLand Materiality Matrix



4 Sustainability Pillars



ECONOMIC

- 6.1 Financial Performance
- 6.2 Procurement
- 6.3 Design Efficiency Through Value Engineering



ENVIRONMENTAL

- 7.1 Emissions
- 7.2 Waste Management
- 7.3 Water Conservation
- 7.4 Energy
- 7.5 Conservation of Natural Environment & Marine Ecosystem



SOCIAL

- 8.1 Product & Service Responsibility
- 8.2 Human Capital
- 8.3 Community Support



GOVERNANCE

- 9.1 Good Governance
- 9.2 Compliance

SUSTAINABILITY STATEMENT

Mapping Material Sustainability Matters

BLand mapped the 13 material matters to the Economic, Environmental, Social and Governance pillars, six selected capitals, stakeholders involved and the relevant United Nations Sustainable Development Goals (“UNSDG”).

Material Sustainability Matters	Sustainability (EESG) Pillar	Capitals Used	Stakeholders Involved	UNSDG Indicators
Financial Performance	Economic	<ul style="list-style-type: none"> Financial Manufactured Intellectual 	<ul style="list-style-type: none"> Shareholders/Investors Customers Suppliers Employees Communities, Non-Governmental Organisations, Peer Companies, Industry Groups 	
Procurement				
Design Efficiency Through Value Engineering				 
Emissions	Environmental	<ul style="list-style-type: none"> Human Natural Financial 	<ul style="list-style-type: none"> Employees Customers Government and Regulators Shareholders/Investors 	 
Waste Management				
Water Conservation				
Energy				
Conservation of the Natural Environment and Marine Ecosystem				
Product and Service Responsibility	Social	<ul style="list-style-type: none"> Human Social and Relationship 	<ul style="list-style-type: none"> Employees Shareholders/Investors Government and Regulators Communities, Non-Governmental Organisations, Peer Companies, Industry Groups 	
Human Capital				  
Community Support				 
Good Governance	Governance	<ul style="list-style-type: none"> Human 	<ul style="list-style-type: none"> Employees Government and Regulators Communities, Non-Governmental Organisations, Peer Companies, Industry Groups 	 
Compliance				

SUSTAINABLE ECONOMIC GROWTH

BLand monitors its business operations performance, which has shown top-line improvement in this financial year, to sustain long-term growth and value creation. This improvement was due to BLand adopting various strategies in business operations, including:

- Strengthening its core competencies while growing its businesses locally and internationally
- Diversifying into new industrial sectors and geographical expansion
- Incorporating technological innovation and transformation towards Industrial Revolution 4.0
- Actively recruiting, developing and retaining talents
- Cultivating strong relationships with stakeholders

As the Group expands and evolves, it is proud to create broader economic value through direct economic contribution through its business activities and payment of government taxes in the various operating countries.

Jobs created by BLand businesses stimulate the production and consumption supply chain of goods and services in the countries it operates. BLand’s supply chain and value-added chain across all segments create multiplier effects. Wealth moves from one sector of the economy to the next, benefiting a wide circle of commercial and consumer communities.

As the Group achieves a more extensive revenue base, it benefits the various economies and communities further.

The Multiplier Effect

The multiplier effect is the additional direct and indirect economic impact the Group creates through its vendors, suppliers and consumers/households re-spending in the local economy.

For example, in the Hospitality Segment (Hotels & Resorts), The Taaras Beach & Spa Resort (“TTR”) has helped develop Redang Island since its opening in 1995. The hotel’s presence improved the island’s infrastructure and provided local job opportunities. The company invested heavily in training and skills development to enhance the careers of the local community. Many residents now enjoy better living conditions due to this.

TTR also collaborated with the local Government to develop roads, schools, hospitals and other infrastructure while funding community projects. The hotel’s presence is one example of BLand’s contribution to the local and national economy, resulting in great well-being, quality of life and thriving communities.

The Quest For Affordable Housing

BLand is committed to making affordable housing a reality for all. Through thoughtful planning, the company is committed to providing well-designed, quality homes that cater to diverse needs and income levels. By prioritising affordability without compromising on comfort and sustainability, the Group seeks to empower individuals and families with the opportunity to own homes that enhance their lives and contribute positively to communities. With a focus on accessibility and value, BLand’s affordable housing initiatives aim to create a brighter future for everyone.

In July 2023, BLand, together with Yayasan My First Home (“YMFH”), held a groundbreaking ceremony for the Berjaya Flagship Affordable Homes (“BFAH”), a Rumah Selangorku (“RSKU”) affordable housing initiative, located in the heart of Subang Jaya.

BFAH is instrumental to Berjaya’s commitment to affordable housing for low-income groups and first-time home buyers. It is a standout property with unique features and spacious 900 sqft units, comprising of five-rooms and four-bathrooms perfect for families of any size.

BLand’s successful affordable housing portfolio includes the following, which have benefited more than 2,000 low-income individuals and families:

- Lanai in Bukit Jalil, offering 648 units
- Arena Green in Bukit Jalil, offering 1,240 units
- Akasia Berjaya Park in Shah Alam, offering 220 units
- Residensi Azalea offers 402 affordable apartment units in Subang Heights

DID YOU KNOW?





Berjaya Land Berhad together with Yayasan My First Home (YMFH) held a groundbreaking ceremony for its Berjaya Flagship Affordable Homes (BFAH)

SUSTAINABILITY STATEMENT

Ascending to New Heights

In the aftermath of the Covid-19 era, Berjaya Air aims to tap into the escalating demand for enhanced regional connectivity. With a vision of bolstering the airline’s growth, the company seeks to double its fleet size and expand the roster of destinations to include nearby islands of Malaysia. The Group is currently working on acquiring two additional ATR aircrafts for Berjaya Air and one private jet for Asia Jet, which provides private jet charters. Berjaya Air and Asia Jet each holds the Air Service Permit (“ASP”) to operate non-scheduled or charter services.

Unlike typical commercial airlines, Berjaya Air does not operate on conventional scheduled routes. Instead of adding capacity to heavily travelled destinations, the airline focuses on flying routes catering to the Group’s resorts and hotels. These routes are strategically chosen based on the presence of a purpose-built customer base within the Berjaya Group.



The goal is to fly anywhere within two hours from Subang Airport, reaching up to southern Thailand. Berjaya Air does not look at regular scheduled commercial airline destinations but favours niche routes where it has dedicated tourists. This strategy forges a connection between the Group’s resorts and hotel operations to achieve seamless synergy and mutual enhancement.

DID YOU KNOW?

The Group has big plans in its property development business, including launching four projects with a RM2.3 billion total gross development value (“GDV”).

- *The first of the four phases of condominium development, KM2 in Bukit Jalil, situated on 12.24 acres of elevated land, will be launched towards end of 2023.*
- *Bayu Timur, including 518 condominium units at Berjaya Park in Shah Alam, sits on 8.51 acres of land overlooking Bukit Kemuning Golf & Country Resort.*



WHAT’S COMING UP?

The Group’s hotels and resorts segment is also expanding locally and internationally. Following the success of its maiden development of a Four Seasons Hotel and Hotel Residences in Kyoto, Japan, the Group is developing a Four Seasons Resort and Private Residences on a 100-acre land tract in Okinawa. The Group completed earthworks and began substructure works in the middle of 2023, targeting completion in 2026.

With 90 years of experience in luxury car sales and servicing, H.R. Owen continues to operate the world’s oldest Bentley dealership, Jack Barclay Bentley. H.R. Owen is the only Bugatti Service Partner of Excellence in the UK. H.R. Owen carries brands including Aston Martin, BAC, Bentley, Bugatti, Ferrari, Lamborghini, Maserati, Radford and Rimac Automobili. Earlier this year, H.R. Owen became the official UK retailer of the pioneering American performance brand, Czinger. H.R. Owen has also added Hennessey to its line-up of the world’s most sought-after luxury and performance car partners, becoming the sole UK retailer to Hennessey.

Responsible Supply Chain

BLand Group entities engage with hundreds of suppliers each year. Supplier relationships are critical to business operations and sustainability. In Malaysia, the Philippines and the United Kingdom, BLand aims to work with suppliers that share its value systems and abide by the Berjaya Code of Conduct, including solid governance, fair practices, health and safety, transparency, human rights, and social and environmental compliance. Through engagements with suppliers and assessment of its supply chain, the Group continues to improve its performance and creates mutually beneficial shared value.

The Group also includes social and environmental factors when screening its suppliers. Suppliers and contractors are subjected to social and environmental risk assessments as part of due diligence to ensure total compliance with the Group’s standards. BLand conducts random and timely inspections on contractors and sub-contractors working at sites. BLand recorded no instances of non-compliance during the year under review.

BLand’s Sustainable Supply Chain Principles

Social Supply Chain

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

Environmental Supply Chain

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

Employing Locals

Local and sustainable sourcing is part of the Group’s ethos. This local strategy contributes to the local economy while minimising the footprint of its business operations. BLand maximises local job creation in all operations.

Partnership for Growth

BLand continues to demonstrate leadership in driving sustainable development and innovation across industries by collaborating with trade associations and industry organisations. This participation allows the Group to expand its network and competitive skills while keeping abreast of industry policies and trends. The Group also connects with relevant stakeholders and addresses public authorities’ agenda in developing the relevant industries.

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

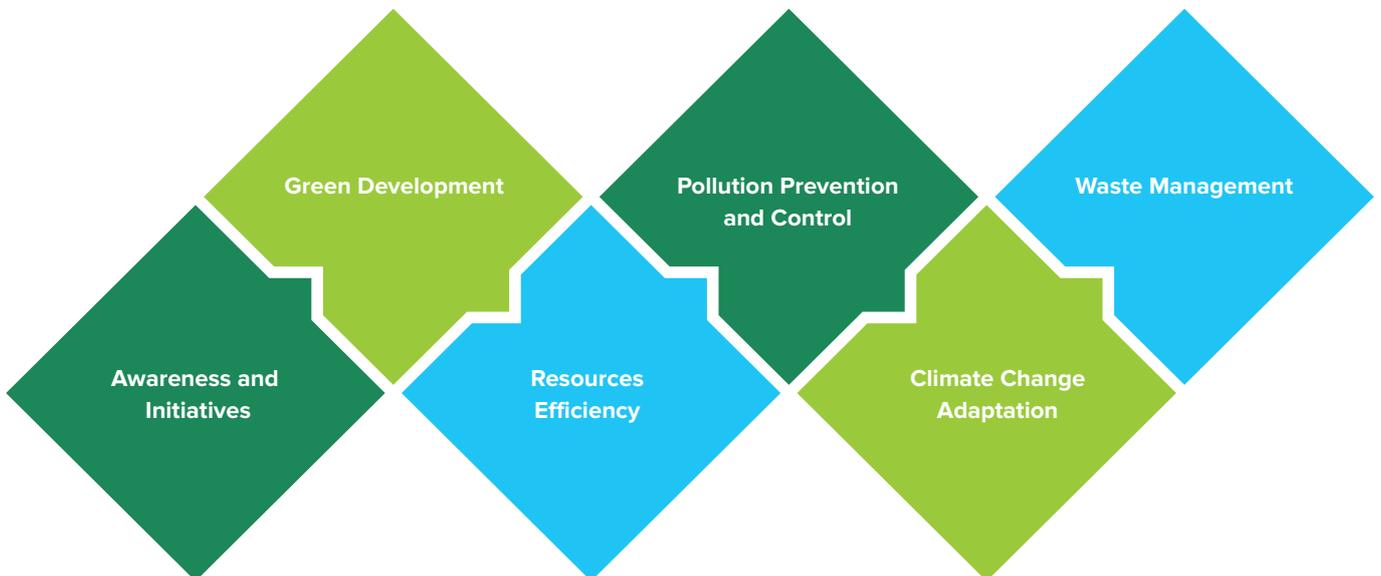


Students received certificates for joining Kem Si Penyu supported by The Taaras Beach & Spa Resort

COMMITMENT TO THE ENVIRONMENT

Climate change and environmental challenges are feared to affect not only businesses but the very survival of humanity. BLand proactively works to protect the earth’s environment in its operations. The Group’s environmental respect is apparent in raising awareness and encouraging employees, vendors, customers, guests and tenants to improve its environmental performance.

BLand Environmental Protection Commitments



SUSTAINABILITY STATEMENT

PAVING THE WAY FOR SUSTAINABLE-LED DEVELOPMENT

BLand is increasing initiatives to adopt more sustainable concepts into its business operations and strategy. This approach complements its principle of incorporating the design thinking process in its planning stage. The Group has cleverly infused green building design concepts, elements and features into its developments.

The Tropika Bukit Jalil received the GreenRE green building certification issued by REHDA. The Group's upcoming development projects also infuse sustainable elements, including:

- Community-based areas to encourage community interaction
- Carbon emissions reduction initiatives
- Water-efficient fittings and rainwater harvesting systems to optimise water consumption and minimise the usage of potable water
- Buildings utilising energy-efficient fittings such as T5 or LEDs, natural ventilation and daylighting

The Group prioritises the people's well-being by ensuring its projects are well-connected and close to public transportation and amenities. The Tropika Bukit Jalil is easily accessible via major highways and public transport, including the Rapid KL bus and Light Rail Transit ("LRT") train services. BLand has gone above and beyond by ensuring that amenities and infrastructure surround its developments to improve the lives of residents. The Tropika comprises healthcare, fitness and food and beverage outlets, including Jaya Grocer, Osso Bone Care, Anytime Fitness, Starbucks and Oomph Café & Bar.

Green Materials

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

Using fly ash, an eco-friendly recycled material, in its construction effectively makes concrete more sustainable with less energy required, a lighter environmental impact and fewer CO₂ emissions.

Energy and Emissions Management

BLand's Approach: Reducing energy demand and improving the energy efficiency of building systems

BLand has made significant strides towards carbon neutrality by identifying various carbon reduction opportunities, including adopting different energy efficiency measures for reducing carbon emissions and using renewable energy.

Recognising the importance of technology in building a carbon-free future and the benefits it brings, the Group keeps up with cutting-edge technologies to drive sustainable growth and create long-term value for its business, stakeholders and communities.

BLand's PD Division uses smart meters, which record real-time energy consumption for generator sets, air-conditioning, lighting and pumps.

Adopting Renewable Energy

BLand has invested in renewable energy assets in line with its mission to become a sustainable and environmentally responsible organisation – an important initiative for the Group's decarbonisation strategy.

TTR uses solar-powered, garden and pole lights. These lights are easy to install and maintenance-free. Solar cells convert sunlight into electricity, which is stored in batteries for use at night. Solar lighting does not require fossil fuels; instead, it relies on renewable energy from the sun. As a result, solar lights contribute to resource conservation and preservation.

BLand Retail (Non-Food) segment, H.R. Owen, has recently installed a photovoltaic system in its new Hatfield site, which generates approximately 100,000 kWh or 7% of the site's electricity consumption.

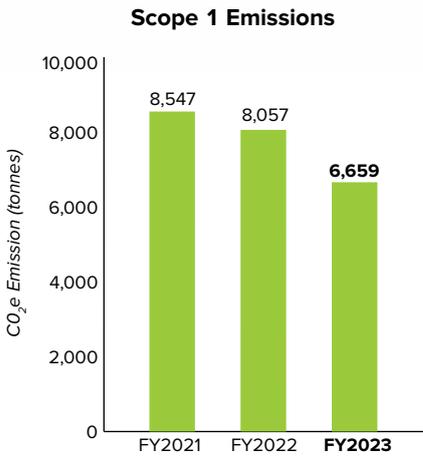
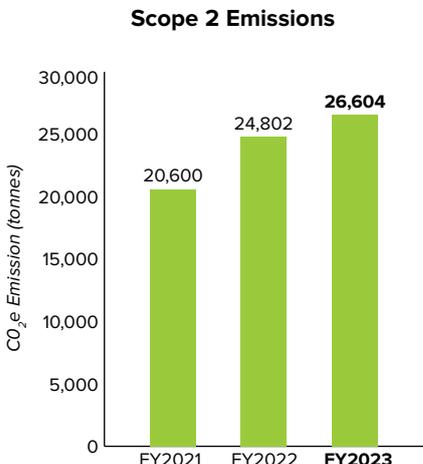


H.R. Owen has opened a new 110,000 sqft site of supercar facility in Hatfield, houses four luxury car showrooms on a landscaped, and five acres multi-level

Carbon Management

Bland realises climate change’s devastating effects and associated short and long-term business risks. Its blueprint for climate change encompasses collaboration with staff and partners in the supply chain to institute energy-conserving protocols and a comprehensive evaluation of climate-related hazards.

Bland presents its carbon footprint progress in the performance data section on page 52 of this report.

Scope	Coverage and Methodology								
<p>Scope 1: Direct GHG Emissions</p>	<p>CO₂ emissions from petrol and diesel consumption were derived from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories. The CO₂ emissions from the combustion of natural gas were derived from the UK Government GHG Conversion Factors for Company Reporting.</p> <p><i>The Group discloses its Scope 1 emissions in the performance data table on page 52 of this report.</i></p> <div style="text-align: right;">  <table border="1"> <caption>Scope 1 Emissions (tonnes)</caption> <tr><th>Fiscal Year</th><th>CO₂ Emission (tonnes)</th></tr> <tr><td>FY2021</td><td>8,547</td></tr> <tr><td>FY2022</td><td>8,057</td></tr> <tr><td>FY2023</td><td>6,659</td></tr> </table> </div>	Fiscal Year	CO ₂ Emission (tonnes)	FY2021	8,547	FY2022	8,057	FY2023	6,659
Fiscal Year	CO ₂ Emission (tonnes)								
FY2021	8,547								
FY2022	8,057								
FY2023	6,659								
<p>Scope 2: Indirect GHG Emissions</p>	<p>CO₂ emissions from electricity use were derived using the emission factor published by:</p> <ul style="list-style-type: none"> • The Energy Commission 2019 Grid Emission Factor for Malaysia • The combined margin emission factor published by the Department of Energy for the Luzon-Visayas Grid 2015-2017 for the Philippines • The International Financial Institutions Technical Working Group On Greenhouse Gas Accounting [IFI] in 2021 for the Seychelles • Sri Lanka Sustainable Energy Authority in Sri Lanka Energy Balance 2018 for Sri Lanka • The total CO₂ intensity/electricity produced and distributed by Reykjavik Energy <p><i>The Group discloses its Scope 2 emissions in the performance data table on page 52 of this report.</i></p> <div style="text-align: right;">  <table border="1"> <caption>Scope 2 Emissions (tonnes)</caption> <tr><th>Fiscal Year</th><th>CO₂ Emission (tonnes)</th></tr> <tr><td>FY2021</td><td>20,600</td></tr> <tr><td>FY2022</td><td>24,802</td></tr> <tr><td>FY2023</td><td>26,604</td></tr> </table> </div>	Fiscal Year	CO ₂ Emission (tonnes)	FY2021	20,600	FY2022	24,802	FY2023	26,604
Fiscal Year	CO ₂ Emission (tonnes)								
FY2021	20,600								
FY2022	24,802								
FY2023	26,604								
<p>Scope 3: Business Travel</p>	<p>Bland used online tools derived from the WRI Greenhouse Gas Protocol to calculate the CO₂ emissions from air travel. The Group estimated emissions produced by road travel using GHG Protocol’s Mobile Combustion GHG Emissions Calculation Tool Version 2.6.</p>								

Scope 3: Employee Commuting

Bland launched a survey during the last quarter of FY2023 to estimate the:

- Travel methods, such as bicycle, LRT and own vehicle (i.e. car, motorcycle)
- Approximate total daily distance travelled each day to work and back
- The vehicle characteristics for employees using their own vehicles

A Mobile Combustion GHG Emissions Calculation Tool from the GHG Protocol Initiative helped calculate the emissions of each respondent based on each employee working an average of 291 days.

In FY2023, 1,191 employees responded to the survey, representing 31% of the total workforce.

SUSTAINABILITY STATEMENT

Typical Methods of Transport for BLand Employees

Method of Transport	Number of Employees in Sample	Estimated Total Number of Employees in BLand	% of Employees
Bicycle	26	84	2.18%
Bus	95	308	7.98%
Company Shuttle	7	23	0.59%
E-bike/E-scooter (non-owned)	20	65	1.68%
Own Vehicle (car, motorcycle)	760	2,466	63.81%
Overground Train	12	39	1.01%
Taxi/E-hailing	6	19	0.50%
Train (LRT/KTM/Monorail/MRT/ERL)	134	435	11.25%
Walking	129	419	10.83%
Work from home	2	6	0.17%
Total	1,191	3,864	100.00%

Distance and Emissions for Employee Commuting

Method of Transport	Total Annual Distance of Sample (km)	Estimated Total Annual Distance (km) for BLand	Total Daily Emissions (MT CO ₂ e) of Sample	Total Yearly Emissions (MT CO ₂ e) of Sample	Estimated Total Yearly Emissions (MT CO ₂ e) for BLand
Bicycle	116,109	376,794	0.00	0	0
Bus	362,877	1,177,598	0.08	24	78
Company Shuttle	9,021	29,275	0.00	0	0
E-bike/E-scooter (non-owned)	146,082	474,061	2.51	730	2,370
Own Vehicle (car, motorcycle)	6,538,188	21,217,545	4.71	1,372	4,451
Overground Train	123,966	402,291	0.05	14	46
Taxi/E-hailing	18,624	60,438	0.02	4	14
Train (LRT/KTM/Monorail/MRT/ERL)	1,205,031	3,910,533	0.42	123	398
Walking	65,766	213,422	0.00	0	0
Work from home	582	1,889	0.00	0	0
Total	8,586,246	27,863,846	7.79	2,267	7,357

In FY2023, BLand employees travelled an estimated 27,863,846 km to and from work. The total yearly CO₂ emissions for employees commuting in FY2023 was 7,357 tonnes.

* Emissions from company shuttle are accounted for in Scope 1



Water Resources

BLand Approach: Avoiding water waste and reinforcing circularity, including water recycling

BLand’s direct impact on the natural water resources are caused from drawing water to cover the potable and non-potable needs of assets as tenants’ operations and common areas of the buildings require water.

The Hospitality Segment consumed the most water due to significant demands for sanitation and hygiene. TTR invested in tube well water drilling and uses surface water from the hill waterfall to cater to these demands sustainably. TTR is awaiting final approval from Lembaga Sumber Air Terengganu (“LAUT”) for natural water abstraction permission.

Rainwater harvesting is essential for the Group’s Hospitality (The Clubs and Recreation) Segment, as irrigating golf courses requires significant amount of water. The Group’s recreational clubs practise various water harvesting and conservation efforts including:

- Staffield Country Resort irrigates its golf course with pond water
- Bukit Jalil Golf & Country Resort uses a rainwater reservoir to water the golf course

Waste

BLand Approach: Expand safe waste management approaches to tackle different waste streams

BLand continued implementing its waste management strategy across its properties to reduce waste going to landfills.

BLand has continuously engaged the services of licensed waste management and treatment companies. BLand has begun streamlining waste data management across its entire value chain to cater for the upcoming years. Collecting half-yearly data helps assess the effectiveness of waste reduction efforts. The Group is progressively expanding its waste recycling efforts from landfill disposal to include different areas of the recycling value chain. The list below presents some examples of these initiatives.

BLand has established recycling corners at Berjaya Times Square Hotel (“BTH”) and other hotels and resorts. These corners invite employees to contribute to the Group’s efforts to collect and segregate recyclable items before selling them to waste collectors. The Group’s Hospitality (Aviation) Segment also initiated internal recycling practices among employees, amassing more than 210 kg of paper in FY2023. Similarly, one of the Group’s recreational clubs has allocated space since 2022 for the Tzu Chi Recycling Centre to encourage domestic waste recycling in the surrounding township.

Hospitality

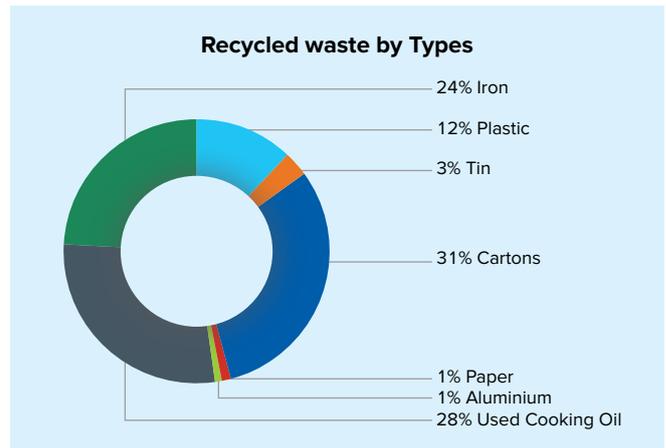
- Paperless: check-in, dining menu, hotels and resorts information and feedback form
- Repurposing old linen and towels as rags and floor mats
- Banning single-use plastic straws
- Placing recycle bins in common areas
- Complementing water bottles in rooms with water dispensers
- Using recycled paper wrapping for in-room amenities
- Using glass bottles at cafes
- Recycling stained linen and towels for cleaning work
- Recycling old curtain fabric at guest rooms for staff quarters

Services

- Theme-based recycling campaign among employees
- Encouraging punters to purchase advance draws with the same numbers to minimise receipt printing
- Reducing ticket size
- Migrating to cloud-based storage and electronic document management systems

Retail (Non-Food)

- Strict hazardous waste management such as paint waste, motor oil, batteries, polish, wax and contaminated rags
- Eliminated single-use plastic bags for its merchandise retail and replaced them with H.R. Owen branded paper bags, complying with the United Kingdom Government’s waste disposal regulations



The Group invites guests and customers to be part of its green journey. For example, Hospitality (Hotels & Resorts) promotes sustainability efforts such as no plastic straws and reusing towels and bed linen. Berjaya Langkawi Resort’s (“BLR”) Go Green Campaign rewards guests with RM10 credit per day should they opt out of having their rooms made up. Guests can choose this option for a maximum of three days.

Please refer to the Performance Data Table on page 52 for the complete waste data.

SUSTAINABILITY STATEMENT

Waste Less by Going Digital

BLand continues to digitise its business to reduce waste and minimise its environmental impact by switching to paperless. The digital age allows companies to minimise resource use and pollution. The Group’s Hospitality segment initiatives include contactless check-in, digital menu, QR codes, online enquiry forms, e-receipts and e-newsletters.

Biodiversity and Habitat

Increasingly, the world recognises the importance of conserving and protecting native habitats. TTR is located within the Gazetted Marine Park, governed by the Fisheries Act 1985. Due to the sensitive environment, particularly the vibrant coral and marine life, TTR continues to incorporate Best Management Practices, including submission of quarterly environmental monitoring reports to the Department of Environment (“DOE”) on its environmental performance, including silt trap discharge, seawater appearance and quality, sewage discharge quality, and air and noise quality to ensure continuous compliance. TTR also updates the DOE on the status of ongoing projects, performs monthly beach cleaning and invites employees to participate in this green programme.

Eco-Friendly Hotels and Resorts

As consumers increasingly focus on an eco-friendly way of life, BHR are reassessing sustainability. With broad sustainability concepts and products, the Group’s Hospitality segment must drive practical and meaningful business results. The following diagram highlights eco-friendly ideas that improved the Group’s footprint and delivered a healthy Return on Investment (“ROI”).

Sustainability is not just about eco-friendly hotel amenities; it is about creating a hub of sustainability by using local goods and products, sustainable materials, sources and more.



Bamboo

Bamboo’s strength and appearance help the team achieve a distinctive style when making fences and tagging. As bamboo is one of the fastest-growing plants on the planet, it is more sustainable than most.



Coconut Husk

Coconut husk makes enriched potting soil and chips to provide ground cover for flower beds. Coconut husk can absorb nutrients and deliver them to the plant consistently. Coconut husk is also a beneficial soil enrichment for plants and maintaining moisture.



Clay Soil

Clay soil helps to restore and keep soil nutrients for a longer time.



Pebble Stones

Pebble stones provide a conducive surface for beneficial bacteria to grow and act as mulch in garden beds to repel weeds, sunlight and erosion.



Organic Farm Waste

Waste from organic vegetables and chicken dung are composted and used as fertiliser.

Environmental Compliance

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

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

EMPOWERING COMMUNITIES

BLand remains fully committed and determined to ensure its operations positively affect its local communities. Growing together in partnership with the community generates shared value for all. BLand is mindful of its sustainability journey to placemaking for nurturing and inclusive neighbourhoods. The Group’s two main social responsibility focus areas are Environment and Community Care.

Environment

100 kg Trash Collected on World Cleanup Day

BLand supported World Cleanup Day 2022. 50 BLR employees and guests joined forces to collect rubbish at the resort’s beachfront and shoreline. The resort’s General Manager led this three-hour activity.

Save The Turtles

TTR supports Kem Si Penyu, an education camp that raises awareness of sea turtle conservation, by sponsoring return boat transfers and packed lunches for participants. This year,

40 Primary Six students from Sekolah Kebangsaan Pulau Redang participated in the Camp. The resort protects all turtle eggs found at its beachfront from high tides or predators at its SEATRU Turtle Lab. These turtles are then released into the sea once they hatch.

Green, Eco-Friendly Christmas

BLR built a Christmas tree with 4,600 recycled plastic bottles collected from its shoreline and under its chalets during the resort’s ‘gotong-royong activity’. The resort decorated the 12-foot by six-foot tree with fishing nets, ropes and other marine debris collected during the communal cleaning activity.

Community Care

BLand proactively engages and partners with community stakeholders to uplift the underserved. The Group also taps into its strengths and resources as a leading Malaysian company with diverse interests. Providing monetary funds, in-kind donations, and volunteers ensures a multifaceted impact.

Community and Philanthropy Activities	Individuals Impacted
ANSA Hotel Kuala Lumpur donated groceries during its visit to Rumah Kebajikan Baitul Ehsan Al-Khairi.	70 underprivileged children
ANSA Hotel Kuala Lumpur celebrated festivals and donated groceries and other essentials to orphans and the underprivileged community from Pertubuhan Kebajikan Thangam Illam and Rumah Charis.	65 children
BHR distributed 40 packed meals to Anjung Kembara residents, a homeless transit centre. Berjaya Café prepared these meals.	50 homeless individuals
BTH sponsored packed meals for the blind or visually impaired in conjunction with International White Cane Day 2022.	200 visually impaired or blind individuals
BLR hosted lunch for special students from Pendidikan Khas SMK Putra, Terengganu, in conjunction with their 'Menyusuri Keindahan Geopark Langkawi' study trip.	31 special students
TTR sponsored lunch for SK Pulau Redang students on their Annual Camping Day.	120 teachers and students
TTR sponsored packed dinners for Redang Mosque and Redang Quran Centre.	300 worshippers
BLand's Services (Gaming) Segment continued collaborating with the Kechara Soup Kitchen ("KSK"), supporting the Food Bank Project. In FY2023, the company donated RM84,000 to purchase dry foods for the needy and underprivileged.	At least 960 underprivileged families
BLand's Services (Gaming) Segment hosted a luncheon with children from Shepherd's Centre Foundation and the Christian Orang Asli Community.	At least 600 individuals

BLand Group Community Investment



TOTAL GROUP DONATIONS TO REGISTERED NOT-FOR-PROFIT ORGANISATIONS FY2023
RM36,699,420



TOTAL BENEFICIARIES
20,011

SUSTAINABILITY STATEMENT

FOSTERING A PEOPLE-ORIENTED WORKPLACE

BLand is proud of its team’s diverse skills, experiences and backgrounds. In the face of a fast-moving world, the Group prioritises creating a supportive and caring environment that fosters agility, innovation and future readiness in its workforce. This approach empowers people to thrive and achieve their personal and professional goals.

BLand upholds fairness and transparency in its recruitment process, compensation and benefits packages, performance appraisals and recognition. The Group’s retirement benefits vary across segments. For example, based on the Collective Agreement with Club Employees Union Peninsular Malaysia (“CEUPM”), Staffield Country Resort’s unionised employees serving the club for at least ten years at the age of retirement are entitled to a retirement benefit of half a month’s salary based on the last drawn salary over the number of years of service. They may also continue serving the company and have their contracts reviewed annually.

Inclusive Workplace

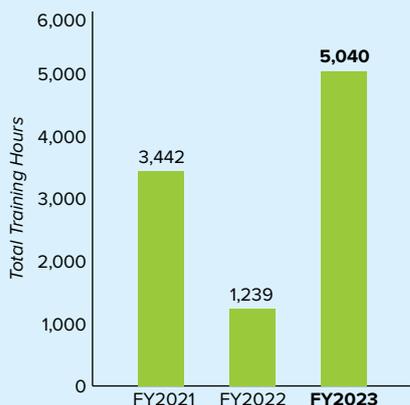
BLand embraces diversity and has zero tolerance for workplace discrimination. The Group’s scope for adoption of diversity and inclusion covers talent recruitment, compensation and benefits, learning and development, and employee engagement.

With a steadfast dedication to these principles, the Group strives to create a harmonious and thriving environment that respects individual differences and encourages collaboration and fairness.

Talent Management

BLand’s comprehensive talent acquisition and cultivation programmes attract high-calibre candidates. Offering diversified career paths, development programmes, coaching and support structures, and agile opportunities are instrumental in building a diverse workforce. BLand’s upskilling programme aims to keep up-to-date with the rapid pace of change in the Group’s key industries. BLand’s customised training plan suits personal, business and industry requirements. For example, BHR delivers compulsory yearly training programmes for its employees on customer service, guest experience and hospitality etiquette.

Total Number of Hours Spent on Employees Development



Promoting Wellness, Health and Safety

The health and safety of employees, guests, contractors, suppliers and the communities are paramount. Employees assume individual ownership and responsibility for safety and health management and are encouraged to proactively report all safety-related incidents, including non-compliance and non-conformities.

BLand provides its people across all segments with safe working conditions and strives to eliminate or minimise hazards and risks. Throughout the year, BLand held various safety awareness programmes to reinforce the importance of a safe workplace and keep all employees informed and vigilant. These included emergency evacuation drills, first aid and CPR training.

Each company has a dedicated Health and Safety Committee comprising a Chairman, a Secretary, and employer and employee representatives guided by BCorp Group’s Health and Safety Policy.

Roles of the Health and Safety Committee

Best Practice

- Suggesting measures to be taken in the interest of safety and health for all stakeholders
- Achieving synergy among all Group’s Occupational, Safety and Health Committees

Monitoring and Improvement

- Collecting, analysing and maintaining Group statistical analysis of safety documents including accident reports, relevant SOPs and Hazard Identification, Risk Assessment and Risk Control (“HIRARC”)
- Ensuring Occupational Safety, Health and Environment (“OSHE”) best practices are being implemented including reporting, monitoring and presenting improvement plans at the committee meeting

Compliance

- Ensuring compliance with the latest Occupational Safety and Health Act 1994, amendments, regulations and other guidelines
- Complying with all requirements under the Malaysia Employment Act and Labour Law
- Updating the management on the latest amendments to the Occupational Safety and Health Act and other regulations under the Act

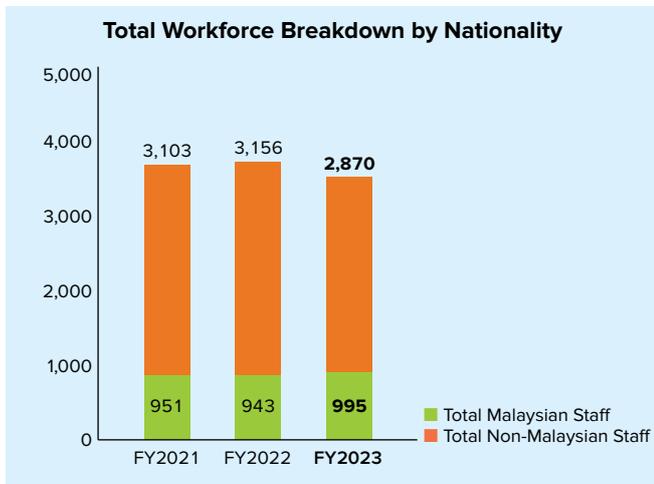
The Group recorded no serious injuries or fatalities involving its employees and contractors during this reporting period. BLand scheduled various safety and health programmes, including fire safety training and HIRARC, to ensure committee members are well-versed in safety and health roles and responsibilities. The committee also conducts monthly walkabouts to oversee safety measures put in a place.

Human Rights

Bland’s social charter sets out commitments to preserving human dignity and self-respect of every individual, covering human rights, code of conduct, diversity and inclusion, and healthy work-life balance.

The Group’s non-discrimination policy stipulates the equal treatment of all employees regardless of their race, colour, age, gender, sexual orientation, gender identity, ethnicity or nationality, disability, pregnancy, religion, and any other legally protected status.

Bland depends on foreign workers, particularly within the Hospitality Segment. Despite efforts to promote local employment and reduce reliance on foreign labour, the nature of the hospitality industry’s demands, including seasonal fluctuations and a need for a diverse skill set, has led to an ongoing necessity for foreign workers. The Group is committed to respecting their fundamental rights to safe and clean living conditions by complying with Act 446: Employees’ Minimum Standards of Housing, Accommodations and Amenities Act 1990 in providing their accommodation.



Bland’s Principles on Labour Practices and Human Rights

Provides

- A safe and healthy workplace for employees
- A workplace free from discrimination

Prohibits

- Physical abuse
- Discrimination in hiring and employment practices, including gender, race, religion, age, disability and nationality

Compliance

- All human rights local regulations
- The right to privacy
- Freedom of association and the rights of employees to bargain collectively

RESPONSIBLE OPERATIONS

Bland’s dynamic and ongoing journey in delivering values to its stakeholders is made possible through innovative planning. Operating in diverse sectors, the Group has the advantage of reaching out to its multi-stakeholders through its varied operations.

A Safe Environment

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

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

Each property, including hotels and resorts, is equipped with 24-hour safety and security assistance, including security patrol, firefighting equipment, a first aid kit, an emergency button, an Automated External Defibrillator (“AED”) and medical assistance. Safety officers ensure all safety equipment, including firefighting equipment, first aid, and oxygen tanks, is well maintained and easily accessible during emergencies. Qualified vendors perform timely inspections of fire alarms.

Examples of Quality Control Exercised in the Hospitality Segment

Industry	Quality Control Measures
Hospitality (Aviation)	<ul style="list-style-type: none"> • Facilities and operation audit by the Civil Aviation of Malaysia (“CAAM”)
Hospitality (Hotels & Resorts)	<ul style="list-style-type: none"> • Outlet assessment/grading by the local municipal council • Star rating • Malaysian Organic Certification Scheme
Hospitality (The Clubs and Recreation)	<ul style="list-style-type: none"> • Water quality testing for swimming pools • Weekly golf course maintenance and landscaping • Annual golf course soil tests • Swimming pool – weekly vacuum and daily water pH test

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

SUSTAINABILITY STATEMENT

Improving Accessibility and Connectivity

BLand incorporates the concept of barrier-free access in its properties and strives to provide a safe and inclusive environment for its stakeholders to navigate their visits with ease.

At its hotels and resorts, the Group has meticulously designed accessible public spaces and rooms that are easy for disabled people to enter and leave. Accessible features include wheelchair access ramps, tactile paving and handrails. Grab bars also provide stability and support.

BLand’s recent development, The Tropika, is a unique nature-inspired mixed development and lifestyle hotspot comprising residential and commercial components that combine community living with city convenience. A 2.9-acre deck with 68 types of facilities grouped into eight lifestyle categories surrounds four residential towers. The Tropika has easy access to major highways such as the Damansara-Puchong Expressway (LDP), Puchong-Sungai Besi Highway, Shah Alam Expressway, Maju Expressway (“MEX”) and New Pantai Expressway. Well-served by public transportation, including the Rapid KL bus and Light Rail Transit train services, The Tropika is close to various established educational institutions and sporting and recreational facilities.

Quality Customer Experience

The Group’s service philosophy centres on customer satisfaction. BLand has internal service quality standards. Meeting customers’ expectations extends beyond building a solid relationship, and includes developing positive word-of-mouth. Focusing attention on customer success and exceeding their expectations creates unique experiences for everyone to deliver exceptional customer service.

Service from the Heart Examples That Create Moments of Delight for Customers.

Hospitality (Hotels & Resorts)	Berjaya Penang Hotel (“BPH”)	Complimentary shuttle services to surrounding hospitals, including the Penang Adventist Hospital, Gleneagles Hospital, Loh Guan Lye Specialist Hospital and Island Hospital
	Berjaya Beau Vallon Bay Resort & Casino, Seychelles (“BVR”)	Shuttle service to and from Victoria town
Aviation	Berjaya Air Sdn Bhd	Berjaya Air will be one of the region’s first airlines to fly all business class seats. The company prioritises passenger comfort and enhancing clients’ experience

Providing quality customer service to improve guest satisfaction is a primary service industry focus, particularly in the hospitality industry. BLand’s Hospitality Segment creates memorable and personalised guest experiences. Managing satisfaction keeps staff alert, with different strategies applied to catch the pulse of its customers. Upon checking into their rooms, front office personnel makes a courtesy call to welcome guests and check if they require any assistance.

Each Hospitality (The Clubs and Recreation) Segment club appoints a Liaison Committee. The committee is responsible for ensuring members’ well-being and communicating members’ feedback and grievances to the management. Frequent engagement and meetings are held with the committee to discuss suggestions and gather feedback. The clubs’ general managers personally attend these meetings.

Guests may leave feedback when checking out, in person or through other dedicated channels such as customer service hotline numbers, satisfaction forms, emails, message centre or a dedicated WhatsApp number. Various platforms are used to monitor guest satisfaction including the TrustYou App, Google, Expedia, and Trip Advisor.

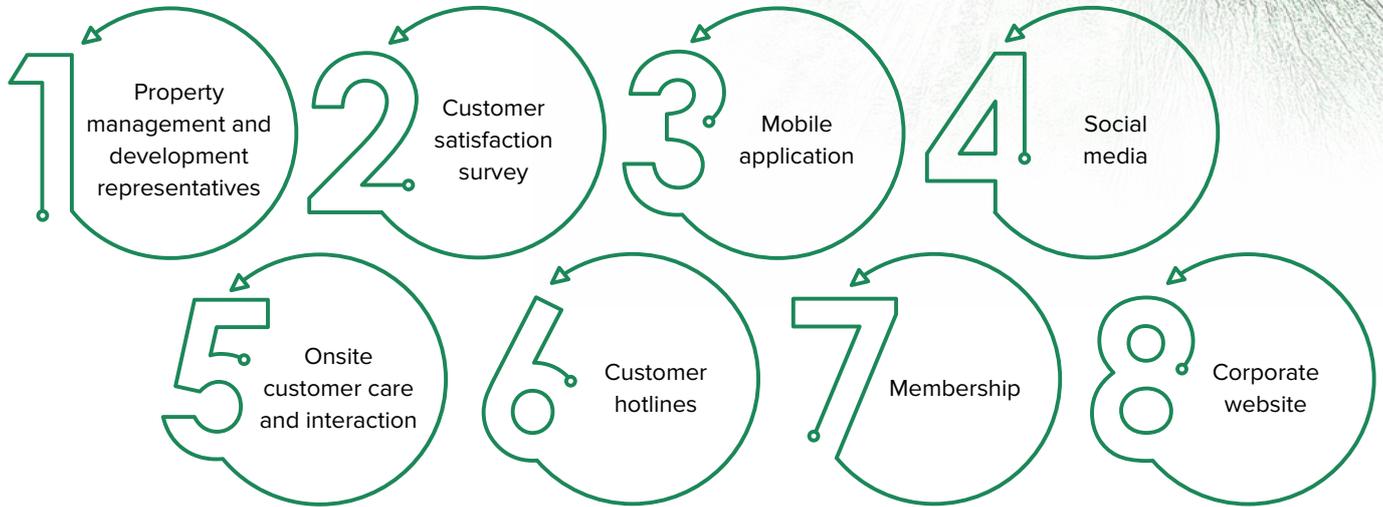
BHR achieved an overall score of 80.61 on TrustYou (as of June 2023), with the most notable achievements by the following entities:

- ***The Taaras Beach and Spa Resort, Malaysia (“TTR”) – 95.65***
- ***Berjaya Praslin Resort, Seychelles (“BPR”) – 91.84***
- ***Berjaya Langkawi Resort, Malaysia (“BLR”) – 87.44***

BLand utilises varying communication channels to exceed expectations, leveraging on digital tools to enhance customer service to a new level with faster, more convenient and safer interactions.

SUSTAINABILITY STATEMENT

Examples of BLand’s Communication Channels



Information Security

BLand complies with relevant legislation and has internal policies, procedures and guidelines to protect customer data privacy and safeguard stakeholders’ interests. Trained employees handle personal data, and the Group has introduced secure measures to ensure privacy, integrity and accountability. During this reporting period, there were no known data leakages, thefts, losses or substantial complaints about non-compliance with regulations concerning customer data privacy.

Sustainability Performance Data

Indicator	Unit	FY2021	FY2022	FY2023
Economic				
Supply Chain				
Proportion of spending on local suppliers	%	70.57%	73.98%	75.24%
Corruption				
Total cost of fines, penalties or settlements in relation to corruption	RM	0	0	0
Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy	Number	0	0	0
Provisions for fines and settlements specified for ESG issues in audited accounts	RM	0	0	0
Total costs of environmental fines and penalties	RM	0	0	0
Total employees who have received training on anti-corruption	Number/%	185 (5.55%)	0 (0.00%)	550 (14.23%)
Total non-executive employees who have received training on anti-corruption	Number/%	10 (0.48%)	0 (0.00%)	437 (17.52%)
Total junior management who have received training on anti-corruption	Number/%	69 (9.10%)	0 (0.00%)	16 (1.98%)
Total middle management who have received training on anti-corruption	Number/%	61 (19.24%)	0 (0.00%)	65 (18.26%)

SUSTAINABILITY STATEMENT

Indicator	Unit	FY2021	FY2022	FY2023
Corruption				
Total senior management who have received training on anti-corruption	Number/%	45 (24.73%)	0 (0.00%)	36 (17.31%)
Operations assessed for corruption-related risks	%	20.00%	33.33%	5.88%
Total confirmed incidents of corruption	Number	0	0	0
Environment				
Energy				
Indirect energy (electricity)	kWh	35,192,934	40,689,888	45,507,579
Direct Energy*	TJ	129	119	100
Indirect Energy*	TJ	127	146	164
Total energy*	TJ	256	265	264
* Conversion coefficients for electricity and diesel to Joules are derived from the Malaysia Energy Commission 2016 Report				
Water and Effluent				
Total municipal water consumption	m ³	1,546,886	1,387,919	1,461,501
Total surface water from rivers, lakes and natural ponds	m ³	0	0	240,667
Total groundwater from wells, boreholes	m ³	0	0	98,233
Total water consumption	m ³	1,546,886	1,387,919	1,800,401
Total volume of effluent discharge	m ³	NA	NA	10,405
Waste				
Total solid waste disposed	kg	40,012,572	29,033,478	17,391,366
Non-recyclable waste	kg	39,738,527	28,747,272	16,978,990
Total recycled waste	kg	274,045	286,206	412,376
Total scheduled waste disposed	kg	66,289	66,088	17,047
Carbon Emissions				
Total Scope 1 emissions*	tCO ₂ e	8,547	8,057	6,659
Total Scope 2 emissions**	tCO ₂ e	20,600	24,802	26,604
Scope 3 emissions: business travel***	tCO ₂ e	–	–	263
Scope 3 emissions: employee commuting	tCO ₂ e	–	–	7,357

* CO₂ emissions from fuel consumption were derived from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories. The emissions from natural gas were calculated using the UK Government GHG Conversion Factors for Company Reporting.

** Scope 2, in Malaysia was derived using the emission factor published by the Energy Commission for the Peninsular Grid 2019; in the Philippines using the combined margin emission factor published by the Department of Energy for the Luzon-Visayas Grid 2015-2017; in the UK using the UK Government GHG Conversion Factors for Company; the International Financial Institutions Technical Working Group On Greenhouse Gas Accounting [IFI] in 2021 for the Seychelles; Sri Lanka Sustainable Energy Authority in Sri Lanka Energy Balance 2018 for Sri Lanka; and the total CO₂ intensity/electricity produced and distributed by Reykjavik Energy.

*** Air travel GHG emissions were calculated point to point, including the number of employees on board and the distance travelled. Online tools derived from the WRI Greenhouse Gas Protocol to calculate the CO₂ emissions from air travel. BLand derives CO₂ emissions from road travel using the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.

Indicator	Unit	FY2021	FY2022	FY2023
Social				
Diversity, Equity & Inclusion				
Total employees	Number	3,331	3,428	3,865
Employees by Contract				
Full time employees	Number/%	2,795 (83.91%)	2,811 (82.00%)	2,944 (76.17%)
Contractors/temporary employees	Number/%	536 (16.09%)	617 (18.00%)	921 (23.83%)
Employees by Nationality				
Malaysian	Number/%	2,380 (71.45%)	2,485 (72.49%)	2,870 (74.26%)
Foreigners	Number/%	951 (28.55%)	943 (27.51%)	995 (25.74%)
Employees by Gender				
Female	Number/%	1,217 (36.54%)	1,235 (36.03%)	1,373 (35.52%)
Male	Number/%	2,114 (63.46%)	2,193 (63.97%)	2,492 (64.48%)
Employees by Age				
<30	Number/%	670 (20.11%)	727 (21.21%)	969 (25.07%)
30-50	Number/%	1,884 (56.56%)	1,915 (55.86%)	2,032 (52.57%)
>50	Number/%	777 (23.33%)	786 (22.93%)	864 (22.36%)
Employees by Category				
Non-executives	Number/%	2,074 (62.26%)	2,149 (62.69%)	2,494 (64.53%)
Junior management	Number/%	758 (22.76%)	787 (22.96%)	807 (20.88%)
Middle management	Number/%	317 (9.52%)	305 (8.90%)	356 (9.21%)
Senior management	Number/%	182 (5.46%)	187 (5.45%)	208 (5.38%)
Gender by Category				
Non-executive: Female	Number/%	677 (32.64%)	697 (32.43%)	783 (31.40%)
Non-executive: Male	Number/%	1,397 (67.36%)	1,452 (67.57%)	1,711 (68.60%)
Junior management: Female	Number/%	360 (47.49%)	366 (46.51%)	383 (47.46%)
Junior management: Male	Number/%	398 (52.51%)	421 (53.49%)	424 (52.54%)
Middle management: Female	Number/%	128 (40.38%)	118 (38.69%)	141 (39.61%)
Middle management: Male	Number/%	189 (59.62%)	187 (61.31%)	215 (60.39%)
Senior management: Female	Number/%	52 (28.57%)	54 (28.88%)	66 (31.73%)
Senior management: Male	Number/%	130 (71.43%)	133 (71.12%)	142 (68.27%)

SUSTAINABILITY STATEMENT

Indicator	Unit	FY2021	FY2022	FY2023
Age by Category				
Non-executive: <30	Number/%	516 (24.88%)	579 (26.94%)	783 (31.39%)
Non-executive: 30-50	Number/%	1,123 (54.15%)	1,133 (52.72%)	1,235 (49.52%)
Non-executive: >50	Number/%	435 (20.97%)	437 (20.34%)	476 (19.09%)
Junior management: <30	Number/%	133 (17.55%)	127 (16.14%)	158 (19.58%)
Junior management: 30-50	Number/%	486 (64.11%)	513 (65.18%)	496 (61.46%)
Junior management: >50	Number/%	139 (18.34%)	147 (18.68%)	153 (18.96%)
Middle management: <30	Number/%	19 (5.99%)	19 (6.23%)	25 (7.02%)
Middle management: 30-50	Number/%	201 (63.41%)	193 (63.28%)	209 (58.71%)
Middle management: >50	Number/%	97 (30.60%)	93 (30.49%)	122 (34.27%)
Senior management: <30	Number/%	2 (1.10%)	2 (1.07%)	3 (1.44%)
Senior management: 30-50	Number/%	74 (40.66%)	76 (40.64%)	92 (44.23%)
Senior management: >50	Number/%	106 (58.24%)	109 (58.29%)	113 (54.33%)
Employees by Union Membership				
Union members	Number/%	435 (13.06%)	396 (11.55%)	365 (9.44%)
Non-union members	Number/%	2,896 (86.94%)	3,032 (88.45%)	3,500 (90.56%)
Disabilities				
Disabled employees	Number/%	0 (0.00%)	0 (0.00%)	0 (0.00%)
Employee Turnover				
Total turnover	Number/%	432 (12.97%)	480 (14.00%)	813 (21.03%)
Turnover by Gender				
Female	Number/%	155 (12.74%)	168 (13.60%)	339 (24.69%)
Male	Number/%	277 (13.10%)	312 (14.23%)	474 (19.02%)
Turnover by Age Group				
<30	Number/%	225 (33.58%)	196 (26.96%)	345 (35.60%)
30-50	Number/%	171 (9.08%)	250 (13.05%)	371 (18.26%)
>50	Number/%	36 (4.63%)	34 (4.33%)	97 (11.23%)
Turnover by Employment Category				
Non-executive employees	Number/%	346 (16.68%)	383 (17.82%)	551 (22.09%)
Junior management	Number/%	58 (7.65%)	64 (8.13%)	161 (19.95%)
Middle management	Number/%	19 (5.99%)	24 (7.87%)	85 (23.88%)
Senior management	Number/%	9 (4.95%)	9 (4.81%)	16 (7.69%)

SUSTAINABILITY STATEMENT

Indicator	Unit	FY2021	FY2022	FY2023
Director Diversity				
<i>Directors by Gender</i>				
Female	Number/%	2 (33.33%)	1 (14.29%)	1 (11.11%)
Male	Number/%	4 (66.67%)	6 (85.71%)	8 (88.89%)
<i>Directors by Age Group</i>				
<30	Number/%	0 (0.00%)	0 (0.00%)	0 (0.00%)
30-50	Number/%	3 (50.00%)	2 (28.57%)	3 (33.33%)
>50	Number/%	3 (50.00%)	5 (71.43%)	6 (66.67%)
Training & Development				
Total time spent on employee development training to enhance knowledge or individual skills	Hours	3,442	1,239	5,040
Total employees attending training	Number	NA	NA	276
Total time spent on employee development training for non-executive employees	Hours	NA	NA	532
Total time spent on employee development training for junior management	Hours	NA	NA	2,848
Total time spent on employee development training for middle management	Hours	NA	NA	1,031
Total time spent on employee development training for senior management	Hours	NA	NA	629
Community				
Total amount of corporate or group donations/ community investments made to registered not-for-profit organisations	RM	31,479,190	26,725,526	36,699,420
Total number of beneficiaries of the investment in communities	Number	7,095	7,406	20,011
Health and Safety				
Fatalities (employees)	Number	0	0	0
Fatalities (third-party contractors)	Number	0	0	0
Employees trained on health and safety standards	Number	455	932	983
Employees receiving general training, which includes safety	Number	437	719	1,290
Human Rights				
Substantiated complaints concerning human rights violations	Number	0	0	0
Data Privacy and Security				
Total substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Berjaya Land Berhad (hereafter referred to as BLand) to perform an independent verification and provide assurance of BLand Sustainability Statement 2023. The main objective of the verification process is to provide assurance to BLand and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to selected sustainability performance information (subject matter) as listed below, within the assurance scope which is included in BLand Sustainability Statement 2023.

The management of BLand was responsible for the preparation of the Sustainability Statement. The objectivity and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of BLand Sustainability Statement and the Annual Report 2023.

The assurance engagement was designed to provide limited assurance in reference to International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of BLand Sustainability Statement and its overall presentation against respective reporting framework such as UN-SDGs and GRI Standards. The assurance process involves verification of selected subject matters as follows. Details provided in Appendix 1 of this statement.

Topic – Subject matter	Page no. in AR 2023
Sustainability Stewardship	32 – 33
Energy and Emissions Management	42
Carbon Management	43 – 44
Water Resources	45
Waste	45 – 46
Fostering a People-Oriented Workplace	48 – 49

The verification was carried out by SIRIM QAS International in September 2023, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Statement includes a detailed assessment of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the statement in order to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in BLand’s Annual Report 2023.
- The corporate office at Berjaya Times Square was visited as part of this assurance engagement. The verification process did not include physical inspections of any of BLand’s operations and assets; and,
- The verification team did not verify any contractor or third-party data.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO 17021-1:2015 and ISO 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of BLand relating to the accuracy of some of the information contained in the statement. In response to the raised findings, the Sustainability Statement was subsequently reviewed and revised by BLand. It is confirmed that changes that have been incorporated into the final version of the statement have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International’s opinion:

- The level of data accuracy included in BLand Sustainability Statement 2023 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the statement was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the statement;
- The Sustainability Statement provides a reasonable and balanced presentation of the sustainability performance of Berjaya Land Berhad.

List of Assessors.

- | | | | |
|----|--------------------------|---|-------------|
| 1) | Ms. Aernida Abdul Kadir | : | Team Leader |
| 2) | Ms. Kamini Sooriamoorthy | : | Team Member |
| 3) | Ms. Farhanah Ahmad Shah | : | Team Member |
| 4) | Ms. Nur Ruzaini Ab Razak | : | Team Member |

Statement Prepared by:

Statement Approved by:



AERNIDA BINTI ABDUL KADIR

Team Leader
 Management System Certification Department
 SIRIM QAS International Sdn. Bhd.

Date: 6 October 2023



MOHD HAMIM BIN IMAM MUSTAIN

Senior General Manager
 Management System Certification Department
 SIRIM QAS International Sdn. Bhd.

Date: 6 October 2023

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (29 September 2023).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

The Board is pleased to provide an overview of the Company’s CG practices during the financial year ended 30 June 2023 (“FYE 2023”) and where applicable, up to the date of this CG Overview Statement with reference to the three (3) key CG principles as set out in the MCCG as follows:

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

This CG Overview Statement is also in compliance with Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Company’s Corporate Governance Report 2023 (“CG Report”), which is available on the Company’s website at www.berjaya.com/berjaya-land/ and on Bursa Securities’ website at www.bursamalaysia.com.

The CG Report sets out the various practices under the MCCG which provides details on how the Company has applied each Practice, any departures thereof and the alternative measures in place within the Company during the FYE 2023. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FYE 2023 save for the exceptions which are fully described in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board has overall responsibility for the proper conduct of the Company’s business and the strategic direction, development and control of the Group. The roles and responsibilities of the Board in discharging its fiduciary and leadership function has been formalised in the Board Charter.

Chairman, Deputy Chairman and Group Chief Executive Officer

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

The Deputy Chairman supports the Chairman in the development of business, corporate policies and strategies for Company.

The Board has delegated the day-to-day management of the Group’s business to the Group Chief Executive Officer (“Group CEO”), Syed Ali Shahul Hameed and the Group Executive Director (“Group ED”), Datuk Abdul Rahim Bin Mohd Zin who holds the primary executive responsibility for the Group’s business performance and to manage the Group in accordance with the strategies and policies approved by the Board. Both the Group CEO and Group ED will focus on the business and lead the Senior Management of the subsidiary companies in making and implementing the day-to-day decisions on the business operations, managing resources and the associated risks involved while pursuing the corporate objectives of the Group. The Group CEO and/or Group ED may delegate appropriate functions to the other Executive Directors or any member of the Senior Management, who shall report to the Group CEO and/or Group ED.

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

The Group CEO, Group ED, Executive Directors and Management meet regularly to review and monitor the performance of the Group’s operating divisions. The Group CEO and/or Group ED brief the Board on the Group’s business operations and Management’s initiatives during the quarterly Board meetings.

Separation of Positions of the Chairman and Group Chief Executive Officer

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

Non-Executive Directors

The Independent Non-Executive Directors are essential in providing unbiased and impartial opinion, advice and judgement to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. The significant contributions of the Independent Directors in the decision-making process are 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 all Independent Non-Executive Directors to provide independent oversight of management and to ensure that there are appropriate checks and balances in discharging its oversight function: -

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

The Chairman of the Board is not a member of the Audit Committee, Nomination Committee or Remuneration Committee which is aligned with the recommendation of the MCCG.

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

The Board may also form such other committees from time to time as dictated by business imperatives and/or to promote operational efficiency. Notwithstanding the above, the ultimate responsibility for decision making and oversight still lies with the Board.

The TORs of each Board Committees are available on the Company’s website at www.berjaya.com/berjaya-land/.

Company Secretaries

The Board is supported by qualified and experienced Company Secretaries, who are members of the professional body namely, The Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified Company Secretaries as per Section 235(2)(a) of the Companies Act 2016 registered with the Companies Commission of Malaysia. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, Main Market Listing Requirements of Bursa Securities and other relevant laws and regulations. The Company Secretaries also advised the Board on adoption of CG best practices as recommended under the MCCG. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their respective TOR and best practices as well as ensuring adherence to the existing Board policies and procedures.

The roles and responsibilities of the Company Secretaries have been formalised in the Board Charter of the Company which provides reference for Company Secretaries in the discharge of their duties.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Meetings and Meeting Materials

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

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

For predetermined Board Meeting and/or Board Committee Meetings, the Directors will be provided with the relevant agenda and Board papers at least five (5) business days' notice except for meetings called on an ad-hoc basis for special matters or urgent proposals, reasonable notice for such meetings shall be sufficient. This enables the Board to have an overview of matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Board papers provide, among others, the minutes of preceding meetings of the Board and Board Committees, summary of dealings in shares by the directors or affected persons and directors' circular resolutions, reports on the Group's financial statements, operations, any relevant corporate developments and proposals.

In addition, there is also a schedule of matters reserved for Board's deliberations and decisions, including among others, the review, evaluation, adoption and approval of the Company and the Group's policies and strategic plans. This is to ensure that the strategic plans of the Company and the Group supports long term value creation, including strategies on economic, environmental and social considerations underpinning sustainability. It also includes the review, evaluation and approval for any material acquisition and/or disposal of undertakings and assets and any new major ventures in the Group.

Access to Information and Advice

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

Board Charter, Ethical Standards through Code of Ethics, Directors' Fit and Proper Policy, Code of Conduct, 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 CG and clarifies, amongst others, the roles and responsibilities of the Board, Board Committees and individual Director.

The Board Charter is subject to review by the Board periodically to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices. The Board Charter was recently reviewed and approved by the Board on 25 August 2023 to reflect the recent changes in the regulatory requirements 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 CG and to promote ethical conduct of the Directors.

(c) Directors' Fit and Proper Policy

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

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

The Directors' Fit and Proper Policy is subject to review by the Board periodically to ensure that it remains effective and relevant and a copy of the Directors' Fit and Proper Policy is available on the Company's website at www.berjaya.com/berjaya-land/.

(d) Code of Conduct and Business Ethics

The Group has established and adopted a Code of Conduct covering business ethics, workplace safety and employees' personal conduct for all employees of the Company and all of its subsidiaries and associates. This is to ensure that all employees and Directors maintain and enforce the highest standards of ethics and professional conduct in the performance of their duties and responsibilities throughout the organisation.

All employees and Directors of the Company are required to declare that they have received, read and understood the provisions of the Code of Conduct and agreed to comply with its terms throughout their employment or tenure with the Company.

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

(e) Whistleblowing Policy and Procedures

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

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

The Whistleblowing Policy and Procedures was recently reviewed, updated and approved by the Board on 25 August 2023 so as to enhance the reporting procedures to safeguard against the acts of bribery and corruption pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

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

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

The Board has established and adopted 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 : Top Level Commitment (Berjaya's Ethos and Commitment);
- Principle II : Risk Assessment;
- Principle III : Undertake Control Measures;
- Principle IV : Systematic Review, Monitoring and Enforcement; and
- Principle V : Training and Communication.

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

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

The T.R.U.S.T. CONCEPT was recently reviewed, updated and approved by the Board on 25 August 2023 and can be accessed on the Company's website at www.berjaya.com/berjaya-land/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Sustainability Strategies

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

The Group strives to achieve a long-term sustainability balance between meeting its business goals, preserving the environment to sustain the ecosystem and improving the welfare of its employees and the communities in which it operates.

The Group's efforts to promote sustainability initiatives for the communities in which it operates, the environmental and the employees have been set out in the Sustainability Statement in this Annual Report.

Board Composition

The Board composition of the Company represents a mix of knowledge, skills and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The Board currently has ten (10) members comprising the Deputy Chairman, Group CEO, Group ED, two (2) EDs and five (5) Independent Non-Executive Directors (including the Chairman of the Board). The profiles of each Directors of the Company are set out in the Profile of Directors section in 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 present Board composition is also in compliance with the recommendation of Practice 5.2 of the MCCG which states that at least half (50%) of the Board members comprises Independent Directors.

The presence of the five (5) Independent Directors is sufficient to provide the necessary checks and balances on the decision-making process of the Board. The significant contribution of the Independent Directors in the decision-making process is evidenced in their participation as members of the various committees of the Board. They are able to carry out their duties and responsibilities and to provide an unfettered and unbiased independent judgement.

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

Name of Directors	Designation
Tun Richard Malanjum	Chairman /Independent Non-Executive Director
Dato' Sri Robin Tan Yeong Ching	Deputy Chairman /Non-Independent Non-Executive Director
Syed Ali Shahul Hameed	Group Chief Executive Officer
Datuk Abdul Rahim Bin Mohd Zin	Group Executive Director
Tan Tee Ming	Executive Director
Chryseis Tan Sheik Ling	Executive Director
Datuk Kee Mustafa	Independent Non-Executive Director
Tan Peng Lam	Independent Non-Executive Director
Kua Choo Kai	Independent Non-Executive Director
Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari	Independent Non-Executive Director

Boardroom Diversity

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

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

The Board is of the view that whilst promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. Thus, the Company does not set any specific target for boardroom diversity but will continuously strive to meet the targets for gender diversity requirements and will actively take the necessary measures towards promoting a corporate culture that embraces gender diversity in the Boardroom.

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

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

Currently, the Board has one (1) female Director namely, Chryseis Tan Sheik Ling and this represents 10% of the total Board members. The Company has complied with Paragraph 15.02(1)(b) of the Main Market Listing Requirements of Bursa Securities.

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

Time Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. During the FYE 2023, the Board met five (5) times and the attendance record of the Directors at the Board meetings were as follows:-

Name of Directors	Attendance
Tun Richard Malanjum [#]	5/5
Dato' Sri Robin Tan Yeong Ching ¹	1/1 [^]
Syed Ali Shahul Hameed [*]	5/5
Datuk Abdul Rahim Bin Mohd Zin ^{**}	5/5
Tan Tee Ming	5/5
Chryseis Tan Sheik Ling	4/5
Datuk Kee Mustafa [#]	4/5
Tan Peng Lam ^{#2}	1/1 [^]
Kua Choo Kai ^{#3}	@
Datuk Robert Yong Kuen Loke ^{#4}	5/5

Notes:

[#] Independent Non-Executive Director.

^{*} During the financial year, Syed Ali Shahul Hameed was re-designated as the Group Chief Executive Officer on 1 March 2023.

^{**} During the financial year, Datuk Abdul Rahim Bin Mohd Zin was re-designated as the Group Executive Director on 1 March 2023.

¹ During the financial year, Dato' Sri Robin Tan Yeong Ching was appointed as Deputy Chairman/Non-Independent Non-Executive Director on 1 March 2023.

² During the financial year, Tan Peng Lam was appointed as Independent Non-Executive Director on 1 March 2023.

³ During the financial year, Kua Choo Kai was appointed as Independent Non-Executive Director on 27 June 2023.

⁴ During the financial year, Datuk Robert Yong Kuen Loke has resigned as Senior Independent Non-Executive Director of the Company on 1 June 2023.

@ There was no Board Meeting held subsequent to the date of his appointment up to 30 June 2023.

[^] Reflects the attendance and the number of meetings held during the FYE 2023 since the Director held office.

Subsequent to the FYE 2023, Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari was appointed as Independent Non-Executive Director on 10 August 2023.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors' Training

All the Directors of the Company (except Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari who will attend the Mandatory Accreditation Programme ("MAP") Part I within the stipulated deadline) have attended the MAP Part I as required by Bursa Securities as at the date of this Statement.

The Board and/or the Directors individually will on a continuous basis, evaluate and 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 believes that continuous training for Directors is vital for the Board members to enhance their skills and knowledge and to enable them to discharge their duties effectively. As such, the Directors will attend the necessary training programmes, conferences, seminars and/or forum so as to keep themselves abreast with the latest economic and corporate developments as well as new regulations and statutory requirements.

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

During the FYE 2023, the training programmes, seminars, conferences, forum and webinars attended by the Directors were as follows:-

Name of Directors	Title of Training Programmes/Seminars/Conferences/Forum/Webinars
Tun Richard Malanjum	<ul style="list-style-type: none"> Audit Oversight Board Conversation with Audit Committee
Dato' Sri Robin Tan Yeong Ching	<ul style="list-style-type: none"> ICDM PowerTalk: Advancing Cyber Resilience: Board's Top 3 Must-Knows
Syed Ali Shahul Hameed	<ul style="list-style-type: none"> Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers 11th Malaysia Land Conference 2023: Elevating the Land Business to Greater Heights by Forging New Deals, Resolving Disputes & Adopting New Technologies
Datuk Abdul Rahim Bin Mohd Zin	<ul style="list-style-type: none"> REHDA Institute "Green Building Conference 2022" Asia Infrastructure Forum 2022 FIABCI Malaysia Morning Talk "Legal Updates on The Housing Development Industry" Invest Malaysia – Reshaping Malaysia's Narrative Series 1: Strengthening Resilience & Sustainable Growth Provision of Financial Assistance & RPT Training Program 11th Malaysia Land Conference 2023: Elevating the Land Business to Greater Heights by Forging New Deals, Resolving Disputes & Adopting New Technologies
Tan Tee Ming	<ul style="list-style-type: none"> Mandatory Accreditation Programme (MAP) Part I Provision of Financial Assistance & RPT Training Program
Chryseis Tan Sheik Ling	<ul style="list-style-type: none"> ICDM PowerTalk: Advancing Cyber Resilience: Board's Top 3 Must-Knows How to Effectively De-risk Your Organisation and Empower Your Staff to Speak Up
Datuk Kee Mustafa	<ul style="list-style-type: none"> Sustainability Talk: Task Force on Climate-Related Financial Disclosures (TCFD) Syndication with the Directors on PETRONAS Nature-Based Climate Solutions (NBS) Strategy Maritime Law & Business Conference 2023 – Refueling the Future – Sustainability & Growth in the Post-Covid Era PETRONAS Board Conversation Series: Sustainability Talk – Nature Action Energy Asia Conference
Tan Peng Lam	<ul style="list-style-type: none"> Understanding Value Investing

Name of Directors	Title of Training Programmes/Seminars/Conferences/Forum/Webinars
Kua Choo Kai	<ul style="list-style-type: none"> • Sustainability Realized: EY Asean Sustainability Summit 2022 • ESG Disclosure At A Glance: Key Developments and Future Trends • ICDM Emerging Trends Talk: ESG Oversight: Role of the Board • Corporate Governance & Remuneration Practices for the ESG World • ESG Management Leading Companies to Sustainable Developments • Supercharging Modern Accounting • Understanding Malaysian Bankruptcy Laws & The Consequences • BEPS 2.0: How will the OECD/G20 project change the international tax landscape • Audit Oversight Board Conversation with Audit Committee • 2023 Budget Webinar • The Board “Agender”: Bursa Malaysia Immersive Session • EY Asean Tax Forum – How tax accounting team should prepare for BEPS changes and global tax transformation • MIA International Accountants Conference – Future Fit Profession: Charting a better tomorrow

Appointment to the Board

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

Tan Peng Lam – Chairman/Independent Non-Executive Director
 Datuk Kee Mustafa – Member/Independent Non-Executive Director
 Kua Choo Kai – Member/Independent Non-Executive Director

During the FYE 2023, the changes to the composition of the NC were as follows:-

- (1) Tan Peng Lam was appointed as the Chairman of the NC on 1 March 2023.
- (2) Tun Richard Malanjum has resigned as the Chairman of the NC on 1 March 2023 so as to comply with the recommendation of Practice 1.4 of the MCCG.
- (3) Datuk Robert Yong Kuen Loke has ceased as a member of the NC following his resignation as Senior Independent Non-Executive Director of the Company on 1 June 2023.
- (4) Kua Choo Kai was appointed as a member of NC on 27 June 2023.

The Chairman of the NC, Tan Peng Lam is an Independent Director and this composition is aligned with the recommendation of Practice 5.8 of the MCCG.

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

- (1) The candidate is identified upon the recommendation by the existing Directors' network, referrals from incumbent Directors and business associates, senior management or major shareholders, independent search firms and/or other independent sources;
- (2) In evaluating the suitability of a candidate for appointment to the Board, the NC considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidate, and in the case of a candidate proposed for appointment as Independent Non-Executive Director, the candidate's independence. The NC also assess the fit and proper declaration of the new candidate;
- (3) Recommendation shall then be made by NC to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and
- (4) Decision to be made by the Board on the proposed new appointment, including appointment to the various Board Committees as recommended by NC.

During the FYE 2023, Datuk Robert Yong Kuen Loke, who has served on the Board for a cumulative term of more than twelve (12) years, has resigned as Senior Independent Director and the various Board Committees of the Company on 1 June 2023 so as to comply with the Main Market Listing Requirements of Bursa Securities.

Dato' Sri Robin Tan Yeong Ching, Tan Peng Lam, Kua Choo Kai and Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari, were identified as potential candidates for the appointment as Directors. The NC had reviewed their profiles and assessed their fit and proper criteria in accordance with the Fit and Proper Policy of the Company and their independence (as the case may be) prior to their appointment to the Board and various Board Committees of the Company. The NC was satisfied with their fitness and propriety and had accordingly recommended to the Board the appointments of Dato' Sri Robin Tan Yeong Ching, Tan Peng Lam, Kua Choo Kai and Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari as Directors of the Company and various Board Committees. Upon the recommendation of NC, the Board has approved the new appointments.

Annual Assessment

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

During FYE 2023, the NC has carried out the following activities:

- (i) Reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- (ii) Reviewed and assessed the performance of each individual Director, independence of the Independent Directors, effectiveness of the Board and Board Committees;
- (iii) Reviewed the performance of the Audit Committee and its members;
- (iv) Reviewed the financial literacy assessment for each of the Audit Committee members;
- (v) Recommended to the Board the re-election of Directors who are due for retirement by rotation for shareholders' approval at the Annual General Meeting ("AGM");
- (vi) Recommended to the Board the retention of Independent Directors for shareholders' approval at the AGM;
- (vii) Recommended to the Board for proposed adoption of Directors' Fit and Proper Policy;
- (viii) Reviewed and recommended to the Board for approval the revised TOR of NC; and
- (ix) Recommended to the Board the changes to the Board composition and reconstitution of various Board Committees.

Re-election of Directors

Clause 117 of the Company’s Constitution provides that at least one-third (1/3) of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years. Clause 107 of the Company’s Constitution also provides that a Director who is appointed during the year is required to retire and to seek shareholders’ approval for re-election at the following AGM immediately after his/her appointment.

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

At the forthcoming Thirty-Third AGM, the following Directors are due for retirement and are eligible for re-election pursuant to Clause 117 and Clause 107 of the Company’s Constitution (“Retiring Directors”) are as follows:-

Name of Directors	Retiring Pursuant to
Tun Richard Malanjum	Clause 117
Datuk Kee Mustafa	Clause 117
Dato’ Sri Robin Tan Yeong Ching	Clause 107
Tan Peng Lam	Clause 107
Kua Choo Kai	Clause 107
Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari	Clause 107

The Board through the NC had undertaken an annual assessment evaluation as well as fit and proper assessment on the Retiring Directors.

All the Retiring Directors have completed their respective declaration on the fitness and propriety in accordance with the Directors’ Fit and Proper Policy of the Company as well as the confirmation of their independence (as the case may be).

Based on the results of the assessment conducted, the NC was satisfied with the favourable evaluation of the overall performance and contributions of the Retiring Directors and the Retiring Directors have fulfilled the fit and proper criteria in accordance with the Directors’ Fit and Proper Policy of the Company. Accordingly, NC recommended to the Board for re-election of the Retiring Directors. The Board has deliberated and endorsed the NC’s recommendation and supports the re-election of Retiring Directors for approval by the shareholders at the forthcoming Thirty-Third AGM. The Retiring Directors had abstained from deliberations and decisions on their re-election at the NC and Board Meetings.

The profiles of the Retiring Directors are set out on in the Profile of Directors section in this Annual Report.

Tenure of Independent Directors

Pursuant to Practice 5.3 of the MCCG, the tenure of an Independent Director does not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the Directors’ re-designation as a Non-Independent Director. The MCCG also sets out a recommendation that the Board must justify and seek shareholders’ approval through a two-tier voting process in the event it retains an Independent Director who has served in that capacity beyond nine (9) years.

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

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

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.

As at 30 June 2023, none of the Independent Directors of the Company has served the Board for a cumulative term of more than nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 on an annual basis based on criteria set out in the Main Market Listing Requirements of Bursa Securities.

The current Independent Directors of the Company namely, Tun Richard Malanjum, Datuk Kee Mustafa, Tan Peng Lam, Kua Choo Kai and Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari have fulfilled the criteria of “independence” as prescribed under Chapter 1 of the Main Market Listing Requirements of Bursa Securities.

Remuneration Policies and Procedures

The members of the Remuneration Committee (“RC”), which comprises exclusively of Independent Non-Executive Directors as at the date of this Statement are as follows:

Tan Peng Lam – Chairman/Independent Non-Executive Director
Datuk Kee Mustafa – Member/Independent Non-Executive Director
Kua Choo Kai – Member/Independent Non-Executive Director

During the FYE 2023, the changes to the composition of the RC were as follows:-

- (1) Tan Peng Lam was appointed as the Chairman of the RC on 1 March 2023.
- (2) Tun Richard Malanjum resigned as the Chairman of the RC on 1 March 2023 so as to comply with the recommendation of Practice 1.4 of the MCCG.
- (3) Datuk Robert Yong Kuen Loke has ceased as a member of the RC following his resignation as Senior Independent Non-Executive Director of the Company on 1 June 2023.
- (4) Kua Choo Kai was appointed as a member of RC on 27 June 2023.

The composition, authority as well as the duties and responsibilities of the RC are set out in its TOR 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 RC to implement its Remuneration Policy. The primary function of the RC is to set up the policy framework and to recommend to the Board on remuneration packages and other terms of employment of the Executive Directors. The remuneration of Executive Directors is determined at levels which enables the Company to attract and retain Executive Directors with the relevant experience and expertise to manage the business of the Group effectively.

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

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

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

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

Details of Directors' remuneration paid or payable to all Directors of the Company (both the Company and the Group) and categorised into appropriate components for FYE 2023 are as follows:-

(a) Individual Directors on a named basis

Company

	RM						
	Fees	Allowance	Salaries	Bonuses	Benefits in-kind	Other Emoluments	Total
Executive							
Dato' Sri Robin Tan Yeong Ching (Appointed on 1 March 2023)	-	-	-	-	-	-	-
Syed Ali Shahul Hameed	-	-	600,000.00	125,000.00	36,570.00	88,119.40	849,689.40
Datuk Abdul Rahim Bin Mohd Zin	-	-	438,000.00	60,000.00	12,900.00	101,840.65	612,740.65
Tan Tee Ming	-	-	419,112.00	101,235.00	31,150.00	68,970.74	620,467.74
Chryseis Tan Sheik Ling	-	-	-	-	-	-	-
Non-Executive							
Tun Richard Malanjum	84,000.00	26,100.00	-	-	-	-	110,100.00
Datuk Kee Mustafa	84,000.00	20,000.00	-	-	-	69.15	104,069.15
Tan Peng Lam (Appointed on 1 March 2023)	28,000.00	5,000.00	-	-	-	69.15	33,069.15
Kua Choo Kai (Appointed on 27 June 2023)	933.33	-	-	-	-	-	933.33
Datuk Robert Yong Kuen Loke (Resigned on 1 June 2023)	77,000.00	27,600.00	-	-	-	79.65	104,679.65
TOTAL	273,933.33	78,700.00	1,457,112.00	286,235.00	80,620.00	259,148.74	2,435,749.07

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Group

	RM						
	Fees	Allowance	Salaries	Bonuses	Benefits in-kind	Other Emoluments	Total
Executive							
Dato' Sri Robin Tan Yeong Ching (Appointed on 1 March 2023)	-	-	193,104.00	-	-	32,054.60	225,158.60
Syed Ali Shahul Hameed	-	1,380,000.00	1,200,000.00	355,000.00	36,570.00	440,677.60	3,412,247.60
Datuk Abdul Rahim Bin Mohd Zin	-	-	438,000.00	60,000.00	12,900.00	101,840.65	612,740.65
Tan Tee Ming	-	62,100.00	419,112.00	111,235.00	31,150.00	79,178.14	702,775.14
Chryseis Tan Sheik Ling	-	-	540,000.00	-	46,650.00	117,438.80	704,088.80
Non-Executive							
Tun Richard Malanjum	84,000.00	386,100.00	-	-	-	15,117.80	485,217.80
Datuk Kee Mustafa	84,000.00	20,000.00	-	-	-	69.15	104,069.15
Tan Peng Lam (Appointed on 1 March 2023)	28,000.00	5,000.00	-	-	-	69.15	33,069.15
Kua Choo Kai (Appointed on 27 June 2023)	933.33	-	-	-	-	-	933.33
Datuk Robert Yong Kuen Loke (Resigned on 1 June 2023)	150,424.66	193,400.00	-	-	11,458.00	9,690.75	364,973.41
TOTAL	347,357.99	2,046,600.00	2,790,216.00	526,235.00	138,728.00	796,136.64	6,645,273.63

(b) The remuneration of top five (5) Senior Management in bands of RM50,000 on an aggregate basis

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

	Number of Senior Management
RM100,001 – RM150,000	1
RM350,001 – RM400,000	1
RM850,001 – RM900,000	1
RM2,400,001 – RM2,450,000	1
RM21,950,001 – RM22,000,000	1
	5

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

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

The Audit Committee (“AC”) of the Company comprises three (3) members, all of whom are Independent Non-Executive Directors. The members of the AC as at the date of this Statement are as follows:-

Tan Peng Lam – Chairman/Independent Non-Executive Director
Datuk Kee Mustafa – Member/Independent Non-Executive Director
Kua Choo Kai – Member/Independent Non-Executive Director

During the FYE 2023, the changes to the composition of the AC were as follows:-

- (1) Tan Peng Lam was appointed as a member of the AC on 1 March 2023 and subsequently was re-designated as the Chairman of the AC on 27 June 2023.
- (2) Tun Richard Malanjum has resigned as a member of the AC on 1 March 2023 so as to comply with the recommendation of Practice 1.4 of the MCCG.
- (3) Datuk Robert Yong Kuen Loke has ceased as the Chairman of the AC following his resignation as Senior Independent Non-Executive Director of the Company on 1 June 2023.
- (4) Kua Choo Kai was appointed as a member of AC on 27 June 2023.

The Chairman of the AC 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 AC are set out in its TOR and a copy is available on the Company’s website at www.berjaya.com/berjaya-land/.

The members of the AC 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 AC. In addition, the AC members are financially literate, competent and are able to understand, analyse and challenge matters under purview of the AC including the financial reporting process.

The Board is responsible to ensure the annual financial statements are prepared in accordance with the provisions of the Companies Act 2016 and the applicable financial reporting standards in Malaysia. In presenting the annual financial statements and quarterly announcement of results, the Board seeks to provide shareholders with a clear, balanced and understandable assessment of the Group’s financial position and prospects. The AC assists the Board to discharge its duties in financial reporting by ensuring the reliability and integrity of the Group’s accounting and financial reporting process and to ensure the financial statements give a true and fair view in accordance with the provisions of the Companies Act 2016 and the applicable financial reporting standards in Malaysia. In addition, the AC 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, AC 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, oversees recurrent related party transactions, risk management activities and other activities such as governance matters.

A summary of the activities undertaken by the AC during the financial year are set out in the Audit Committee Report in this Annual Report.

The performance of the AC is reviewed annually by the NC. Based on the evaluation, the NC concluded that the AC has been effective in its performance and has carried out its duties in accordance with its TOR during the FYE 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Assessment of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the AC. Under the existing practice, the AC 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 AC will also have private meetings with the External Auditors without the presence of the Executive Directors and Senior Management to enable exchange of views on issues requiring attention.

The AC has put in place an External Auditors Policy ("EA Policy") which outlines the policies and procedures for the AC 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 Group Chief Financial Officer ("CFO") / Executive Director/ Head of Group Accounts or the AC for non-audit work up to a certain threshold and the annual reporting and rotation of the External Audit Engagement Partner. In addition, the EA Policy also included a requirement for a former audit partner to observe a cooling-off period of at least three (3) years before they can be considered for appointment as a member of the AC and/or the Board.

The Board has delegated to the AC 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 calibre of the audit firm, quality processes/ performance, audit team, independence and objectivity, audit scope and planning, audit communications and audit fees of the External Auditors. 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 AC's assessment of their independence, the External Auditors will provide the AC 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 AC 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 AC of the Company.

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

During the FYE 2023, the amount of statutory audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively for FYE 2023 were as follows:-

	Company		Group	
	FYE2023 RM'000	FYE2022 RM'000	FYE2023 RM'000	FYE2022 RM'000
Statutory audit fees paid/payable to:-				
• Ernst & Young PLT ("EY") Malaysia				
(i) Current financial year	739	658	2,093	1,907
(ii) Underprovision in previous financial year	25	15	99	59
• Affiliates of EY Malaysia	-	-	187	693
Total (a)	764	673	2,379	2,659
Non-audit fees paid/payable to:-				
• EY Malaysia	25	16	424	298
• Affiliates of EY Malaysia	-	-	-	75
Total (b)	25	16	424	373
% of non-audit fees (b/a)	3%	2%	18%	14%

In considering the nature and scope of non-audit fees, the AC 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 AC will make recommendation for the re-appointment of the External Auditors to the Board for its deliberation and approval. The Board concurred with the AC's recommendation and agreed to table the proposed re-appointment of the External Auditors to the shareholders for approval at the Company's forthcoming AGM.

Risk Management and Internal Control

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

While acknowledging their responsibility for the system of internal control, the Directors are aware that such a system is designed to manage rather than eliminate risks and therefore can not 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 AC 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 ("RMC") of the Group.

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

Tun Richard Malanjum – Chairman/Independent Non-Executive Director
 Datuk Kee Mustafa – Member/Independent Non-Executive Director
 Tan Peng Lam – Member/Independent Non-Executive Director

During the FYE 2023, the changes to the composition of the RMC were as follows:-

- (1) Tan Peng Lam was appointed as a member of the RMC on 1 March 2023.
- (2) Datuk Robert Yong Kuen Loke has ceased as the Chairman of the RMC following his resignation as Senior Independent Non-Executive Director of the Company on 1 June 2023.
- (3) Tun Richard Malanjum was re-designated as the Chairman of the RMC on 27 June 2023.

The details of the risk management and system of internal control of the Company are set out in the Statement on Risk Management and Internal Control of this Annual Report.

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

Communication with Stakeholders

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

The various channels of communications with stakeholders are through the following: -

- (i) the quarterly announcements on financial results and other periodical or relevant announcement to Bursa Securities;
- (ii) circulars and annual reports;
- (iii) general meetings of shareholders;
- (iv) meetings with investors, analysts and fund managers and briefings where appropriate; and
- (v) 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, TOR of the Board Committees, Company Policies, press releases, financial information, Company announcements and others.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Conduct of General Meetings

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

The Chairman, Group CEO and other Directors present will respond to questions posed by shareholders/proxies at the AGM.

The Company despatches a Notification to Shareholders in respect of Thirty-Second AGM of the Company to the shareholders of the Company to notify them that the following documents can be viewed and downloaded from the website of the Company and Bursa Securities at www.berjaya.com/berjaya-land/ and www.bursamalaysia.com respectively:-

- (a) Annual Report;
- (b) Notice of AGM, Form of Proxy and Administrative Guide; and
- (c) Circular/Statement to Shareholders.

The notice of AGM was issued to the shareholders of the Company at least twenty-eight (28) days before the AGM. The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives, proxy or attorneys. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting. Each item of special business included in the Notice of AGM is accompanied by a brief explanatory statement on the proposed resolution to facilitate a better understanding and evaluation of issues involved.

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

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

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

Poll Voting

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

At the Company's previous Thirty-Second AGM held on 13 December 2022, 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 and with the safety and well-being of the Company's shareholders, Board and its employees, the Company had leveraged on technology by conducting its Thirty-Second 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 at the AGM.

The Administrative Guide for the AGM with detailed registration and voting procedures were made available and can be viewed and downloaded from the website of the Company and Bursa Securities at www.berjaya.com/berjaya-land/ and www.bursamalaysia.com respectively. The Company had appointed SS E Solutions Sdn Bhd as Poll Administrators to conduct the polling process on all resolutions tabled at the AGM and Commercial Quest Sdn Bhd as the Independent Scrutineers to verify the poll results. The Independent Scrutineers announced the poll results of the AGM with details on the number of votes cast for and against for each resolution together with the respective percentages which were simultaneously displayed on the screen. The poll results were also announced to Bursa Securities on the same day by the Company. The minutes of the Thirty-Second AGM, after confirmed and signed by the Chairman, was made available on the Company's website after the AGM.

This CG Overview Statement was approved by the Board of Directors of the Company on 19 October 2023.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

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

RESPONSIBILITY

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

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

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

MANAGEMENT STYLE

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

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

The management of the Group as a whole is assigned to the Group 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 Group 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 Group 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 ON 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 Audit Committee Report is set out in this 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 AND PROCEDURES

The Group has a Whistleblowing Policy and Procedures, 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 and Procedures is available on BLand's website at www.berjaya.com/berjaya-land/.

ANTI-BRIBERY AND CORRUPTION POLICY

In response to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has established its Anti-Bribery and Corruption Policy, titled Adequate Procedures To Curb and Prevent Bribery and Corruption – T.R.U.S.T. CONCEPT. The Group and affiliated companies strictly adopt a zero-tolerance policy approach against all forms of bribery and corruption in its daily operations, and take all reasonable and appropriate measures to ensure that all its directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corrupt activities for its advantage or benefit.

The Adequate Procedures To Curb and Prevent Bribery and Corruption - T.R.U.S.T. CONCEPT is available 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 on 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 current members of the RMC are Tun Richard Malanjum (Chairman), Datuk Kee Mustafa and Tan Peng Lam.

During the financial year ended 30 June 2023, Datuk Robert Yong Kuen Loke has ceased to be a member of the RMC following his resignation as Senior Independent Non-Executive Director of BLand on 1 June 2023.

The RMC's 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 term 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 establish effectiveness of Risk Management Processes
- 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 2023, the RMC held four meetings where it reviewed the risk management reports of various unlisted operating subsidiary companies (i.e. Staffield Country Resort Berhad, Indah Corporation Berhad, Berjaya Vacation Club (UK) Limited, Berjaya Mount Royal Beach Hotel Limited), and recommended certain measures to be adopted to mitigate their business risks.

STATEMENT ON 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 (“SORMIC”) pursuant to the scope set out in Audit and Assurance Practice Guide (“AAPG”) 3, Guidance for Auditors on Engagements to Report on the SORMIC included in the Annual Report issued by the Malaysian Institute of Accountants, for the financial year ended 30 June 2023, and reported to the Board that nothing has come to their attention that causes them to believe the SORMIC 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 SORMIC: Guidelines for Directors of Listed Issuers, nor is the SORMIC factually inaccurate. AAPG 3 does not require the auditors to consider whether the Directors’ SORMIC 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad 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” or “the Company”) is pleased to present the report of the Audit Committee (“AC”) for the financial year ended 30 June 2023 (“FYE 2023”).

COMPOSITION OF THE AC

The members of the AC comprise the following:-

Tan Peng Lam	–	Chairman/Independent Non-Executive Director
Datuk Kee Mustafa	–	Member/Independent Non-Executive Director
Kua Choo Kai	–	Member/Independent Non-Executive Director

The AC comprises three (3) members and all of them are Independent Non-Executive Directors. None of the AC members is an alternate director. The Chairman of the AC is a Fellow Member of the Association of Chartered Certified Accountants and a Member of Malaysian Institute of Accountants. Kua Choo Kai is a member of Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. He is also a Fellow of the Chartered Practising Accountants in Australia.

Accordingly, the composition of the AC has complied with Paragraph 15.09(1) and (2) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Chairman of the AC is an Independent Non-Executive Director of the Company and he is not the Chairman of the Board. This composition has complied with Paragraph 15.10 of the MMLR of Bursa Securities and also in line with the recommendation of Practice 9.1 of the Malaysian Code on Corporate Governance (“MCCG”). The composition of the AC has also complied with Practice 9.4 (step-up) of the MCCG wherein the AC comprise solely of Independent Directors.

MEETINGS

The AC held five (5) meetings during the FYE 2023. The details of attendance of the AC members are as follows:-

Name of Directors	Attendance
Datuk Robert Yong Kuen Loke [#]	5/5 [®]
Tun Richard Malanjum [*]	4/4 [®]
Datuk Kee Mustafa	4/5
Tan Peng Lam ^{**}	1/1 [®]
Kua Choo Kai ^{***}	–

[#] During the financial year, Datuk Robert Yong Kuen Loke has ceased as the Chairman of the AC following his resignation as Senior Independent Non-Executive Director of the Company on 1 June 2023.

^{*} During the financial year, Tun Richard Malanjum has resigned as a member of the AC so as to comply with Practice 1.4 of MCCG.

^{**} During the financial year, Tan Peng Lam was appointed as member of the AC on 1 March 2023 and subsequently, he was redesignated as the Chairman of the AC on 27 June 2023.

^{***} During the financial year, Kua Choo Kai was appointed as member of the AC on 27 June 2023. There was no AC meeting held subsequent to the date of his appointment up to 30 June 2023.

[®] Reflects the attendance and the number of meetings held during the financial year since the Director held office.

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

The Group Chief Executive Officer, Group Executive Director, Financial Advisor and Chief Financial Officer of the ultimate holding company, Berjaya Corporation Berhad as well as the General Manager of Group Internal Audit were also invited to attend the AC meetings. The External Auditors were also invited to attend three (3) of these meetings during the financial year. The AC also met with the External Auditors three (3) times 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 ACTIVITIES AND WORK OF THE AC

In discharging its duties and responsibilities, the AC had undertaken the following activities and work during the FYE 2023:-

Financial Reporting

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

Date of Meetings	Review of Quarterly Financial Results
25 August 2022	Fourth quarter results as well as the unaudited results of the Group for financial year ended 30 June 2022
24 November 2022	First quarter results for financial year ended 30 June 2023
23 February 2023	Second quarter results for financial year ended 30 June 2023
25 May 2023	Third quarter results for financial year ended 30 June 2023

The above review was 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 were in compliance with the Malaysian Financial Reporting Standard 134, Interim Financial Reporting Standards in Malaysia and International Accounting Standard 34, Interim Financial Reporting, Companies Act 2016 as well as the applicable disclosure provisions of the MMLR of Bursa Securities.

- (b) Reviewed the audited financial statements of the Company and the Group for the financial year ended 30 June 2022 together with the Management and the External Auditors at its meeting held on 18 October 2022 to ensure that it presented a true and fair view of the Company's financial position and performance for the year and is in compliance with all disclosure and regulatory requirements before recommending the audited financial statements to the Board for approval. Prior to that, the AC had reviewed the status report on the Audit Plan for the financial year ended 30 June 2022 prepared by the External Auditors at the meeting held on 25 August 2022.

External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 June 2022 covering areas such as calibre of the external audit firm, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit communication and audit fees of the External Auditors. The AC, 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 2023 at its meeting held on 18 October 2022.
- (b) Discussed and considered the significant accounting adjustments and auditing issues arising from the interim audit as well as the final audit with the External Auditors including the key audit matters which were raised in the external auditors' report for financial year ended 30 June 2022.

The AC also had private discussions with EY on 25 August 2022, 18 October 2022 and 25 May 2023, without the presence of executive board members and the Management during the review of the audited financial statements for the financial year ended 30 June 2022 and also the audit plan for the FYE 2023 to discuss any problems/issues arising from the previous year final audit, proper disclosure of information 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 25 May 2023, their audit plan in respect of the FYE 2023, outlining the EY client service team, audit emphasis, EY digital audit, audit timeline, materiality in planning and performing audit, assessment of internal control environment, fraud considerations and the risk of management override of controls, group audit scoping, management's expert, integrating technology, risk based approach into the overall audit approach, implementation of ISA 315 (revised 2019) audit, audit quality, Bursa Securities' enhanced sustainability reporting requirements, auditors' independence as well as financial reporting developments updates.

Internal Audit

- (a) Reviewed seven (7) Internal Audit reports on the non-listed operating subsidiaries of the Group, namely Bukit Jalil Golf & Country Resort, Berjaya Vacation Club Berhad, Asia Jet Sdn Bhd, Berjaya Langkawi Beach Resort Sdn Bhd, Berjaya Vacation Club (UK) Limited, BTS Hotel Sdn Bhd and Ansa Hotel KL Sdn Bhd. The AC also reviewed the audit findings, Internal Auditors' recommendation to improve any weaknesses or non-compliance together with the Management's responses from the respective business units and the timeline taken by Management to ensure the deficiencies are addressed promptly. The Internal Auditors monitored the implementation of Management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weakness are being properly addressed.
- (b) Reviewed and approved the Internal Audit Plan for financial year ending 30 June 2024 to ensure that the scope and coverage of the internal audit on the operations of the BLand Group is adequate, comprehensive and that all the risk areas are audited annually.
- (c) Assessed the adequacy of the scope, competency and performance of internal audit function and its effectiveness of the audit process for the financial year ended 30 June 2022.

Recurrent Related Party Transactions

- (a) Reviewed the Circular to Shareholders in connection with the renewal and new mandate for 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 AC for review;
- (iv) The AC 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 BLand Group;
- (v) The AC 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(s) Connected with them will also abstain from voting on the resolution at the extraordinary general meeting or annual general meeting to be convened for the purpose; and
- (vii) Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial year, amongst others, based on the following information:-
 - (a) the type of the Recurrent Related Party Transactions made; and
 - (b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationships with the Group.

AUDIT COMMITTEE REPORT

Related Party Transactions

The AC 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 MMLR of Bursa Securities).

During the FYE 2023, the AC had reviewed the following related party transactions prior to their recommendation to the Board for approval and to make the relevant announcements thereof:-

1. Proposed disposal of 7,000,000 ordinary shares representing about 0.27% equity interest in Berjaya Assets Berhad ("BAssets Share") by Portal Access Sdn Bhd, a 100%-owned subsidiary of the Company via direct business transaction for a total cash consideration of RM1.82 million or at RM0.26 per BAssets Share.
2. Proposed acquisition of 40,000,000 ordinary shares representing about 2.28% shares in Berjaya Food Berhad ("BFood Share") by Nural Enterprise Sdn Bhd, a 100%-owned subsidiary of the Company via direct business transaction for a total cash consideration of RM32.00 million or at RM0.80 per BFood Share.
3. Proposed disposal of 11,000,000 ordinary shares representing about 0.63% shares in Berjaya Food Berhad ("BFood Share") by Nural Enterprise Sdn Bhd, a 100%-owned subsidiary of the Company via direct business transaction for a total cash consideration of RM9.90 million or at RM0.90 per BFood Share.
4. Proposed Recurrent Related Party Transaction between Berjaya Construction Berhad ("BConstruction"), a 100%-owned subsidiary of the Company and Sea Telco Technology Sdn Bhd ("STT"), a 100%-owned subsidiary of REDtone Digital Berhad ("REDtone") for the provision of construction services of mobile base stations as well as related operations and maintenance works by BConstruction to STT. Both BConstruction and REDtone are subsidiaries of Berjaya Corporation Berhad.
5. Proposed disposal of 21,147,800 ordinary shares representing about 1.21% shares in Berjaya Food Berhad ("BFood Share") by Nural Enterprise Sdn Bhd, a 100%-owned subsidiary of the Company to Inter-Pacific Securities Sdn Bhd, an indirect 100%-owned subsidiary of Berjaya Corporation Berhad via direct business transaction for a total cash consideration of RM19.67 million or at RM0.93 per BFood Share.
6. Proposed acquisition of 3,230,000 ordinary shares representing about 0.29% equity interest in 7-Eleven Malaysia Holdings Berhad ("SEM Share") by Berjaya Vacation Club Berhad, a wholly-owned subsidiary of the Company from True Ascend Sdn Bhd, a company controlled by Tan Sri Dato' Seri Vincent Tan Chee Yioun via direct business transaction for a total cash consideration of about RM5.98 million or at RM1.85 per SEM Share.

Other Activities

- (a) Reviewed and recommended to the Board for approval, the Audit Committee 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 2022 Annual Report and the Corporate Governance Report 2022.
- (b) Reviewed and assessed the financial literacy of AC members for the financial year ended 30 June 2022.
- (c) Reviewed the pre-approval of non-assurance services engagement to be provided by the External Auditors.

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

SUMMARY OF THE WORK OF THE INTERNAL AUDIT FUNCTION

The Internal Audit Function of BLand is outsourced to the Group Internal Audit Division of the ultimate holding company, Berjaya Corporation Berhad, whose primary function is to assist the AC 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.

During the financial year 2023, the AC met four (4) times with the Internal Auditors to carry out its responsibilities in reviewing the internal audit function and to assure itself on the soundness of internal control system.

The activities undertaken by the Internal Audit Division during the FYE 2023 included the following:

1. Tabled Internal Audit Plan for the AC'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 AC and the respective operations management.
6. Presented internal audit reports to the AC for review.
7. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

For the financial year under review, the Internal Audit Division conducted audit assignments on various operating units of the Group involved in hotels, resorts and golf club operations, vacation timeshare business, property 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 FYE 2023 was approximately RM1,390,725.

PERFORMANCE OF AC

During the financial year 2023, the Board assessed and evaluated the performance of AC and its members through Nomination Committee. Based on the outcome of the annual assessment, the Board was satisfied with the performance of the AC and its members and concluded that they have effectively discharged their functions, duties and responsibilities in accordance with the Terms of Reference of the AC.

The Terms of Reference of the AC was last revised and reviewed by the AC and approved by the Board on 25 August 2023. The latest Terms of Reference of AC can be viewed on 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

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 2023.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiary companies consist of:

- (i) operation of Toto betting under Section 5 of the Pool Betting Act, 1967;
- (ii) property development and investment;
- (iii) development and operation of hotels and resorts, vacation time share and operating of a casino;
- (iv) building contractors and civil engineering works and related services
- (v) development, manufacturing, distribution of computerised wagering and voting systems and provision of software support;
- (vi) motor retailing, repair and maintenance and provision of aftersales and insurance services; and
- (vii) investment holding.

RESULTS

	GROUP RM'000	COMPANY RM'000
Profit for the financial year	<u>237,258</u>	<u>68,457</u>
Profit attributable to:		
Owners of the Parent	147,297	68,457
Non-controlling interests	<u>89,961</u>	-
	<u>237,258</u>	<u>68,457</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 33, 34 and 43 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 2023.

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:

Tun Richard Malanjum	
Syed Ali Shahul Hameed	
Chryseis Tan Sheik Ling	
Datuk Kee Mustafa	
Datuk Abdul Rahim Bin Mohd Zin	
Tan Tee Ming	
Dato' Sri Robin Tan Yeong Ching	(Appointed on 1 March 2023)
Tan Peng Lam	(Appointed on 1 March 2023)
Kua Choo Kai	(Appointed on 27 June 2023)
Abang Abdillah Izzarim Bin Tan Sri	
Datuk Patinggi Abang Haji Abdul Rahman Zohari	(Appointed on 10 August 2023)
Datuk Robert Yong Kuen Loke	(Resigned on 1 June 2023)

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 37 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Company maintained a Directors' and Officers' Liability Insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and for the Group. The total amount of insurance premium effected for any director and officer of the Company and of the Group for the financial year was RM75,000. 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' REPORT

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:

THE COMPANY

Berjaya Land Berhad	Number of Ordinary Shares			At 30.6.2023
	At 1.7.2022/ Date of Appointment	Bought	Sold	
Dato' Sri Robin Tan Yeong Ching	600,000	-	-	600,000
	18,100,000 [^]	-	5,100,000	13,000,000 [^]
Chryseis Tan Sheik Ling	5,000,000	-	-	5,000,000
Tan Tee Ming	2,000,000 [*]	-	-	2,000,000 [*]

ULTIMATE HOLDING COMPANY

Berjaya Corporation Berhad	Number of Ordinary Shares			At 30.6.2023
	At 1.7.2022/ Date of Appointment	Bought	Sold	
Dato' Sri Robin Tan Yeong Ching	5,001,613	-	-	5,001,613
	6,356 [*]	-	-	6,356 [*]
	208,761,404 [^]	-	47,287,236	161,474,168 [^]
Chryseis Tan Sheik Ling	486,026	-	-	486,026
	- [*]	80,000,000	-	80,000,000 [*]
Tan Tee Ming	132,000 [*]	-	-	132,000 [*]

RELATED COMPANIES

Sports Toto Berhad

Sports Toto Berhad	Number of Ordinary Shares			At 30.6.2023
	Date of Appointment	Bought	Sold	
Dato' Sri Robin Tan Yeong Ching	1,025,689	-	-	1,025,689

Berjaya Food Berhad

Berjaya Food Berhad	Number of Ordinary Shares			At 30.6.2023
	Date of Appointment	Bought	Sold	
Dato' Sri Robin Tan Yeong Ching	11,000,000	100,000	-	11,100,000
	3,800,000 [^]	4,000,000	6,300,000	1,500,000 [^]

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONT'D)

^ Indirect interests pursuant to Section 8 of the Companies Act 2016.

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

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 2023 was as follows:

	Average price per share (RM)	Number of shares '000	Amount RM'000
At 1 July 2022/30 June 2023	0.42	79,837	33,643

As at 30 June 2023, the number of ordinary shares in issue and fully paid with voting rights was 4,920,500,000 ordinary shares (2022 : 4,920,500,000 ordinary shares).

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, 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.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D)

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

HOLDING COMPANY

The Company regards Berjaya Corporation Berhad as its ultimate and immediate holding company.

DIRECTORS' REPORT

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

The remuneration of the auditors is disclosed in Note 36 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 25 October 2023.

DATO' SRI ROBIN TAN YEONG CHING

SYED ALI SHAHUL HAMEED

STATEMENT BY DIRECTORS

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

We, DATO' SRI ROBIN TAN YEONG CHING 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 94 to 263 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 2023 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 25 October 2023.

DATO' SRI ROBIN TAN YEONG CHING

SYED ALI SHAHUL HAMEED

STATUTORY DECLARATION

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

I, DATUK ABDUL RAHIM BIN MOHD ZIN, being the Director primarily responsible for the financial management of BERJAYA LAND BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 94 to 263 are, in my opinion, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed DATUK ABDUL RAHIM BIN MOHD ZIN
at Kuala Lumpur in the Federal Territory
on 25 October 2023.

DATUK ABDUL RAHIM BIN MOHD ZIN
MIA NO. 19939

Before me,

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

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	GROUP		COMPANY	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3	2,230,023	1,969,995	1,146	1,208
Right-of-use assets	4	1,546,868	1,131,035	-	-
Subsidiary companies	7	-	-	3,662,170	3,671,595
Investment properties	5	689,575	685,822	-	-
Inventories - Land held for property development	6	1,090,085	1,220,530	-	-
Associated companies	8	325,189	311,872	43,339	43,339
Joint ventures	9	32,839	41,193	-	-
Investments	10	286,463	168,834	97,543	63,016
Intangible assets	11	3,618,148	3,586,069	-	-
Receivables	13	425,612	342,617	458,302	889,908
Retirement benefit assets	25	38,082	25,294	-	-
Deferred tax assets	27	92,862	72,576	-	-
		<u>10,375,746</u>	<u>9,555,837</u>	<u>4,262,500</u>	<u>4,669,066</u>
CURRENT ASSETS					
Inventories - Property development costs	6	174,749	90,511	-	-
Inventories - Others	6	885,696	595,606	-	-
Contract cost assets	12	9,600	12,417	-	-
Receivables	13	1,693,845	1,692,694	886,698	244,650
Contract assets	14	88,984	97,693	-	-
Tax recoverable		27,481	24,497	96	96
Short term investments	15	8,251	8,727	-	-
Deposits	16	486,268	453,081	25,572	36,826
Cash and bank balances	17	577,304	370,983	30,342	6,434
		<u>3,952,178</u>	<u>3,346,209</u>	<u>942,708</u>	<u>288,006</u>
Non-current assets classified as held for sale	18	183,726	188,968	-	-
		<u>4,135,904</u>	<u>3,535,177</u>	<u>942,708</u>	<u>288,006</u>
TOTAL ASSETS		<u>14,511,650</u>	<u>13,091,014</u>	<u>5,205,208</u>	<u>4,957,072</u>

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	GROUP		COMPANY	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
EQUITY					
Share capital	19	2,500,168	2,500,168	2,500,168	2,500,168
Other reserves	20	1,498,418	1,388,040	25,931	(3,552)
(Accumulated losses)/ retained earnings	21	(46,675)	(201,330)	415,726	347,269
Equity funds		3,951,911	3,686,878	2,941,825	2,843,885
Treasury shares	22	(33,643)	(33,643)	(33,643)	(33,643)
Net equity funds		3,918,268	3,653,235	2,908,182	2,810,242
Non-controlling interests		2,065,423	2,006,089	-	-
Total Equity		5,983,691	5,659,324	2,908,182	2,810,242
NON-CURRENT LIABILITIES					
Long term borrowings	23	1,996,088	2,434,931	329,662	657,208
Lease liabilities	4	1,365,177	893,971	-	-
Contract liabilities	14	171,619	185,047	-	-
Long term liabilities	24	102,364	84,967	1,319,175	1,105,572
Retirement benefit obligations	25	4,141	5,904	-	-
Provisions	30	46	85	-	-
Deferred tax liabilities	27	995,013	996,073	-	-
		4,634,448	4,600,978	1,648,837	1,762,780
CURRENT LIABILITIES					
Payables	28	1,692,561	1,396,213	96,184	33,796
Short term borrowings	29	1,593,766	923,650	551,123	345,670
Lease liabilities	4	97,485	84,287	-	-
Contract liabilities	14	422,867	338,988	-	-
Retirement benefit obligations	25	85	98	-	-
Derivative liability	26	-	595	-	595
Provisions	30	60,203	52,824	-	-
Tax payable		26,544	34,057	882	3,989
		3,893,511	2,830,712	648,189	384,050
Total Liabilities		8,527,959	7,431,690	2,297,026	2,146,830
TOTAL EQUITY AND LIABILITIES		14,511,650	13,091,014	5,205,208	4,957,072

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 2023

	Note	GROUP		COMPANY	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	31	7,269,652	6,044,240	237,433	78,497
Cost of sales		(5,411,414)	(4,586,395)	-	-
Gross profit		1,858,238	1,457,845	237,433	78,497
Other income	32	169,488	113,965	5,650	576
Administrative expenses		(1,226,133)	(1,057,632)	(35,786)	(32,001)
Selling and marketing expenses		(332,567)	(252,481)	-	-
		469,026	261,697	207,297	47,072
Investment related income	33	278,938	76,903	56,695	54,828
Investment related expenses	34	(109,542)	(219,115)	(83,174)	(224,373)
Finance costs	35	(249,831)	(205,476)	(107,951)	(96,973)
Share of results of associated companies		9,375	(8,988)	-	-
Share of results of joint ventures		(3,960)	(5,317)	-	-
Profit/(loss) before tax	36	394,006	(100,296)	72,867	(219,446)
Taxation	39	(156,748)	(137,219)	(4,410)	(4,314)
Profit/(loss) for the financial year		237,258	(237,515)	68,457	(223,760)
Attributable to:					
Owners of the Parent		147,297	(242,964)	68,457	(223,760)
Non-controlling interests		89,961	5,449	-	-
		237,258	(237,515)	68,457	(223,760)
Earnings/(loss) per share attributable to owners of the Parent (sen)	40				
Basic		2.99	(4.94)		

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 2023

	GROUP		COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(loss) for the financial year	237,258	(237,515)	68,457	(223,760)
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Currency translation differences:				
- Movement during the financial year	103,157	14,178	-	-
- Transfer to profit or loss upon disposal of interests in subsidiary companies	(1,540)	-	-	-
<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")	61,239	10,970	29,483	2,474
Share of associated companies' changes in fair values of FVTOCI investments	2,851	(1,391)	-	-
Actuarial gain recognised in defined benefit pension scheme	9,543	14,848	-	-
Tax effect relating to defined benefit pension scheme	(2,186)	(3,712)	-	-
Share of other comprehensive income of associated companies	58	177	-	-
Total comprehensive income for the financial year	410,380	(202,445)	97,940	(221,286)
Attributable to:				
Owners of the Parent	264,862	(193,034)	97,940	(221,286)
Non-controlling interests	145,518	(9,411)	-	-
	410,380	(202,445)	97,940	(221,286)

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 2023

←----- Attributable to owners of the Parent ----->

GROUP 2023	Share capital	Non-distributable	Accumulated	Treasury	Net equity	Non-	Total
	RM'000	Other reserves RM'000	losses RM'000	shares RM'000	funds RM'000	controlling interests RM'000	equity RM'000
At beginning of financial year	2,500,168	1,388,040	(201,330)	(33,643)	3,653,235	2,006,089	5,659,324
Profit for the financial year	-	-	147,297	-	147,297	89,961	237,258
Other comprehensive income	-	114,367	3,198	-	117,565	55,557	173,122
Total comprehensive income	-	114,367	150,495	-	264,862	145,518	410,380
Effects arising from the disposals of FVTOCI investments	-	(4,160)	4,160	-	-	-	-
Transactions with owners:							
Arising from changes in equity interest in subsidiary companies	-	171	-	-	171	(10,638)	(10,467)
Dividends issued to non-controlling interests	-	-	-	-	-	(75,546)	(75,546)
	-	171	-	-	171	(86,184)	(86,013)
At end of financial year	2,500,168	1,498,418	(46,675)	(33,643)	3,918,268	2,065,423	5,983,691

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

GROUP 2022	Attributable to owners of the Parent						Total equity RM'000
	Share capital RM'000	Non- distributable Other reserves RM'000	Distributable Retained earnings/ (Accumulated losses) RM'000	Treasury shares RM'000	Net equity funds RM'000	Non- controlling interests RM'000	
At beginning of financial year	2,500,168	1,339,112	37,229	(33,643)	3,842,866	2,062,916	5,905,782
Loss for the financial year	-	-	(242,964)	-	(242,964)	5,449	(237,515)
Other comprehensive income	-	45,861	4,069	-	49,930	(14,860)	35,070
Total comprehensive income	-	45,861	(238,895)	-	(193,034)	(9,411)	(202,445)
Effects arising from the disposals of FVTOCI investments	-	(336)	336	-	-	-	-
Transactions with owners: Arising from changes in equity interest in subsidiary companies	-	3,403	-	-	3,403	(15,619)	(12,216)
Dividends issued to non-controlling interests	-	-	-	-	-	(31,797)	(31,797)
	-	3,403	-	-	3,403	(47,416)	(44,013)
At end of financial year	2,500,168	1,388,040	(201,330)	(33,643)	3,653,235	2,006,089	5,659,324

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 2023

COMPANY	Share capital	Non-distributable Other reserves	Distributable Retained earnings	Treasury shares	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2022	2,500,168	(3,552)	347,269	(33,643)	2,810,242
Profit for the financial year	-	-	68,457	-	68,457
Other comprehensive income	-	29,483	-	-	29,483
Total comprehensive income	-	29,483	68,457	-	97,940
At 30 June 2023	2,500,168	25,931	415,726	(33,643)	2,908,182
At 1 July 2021	2,500,168	(6,026)	571,029	(33,643)	3,031,528
Loss for the financial year	-	-	(223,760)	-	(223,760)
Other comprehensive income	-	2,474	-	-	2,474
Total comprehensive income	-	2,474	(223,760)	-	(221,286)
At 30 June 2022	2,500,168	(3,552)	347,269	(33,643)	2,810,242

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 2023

	GROUP	
	2023 RM'000	2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers/operating revenue	7,689,118	6,277,461
Payment to prize winners, suppliers and other operating expenses	(6,385,036)	(5,390,147)
Payment for pool betting duties, gaming tax, goods and services tax and other government contributions	(545,067)	(431,456)
Payment of development expenditure	(147,690)	(116,060)
Payment of taxes	(196,976)	(122,903)
Refund of taxes	3,880	1,418
Other receipts	38,633	22,877
Net cash generated from operating activities	456,862	241,190
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment and other non-current assets	15,986	53,666
Sale of investments	42,703	32,406
Sale of short term investments	55,284	2,547
Sale of partial equity interest in associated companies	1,815	6,929
Acquisition of property, plant and equipment (Note a)	(269,267)	(162,208)
Acquisition of properties	-	(56,568)
Acquisition of treasury shares by a subsidiary company	(14,810)	(4,995)
Net cash outflow from disposal of subsidiary companies	(2,100)	-
Acquisition of subsidiary companies, net of cash acquired (Note b)	(2,128)	-
Acquisition of additional equity interests in subsidiary companies	(1,421)	(17,712)
Acquisition of additional equity interests in associated companies	-	(4,541)
Subscription of shares in joint ventures	-	(1,528)
Acquisition of investments	(96,113)	(3,513)
Acquisition of short term investments	(40,660)	-
Acquisition of computer software classified as intangible assets	(511)	(385)
Interest received	28,110	6,895
Dividends received	11,225	36,585
Net advances from/(payments to) related companies	140,579	(9,618)
Net repayment from joint ventures	4,463	358
Deposit received from proposed disposal of joint ventures	-	98,887
Dividend distribution from an associated company in excess of its carrying value	104,487	-
Other receipts/(payments) arising from investments	39,686	(17,830)
Net cash generated from/(used in) investing activities	17,328	(40,625)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	GROUP	
	2023 RM'000	2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of medium term notes and Sukuk Wakalah MTNs	138,450	558,850
Drawdown of bank borrowings and other loans	443,291	742,967
Repayment of bank borrowings and other loans	(303,470)	(402,402)
Redemption of medium term notes	(127,650)	(586,560)
Interest paid	(237,667)	(205,934)
Payment of hire purchase liabilities	(10,276)	(7,921)
Payment of lease liabilities	(98,070)	(82,045)
Dividends paid to non-controlling interests	(75,614)	(27,884)
Placement of deposits with maturity for more than 3 months	(1,702)	(4,793)
Net movement in deposit pledged for credit and other facilities	(640)	2,957
Net cash used in financing activities	<u>(273,348)</u>	<u>(12,765)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	200,842	187,800
EFFECTS OF EXCHANGE RATE CHANGES	35,313	(12,586)
OPENING CASH AND CASH EQUIVALENTS *	799,118	623,904
CLOSING CASH AND CASH EQUIVALENTS (Note c)	<u>1,035,273</u>	<u>799,118</u>

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

	GROUP	
	2023 RM'000	2022 RM'000
Cash	269,267	162,208
Hire purchase	5,792	1,032
Prepayment made in preceding financial year	(7,126)	-
Accruals for capital work-in-progress/restoration cost	-	7,126
	<u>267,933</u>	<u>170,366</u>

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

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

	GROUP	
	2023 RM'000	2022 RM'000
Deposits (Note 16)	486,268	453,081
Cash and bank balances (Note 17)	577,304	370,983
Bank overdrafts (Note 29)	(14,221)	(13,210)
	<u>1,049,351</u>	<u>810,854</u>
Less: Cash and cash equivalents restricted in usage		
- Deposits (Note 16)	(2,991)	(2,351)
	<u>1,046,360</u>	<u>808,503</u>
Less: Deposits with maturities more than 3 months	(11,087)	(9,385)
	<u>1,035,273</u>	<u>799,118</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

(d) Reconciliation of liabilities arising from financing activities:

	Medium term notes and Sukuk Wakalah MTNs RM'000	Bank borrowings and other loans RM'000	Lease liabilities RM'000	Hire purchase liabilities RM'000	Total RM'000
2023					
At beginning of financial year	1,156,435	2,143,225	978,258	45,711	4,323,629
Drawdown of borrowings	138,450	443,291	-	-	581,741
Arising from acquisition of subsidiary companies	-	-	133	-	133
Arising from disposal of subsidiary companies	-	-	(753)	-	(753)
Additional hire purchase liabilities	-	-	-	5,792	5,792
Additional lease liabilities	-	-	507,808	-	507,808
Repayment of borrowings	(127,650)	(303,470)	-	(10,276)	(441,396)
Repayment of lease liabilities	-	-	(98,070)	-	(98,070)
Reassessment	-	-	67,104	-	67,104
Termination	-	-	(40,662)	-	(40,662)
Charge out of deferred transaction costs	234	3,473	-	-	3,707
Exchange differences	-	78,024	48,844	2,394	129,262
At end of financial year	1,167,469	2,364,543	1,462,662	43,621	5,038,295
2022					
At beginning of financial year	1,183,573	1,838,620	1,020,852	52,011	4,095,056
Drawdown of borrowings	558,850	742,967	-	-	1,301,817
Additional hire purchase liabilities	-	-	-	1,032	1,032
Additional lease liabilities	-	-	14,793	-	14,793
Repayment of borrowings	(586,560)	(402,402)	-	(7,921)	(996,883)
Repayment of lease liabilities	-	-	(82,045)	-	(82,045)
Reassessment	-	-	74,571	-	74,571
Termination	-	-	(582)	-	(582)
Charge out of deferred transaction costs	572	3,804	-	-	4,376
Exchange differences	-	(39,764)	(49,331)	589	(88,506)
At end of financial year	1,156,435	2,143,225	978,258	45,711	4,323,629

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

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

	GROUP	
	2023	2022
	RM'000	RM'000
Payment for principal portion of lease liabilities	98,070	82,045
Interest paid on lease liabilities	49,242	36,854
	<u>147,312</u>	<u>118,899</u>
Payment of expenses relating to short term leases	5,492	4,702
Payment of expenses relating to leases of low-value assets	283	1,193
	<u>153,087</u>	<u>124,794</u>

* The comparative cash and cash equivalents at beginning of the year have been restated to include the monies held in debt service reserve accounts as a component of cash and cash equivalents, in accordance with the decision reached by the International Financial Reporting Standards ("IFRS") Interpretation Committee, which was published in International Financial Reporting Interpretations Committee ("IFRIC") Update in April 2022.

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 2023

	COMPANY	
	2023 RM'000	2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	91,414	103,137
Payment for operating expenses	(34,979)	(33,099)
Payment for taxes net of tax refunds	(7,517)	(7,537)
Other receipts	6,153	1,551
Net cash generated from operating activities	55,071	64,052
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of property, plant and equipment	13	-
Sale of partial equity interest in subsidiary companies	11,185	-
Acquisition of property, plant and equipment (Note a)	(252)	(148)
Acquisition of equity interest in a subsidiary company	-	(33,976)
Subscription of additional shares in subsidiary companies	(326)	(293,826)
Acquisition of investments	(6,137)	(3,139)
Interest received	918	817
Inter-company receipts	104,019	325,247
Other receipts/(payments) arising from investments	21,780	(3,343)
Net cash generated from/(used in) investing activities	131,200	(8,368)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank borrowings and other loans	118,048	335,352
Issuance of medium term notes	-	150,000
Interest paid	(48,228)	(46,203)
Payment of hire purchase liabilities	(308)	(293)
Repayment of bank borrowings and other loans	(168,731)	(266,467)
Redemption of medium term notes	(75,000)	(225,000)
Net cash used in financing activities	(174,219)	(52,611)
NET CHANGE IN CASH AND CASH EQUIVALENTS	12,052	3,073
OPENING CASH AND CASH EQUIVALENTS *	38,529	35,456
CLOSING CASH AND CASH EQUIVALENTS (Note b)	50,581	38,529

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

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

	COMPANY	
	2023 RM'000	2022 RM'000
Cash	252	148
Hire purchase	287	-
	<u>539</u>	<u>148</u>

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

	COMPANY	
	2023 RM'000	2022 RM'000
Deposits (Note 16)	25,572	36,826
Cash and bank balances (Note 17)	30,342	6,434
Bank overdrafts (Note 29)	(5,333)	(4,731)
	<u>50,581</u>	<u>38,529</u>

(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
2023				
At beginning of financial year	225,000	772,579	568	998,147
Drawdown of borrowings	-	118,048	-	118,048
Repayment of borrowings	(75,000)	(168,731)	(308)	(244,039)
Additional hire purchase liabilities	-	-	287	287
Charge out of deferred transaction costs	-	3,009	-	3,009
At end of financial year	<u>150,000</u>	<u>724,905</u>	<u>547</u>	<u>875,452</u>
2022				
At beginning of financial year	299,914	700,403	861	1,001,178
Drawdown of borrowings	150,000	335,352	-	485,352
Repayment of borrowings	(225,000)	(266,467)	(293)	(491,760)
Charge out of deferred transaction costs	86	3,291	-	3,377
At end of financial year	<u>225,000</u>	<u>772,579</u>	<u>568</u>	<u>998,147</u>

* The comparative cash and cash equivalents at beginning of the year have been restated to include the monies held in debt service reserve accounts as a component of cash and cash equivalents, in accordance with the decision reached by the International Financial Reporting Standards ("IFRS") Interpretation Committee, which was published in International Financial Reporting Interpretations Committee ("IFRIC") Update in April 2022.

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

1 CORPORATE INFORMATION

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

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

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 and immediate holding company is Berjaya Corporation Berhad ("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 25 October 2023.

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 Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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

2.2 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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 2023

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 2023

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 an associate or joint venture makes dividend distributions to the Group in excess of the Group carrying amount, the Group recognises the amount in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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.

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%

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

(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 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(5) Inventories (Cont'd)

(ii) Others

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

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

(6) Intangible Assets

(i) Goodwill

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

(ii) Gaming Rights

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

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

The Licence has been renewed annually since 1985.

The gaming rights with indefinite useful life is not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful life of gaming rights is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(6) Intangible Assets (Cont'd)

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

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 is 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(8) Fair Value Measurement (Cont'd)

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 the Group and the Company.

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 47.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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)

a) Amortised Cost (cont'd)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(9) Financial Instruments (Cont'd)

(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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(10) Impairment Of Financial Assets (Cont'd)

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;
- 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(11) Contract Cost Assets (Cont'd)

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

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

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

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

(12) Contract Assets and Liabilities

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

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

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

The depreciation periods are as follows:

Leasehold land	50 to 99 years
Buildings	1 to 60 years
Aircraft and others	1 to 20 years

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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)

'Lease term' refers to the non-cancellable period of a lease plus: (i) the period covered by an option to extend the lease if the Group is reasonably certain to exercise; and (ii) the period covered by an option to terminate if the Group is reasonably certain not to exercise.

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

Lease liabilities

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

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

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

Short-term leases and leases of low-value assets

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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 2023

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(19) Financial Guarantee Contracts (Cont'd)

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

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

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.
- (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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(22) Revenue Recognition (Cont'd)

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(23) Foreign Currencies (Cont'd)

(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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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 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 2023

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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)

b) Unfunded Defined Benefit Plan (Cont'd)

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(25) Taxes (Cont'd)

(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.

(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 2023

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 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 – Costs of Fulfilling a Contract
- Amendments to MFRS 1, MFRS 9, MFRS 16, MFRS 141 – Annual Improvements to MFRS Standards 2018 - 2020

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

2.4 STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following new MFRS and Amendments 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 2023

- Amendments to MFRS 4: Insurance Contracts – Extension of the Temporary Exemption from Applying MFRS 9
- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
- Amendments to MFRS 101: Presentation of Financial Statements – Disclosure of Accounting Policies
- Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112: Income Taxes – International Tax Reform - Pillar Two Model Rules

Effective for financial periods beginning on or after 1 January 2024

- Amendments to MFRS 101: Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101: Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to MFRS 7 and MFRS 107: Statement of Cash Flows - Supplier Finance Arrangements
- Amendments to MFRS 16: Leases - Lease Liability in a Sale and Leaseback

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D)

Effective for financial periods beginning on or after 1 January 2025

- Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

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 MFRS and Amendments 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 MFRS and Amendments to MFRSs.

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(a) Critical Judgements Made in Applying Accounting Policies (Cont'd)

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

As disclosed in Note 43(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 43(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 assesses the credit risk of the Final Instalment based on the ECL model of provision of impairment loss, to determine whether or not there has been significant increase in credit risk since the initial recognition of the Final Instalment. The Group took cognisance of the dampened property market in the Peoples' Republic of China ("PRC") that may affect the valuation of the frozen assets of Beijing SkyOcean and its Guarantors. As such, the Group recognised an additional impairment loss amounting to RM99,800,000 in the current financial year.

The Group assessed that the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate as discussed above. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions which impacts the ECL model of provision of impairment losses. The information about the sensitivity of the Group's ECL assessment on the impairment loss are such that a 5% decrease in the estimated fair value of the frozen assets will result in a RM21,886,000 increase to the impairment loss in the current financial year.

- (iii) Significant influence over Berjaya Assets Berhad ("BAssets")

Although the Group holds less than 20% of the voting shares in BAssets, the Group exercises significant influence by virtue of its ability to participate in the financial and operating policy decisions of BAssets through representation on the board of directors of BAssets. Therefore, the Group continues to regard BAssets as an associated company.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

(a) Critical Judgements Made in Applying Accounting Policies (Cont'd)

(iv) Recoverability of prepayments for the relocation of turf club project

A subsidiary company, Berjaya Tagar Sdn Bhd ("BTSB") had in 2004, entered into a sale and purchase agreement ("SPA") to acquire several parcels of land from a related company, BerjayaCity Sdn Bhd ("BCity"), for the relocation of turf club project as disclosed in Note 43(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.

(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.

No impairment is required for Gaming Rights, Dealerships, Customer Relationships and goodwill for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

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

(i) Impairment of Gaming Rights, Dealerships, Customer Relationships and goodwill (Cont'd)

The carrying amounts of Gaming Rights, Dealerships, Customer Relationships and goodwill of the Group as at 30 June 2023 are disclosed in Note 11.

(ii) Impairment of investments in subsidiary companies, associated companies and joint ventures

The Group carried out the impairment test based on the assessment of the fair value less cost to sell of the investees' assets or CGU or based on the estimation of the VIU of the CGUs of the respective subsidiary companies, associated companies and joint ventures. Estimating the VIU requires the Group 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 accumulated impairment losses recognised are disclosed in Notes 7, 8 and 9.

During the current financial year, the annual impairment review resulted in the Company recognising an impairment loss in respect of its investments in subsidiary companies, as disclosed in Note 34. No impairment is required for investments in associated companies and joint ventures.

The carrying amounts of investments in associated companies and joint ventures of the Group are disclosed in Notes 8 and 9 respectively whilst the carrying amounts of investments in subsidiary companies of the Company are disclosed in Note 7.

(iii) Recoverability of amounts owing by subsidiary companies, associated companies and joint ventures

Based on the ECL model, the Group and the Company assess the credit risk of these debts at each reporting date on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets.

During the current financial year, the Group and the Company have assessed the credit risks in respect of the amounts owing by associated companies and certain subsidiary companies respectively. The Group and the Company recognised impairment losses on these balances as disclosed in Note 34.

The amounts owing by the subsidiary companies, joint ventures and associated companies are disclosed in Note 13.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

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

(iv) Impairment of property, plant and equipment and right-of-use assets ("ROU Assets")

The Group and the Company conduct an annual impairment review of their property, plant and equipment and ROU Assets. When there are indicators of impairment, the Group and the Company estimated the recoverable amounts of the property, plant and equipment and ROU Assets based on the respective assets' or CGU's fair value less costs to sell or based on the estimated VIU of the CGU. Estimating the VIU requires the Group and the Company to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. An impairment loss will be recognised if the carrying values of these CGU are assessed to be in excess of their recoverable amounts.

During the current financial year, no impairment is required for property, plant and equipment and ROU Assets.

The carrying amounts of property, plant and equipment and ROU Assets of the Group as at 30 June 2023 are disclosed in Notes 3 and 4.

(v) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent professional valuers to perform valuations on its investment properties as at 30 June 2023. 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 47(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 contract assets and contract liabilities from property development activities are disclosed in Note 14(a).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES (CONT'D)

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

(vii) Provision for ECLs of trade and other receivables and contract assets

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

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

In assessing credit risks for purposes of applying the ECL model, the Group and the Company consider the need to incorporate forward-looking factors and to estimate the probability of default, which are likely to be judgemental and subject to estimation uncertainties.

The information about the ECLs on the Group's trade and other receivables and contract assets are disclosed in Notes 13 and 14 respectively.

(viii) Inventory valuations

The Group holds significant inventories of used cars in the United Kingdom. Trade guides and other publications are used to assist in the assessment of the carrying values of these cars at the reporting date and write-downs are taken as necessary.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

GROUP

	Net carrying amount at beginning of financial year	Reclassification	Additions	Acquisition of subsidiary companies	Disposal of subsidiary companies	Write-off/Disposals	Depreciation	Exchange differences	Net carrying amount at end of financial year
2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold land	168,658	(1,070)	-	-	-	-	-	6,132	173,720
Buildings	1,294,635	158,516	52,041	-	-	(202)	(44,335)	30,864	1,491,519
Plant and equipment	33,555	35,797	117,861	198	-	(490)	(13,385)	1,553	175,089
Computer equipment	15,779	1,221	3,762	13	(159)	(124)	(6,185)	108	14,415
Renovation	82,150	8,814	42,808	197	-	(602)	(21,072)	4,071	116,366
Furniture and fittings	26,428	(754)	19,176	-	(38)	(961)	(7,046)	363	37,168
Office equipment	12,562	(65)	9,206	70	(28)	(215)	(3,391)	117	18,256
Motor vehicles	23,642	-	5,061	-	-	(747)	(5,632)	61	22,385
Aircraft	44,500	-	-	-	-	-	(2,926)	-	41,574
Golf course development expenditure	64,785	-	-	-	-	-	(1,148)	-	63,637
Capital work-in-progress	194,884	(158,617)	13,184	-	-	-	-	17,724	67,175
Others	8,417	(3,679)	4,834	27	(10)	-	(1,009)	139	8,719
	1,969,995	40,163	267,933	505	(235)	(3,341)	(106,129)	61,132	2,230,023

	Net carrying amount at beginning of financial year	Reclassification	Additions	Acquisition of subsidiary companies	Disposal of subsidiary companies	Write-off/Disposals	Depreciation	Exchange differences	Net carrying amount at end of financial year
2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold land	180,110	-	-	-	-	-	-	(11,452)	168,658
Buildings	1,312,041	351	37,244	-	-	-	(42,826)	(12,175)	1,294,635
Plant and equipment	35,596	912	9,068	-	-	(261)	(10,239)	(1,521)	33,555
Computer equipment	19,698	(654)	2,744	-	-	(45)	(6,031)	67	15,779
Renovation	57,629	27,309	18,957	-	-	(212)	(18,488)	(3,045)	82,150
Furniture and fittings	59,781	(28,935)	5,544	-	-	(113)	(8,852)	(997)	26,428
Office equipment	8,340	2,704	4,834	-	-	(279)	(2,947)	(90)	12,562
Motor vehicles	26,862	-	4,185	-	-	(1,364)	(6,029)	(12)	23,642
Aircraft	47,426	-	-	-	-	-	(2,926)	-	44,500
Golf course development expenditure	65,934	-	-	-	-	-	(1,149)	-	64,785
Capital work-in-progress	119,260	(317)	83,756	-	-	-	-	(7,815)	194,884
Others	6,276	(1,370)	4,034	-	-	-	(476)	(47)	8,417
	1,938,953	-	170,366	-	-	(2,274)	(99,963)	(37,087)	1,969,995

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

GROUP

	Cost	Accumulated	Accumulated	Net carrying
	RM'000	depreciation	impairment	amount
		RM'000	losses	RM'000
2023			RM'000	
Freehold land	176,832	-	3,112	173,720
Buildings	2,104,731	603,267	9,945	1,491,519
Plant and equipment	332,740	157,628	23	175,089
Computer equipment	94,182	79,767	-	14,415
Renovation	308,534	192,168	-	116,366
Furniture and fittings	239,932	202,763	1	37,168
Office equipment	64,077	45,820	1	18,256
Motor vehicles	92,919	70,534	-	22,385
Aircraft	179,114	77,760	59,780	41,574
Golf course development expenditure	108,252	30,778	13,837	63,637
Capital work-in-progress	71,177	-	4,002	67,175
Others	25,657	14,608	2,330	8,719
	<u>3,798,147</u>	<u>1,475,093</u>	<u>93,031</u>	<u>2,230,023</u>
2022				
Freehold land	171,770	-	3,112	168,658
Buildings	1,845,151	540,571	9,945	1,294,635
Plant and equipment	182,705	149,125	25	33,555
Computer equipment	92,127	76,255	93	15,779
Renovation	252,381	170,231	-	82,150
Furniture and fittings	217,984	191,552	4	26,428
Office equipment	58,257	45,692	3	12,562
Motor vehicles	95,228	71,586	-	23,642
Aircraft	179,114	74,833	59,781	44,500
Golf course development expenditure	108,253	29,631	13,837	64,785
Capital work-in-progress	198,886	-	4,002	194,884
Others	24,940	14,171	2,352	8,417
	<u>3,426,796</u>	<u>1,363,647</u>	<u>93,154</u>	<u>1,969,995</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) (i) A hotel building amounting to RM43,835,000 is reclassified from right-of-use assets during the current financial year to better reflect the nature of the acquired identified asset that was erected on an underlying lease asset.
- (ii) An amount of RM1,070,000 was transferred to right-of-use assets after it was determined these assets qualified as right-of-use assets.
- (ii) An amount of RM2,602,000 which is an advance payment for future development is reclassified to receivables during the current financial year.
- (b) Properties of the Group with carrying amounts totalling RM1,386,589,000 (2022 : RM1,253,133,000) are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.
- (c) Carrying amounts of property, plant and equipment of the Group held under hire purchase arrangements are as follows:

	Group	
	2023 RM'000	2022 RM'000
Motor vehicles	3,976	4,092
Plant and equipment	4,657	351
Computer equipment	252	-
Aircraft	36,267	38,580
	45,152	43,023

COMPANY	Net carrying amount at beginning of financial year				Net carrying amount at end of financial year	
	RM'000	Additions RM'000	Write-off/ Disposals RM'000	Depreciation RM'000	RM'000	
2023						
Furniture and fittings	71	7	-	(16)	62	
Office equipment	368	173	-	(152)	389	
Renovation	138	11	-	(37)	112	
Motor vehicles	631	348	(155)	(241)	583	
	1,208	539	(155)	(446)	1,146	

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

3 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY	Net carrying amount at beginning of financial year	Additions	Depreciation	Net carrying amount at end of financial year
	RM'000	RM'000	RM'000	RM'000
2022				
Furniture and fittings	87	-	(16)	71
Office equipment	394	148	(174)	368
Renovation	178	-	(40)	138
Motor vehicles	1,000	-	(369)	631
	<u>1,659</u>	<u>148</u>	<u>(599)</u>	<u>1,208</u>
		Cost	Accumulated depreciation	Net carrying amount
		RM'000	RM'000	RM'000
2023				
Furniture and fittings		2,184	2,122	62
Office equipment		8,240	7,851	389
Renovation		3,348	3,236	112
Motor vehicles		6,864	6,281	583
		<u>20,636</u>	<u>19,490</u>	<u>1,146</u>
		Cost	Accumulated depreciation	Net carrying amount
		RM'000	RM'000	RM'000
2022				
Furniture and fittings		2,177	2,106	71
Office equipment		8,067	7,699	368
Renovation		3,337	3,199	138
Motor vehicles		6,671	6,040	631
		<u>20,252</u>	<u>19,044</u>	<u>1,208</u>

Motor vehicles of the Company with carrying amounts totalling RM583,000 (2022 : RM628,000) are held under hire purchase arrangements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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
2023				
At beginning of financial year	134,678	986,748	9,609	1,131,035
Additions during the financial year	-	507,777	31	507,808
Acquisition of subsidiary companies	-	124	-	124
Disposal of subsidiary companies	-	(767)	-	(767)
Depreciation	(3,930)	(105,640)	(4,342)	(113,912)
Modification/Termination	-	(38,863)	(78)	(38,941)
Reassessment/Adjustments	-	67,104	-	67,104
Reclassification (Note 3)	1,070	(43,835)	-	(42,765)
Exchange differences	397	36,230	555	37,182
At end of financial year	<u>132,215</u>	<u>1,408,878</u>	<u>5,775</u>	<u>1,546,868</u>
At 30 June 2023				
Cost	181,300	1,733,815	22,676	1,937,791
Accumulated depreciation	(49,085)	(321,928)	(16,901)	(387,914)
Accumulated impairment	-	(3,009)	-	(3,009)
	<u>132,215</u>	<u>1,408,878</u>	<u>5,775</u>	<u>1,546,868</u>
2022				
At beginning of financial year	132,165	1,033,068	7,750	1,172,983
Additions during the financial year	5,260	12,333	154	17,747
Depreciation	(2,405)	(98,565)	(4,301)	(105,271)
Modification/Termination	-	(161)	-	(161)
Reassessment/Adjustments	346	69,073	5,152	74,571
Reclassification	(190)	128	62	-
Exchange differences	(498)	(29,128)	792	(28,834)
At end of financial year	<u>134,678</u>	<u>986,748</u>	<u>9,609</u>	<u>1,131,035</u>
At 30 June 2022				
Cost	179,786	1,226,955	21,505	1,428,246
Accumulated depreciation	(45,108)	(236,768)	(11,896)	(293,772)
Accumulated impairment	-	(3,439)	-	(3,439)
	<u>134,678</u>	<u>986,748</u>	<u>9,609</u>	<u>1,131,035</u>

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 RM90,762,000 (2022 : RM268,348,000) was pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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

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

Other than the above, the Group has right-of-use assets classified under Inventories as land held for property development amounting to RM177,561,000 (2022 : RM176,030,000) at the reporting date.

(b) Lease liabilities

GROUP	2023 RM'000	2022 RM'000
At beginning of financial year	978,258	1,020,852
Additions during the financial year	507,808	14,793
Acquisition of subsidiary companies	133	-
Disposal of subsidiary companies	(753)	-
Interest expense (Note 35)	49,242	36,854
Lease payments	(147,312)	(118,899)
Modification/Termination	(40,662)	(582)
Reassessment	67,104	74,571
Exchange differences	48,844	(49,331)
At end of financial year	<u>1,462,662</u>	<u>978,258</u>
Analysed as follows:		
Current	97,485	84,287
Non-Current	<u>1,365,177</u>	<u>893,971</u>
	<u>1,462,662</u>	<u>978,258</u>

5 INVESTMENT PROPERTIES

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	685,822	704,115
Disposals during the financial year	-	(23,000)
Net fair value adjustments (Note 33)	2,700	5,475
Exchange differences	1,053	(768)
At end of financial year	<u>689,575</u>	<u>685,822</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 RM38,750,000 (2022 : RM36,650,000) are held under lease terms.

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5 INVESTMENT PROPERTIES (CONT'D)

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 47(a).

Investment properties with carrying amounts totalling RM461,135,000 (2022 : RM458,956,000) are pledged to financial institutions for credit facilities granted to the Company and certain subsidiary companies.

6 INVENTORIES

	Group	
	2023 RM'000	2022 RM'000
<u>NON-CURRENT</u>		
Land held for property development, at cost (Note a)	1,090,085	1,220,530
<u>CURRENT</u>		
Property development costs, at cost (Note b)	174,749	90,511
Other inventories, at cost:		
Vehicles	442,252	263,825
Completed properties	138,711	88,093
Stores and consumables	47,385	33,059
Gaming equipment components and parts	365	321
Ticket inventories	4,201	3,026
Work-in-progress	6,581	889
Raw materials	27,536	30,343
Finished goods and inventories for resale	3,485	2,491
	670,516	422,047
At net realisable value:		
Vehicles	135,558	81,294
Completed properties	78,526	91,615
Stores and consumables	1,096	650
	885,696	595,606
	2,150,530	1,906,647

NOTES TO THE FINANCIAL STATEMENTS

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6 INVENTORIES (CONT'D)

The cost of other inventories recognised as an expense during the current financial year amounted to RM2,851,945,000 (2022 : RM2,678,055,000).

The carrying amounts of vehicles inventories pledged for vehicle stocking loans amounted to RM558,395,000 (2022 : RM325,519,000).

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

	Group	
	2023 RM'000	2022 RM'000
Land held for property development	419,022	290,239
Property development costs	-	64,091
Completed properties	34,139	40,241
	453,161	394,571

(a) Land held for property development

	Group	
	2023 RM'000	2022 RM'000
At cost:		
At beginning of financial year:		
- freehold land	821,281	771,481
- leasehold land	163,704	178,446
- land use rights/land lease premium	12,326	11,739
- development costs	223,219	218,225
	1,220,530	1,179,891
Additions:		
- freehold land	10,773	66,601
- leasehold land	51	2,306
- development costs	21,868	21,500
	32,692	90,407
Transfers/Adjustments during the financial year:		
- freehold land	(149,504)	-
- development costs	(11,522)	-
	(161,026)	-
Balance carried forward	1,092,196	1,270,298

NOTES TO THE FINANCIAL STATEMENTS

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6 INVENTORIES (CONT'D)

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

	Group	
	2023 RM'000	2022 RM'000
Balance brought forward	1,092,196	1,270,298
Disposal:		
- freehold land	(2,138)	-
- development costs	(1,380)	-
	<u>(3,518)</u>	<u>-</u>
Exchange differences:		
- freehold land	107	(16,801)
- leasehold land	893	(17,048)
- land use rights/land lease premium	587	587
- development costs	(180)	(16,506)
	<u>1,407</u>	<u>(49,768)</u>
Total costs at end of financial year	<u>1,090,085</u>	<u>1,220,530</u>
Carrying amount at end of financial year:		
- freehold land	680,519	821,281
- leasehold land	164,648	163,704
- land use rights/land lease premium	12,913	12,326
- development costs	232,005	223,219
	<u>1,090,085</u>	<u>1,220,530</u>

(b) Property development costs

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year:		
- freehold land	3,603	5,165
- land use rights	1,008	960
- development costs	85,900	100,754
	<u>90,511</u>	<u>106,879</u>
Costs incurred during the financial year:		
- development costs	54,237	55,388
Balance carried forward	<u>144,748</u>	<u>162,267</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

6 INVENTORIES (CONT'D)

(b) Property development costs (Cont'd)

	Group	
	2023 RM'000	2022 RM'000
Balance brought forward	144,748	162,267
Transferred during the financial year:		
- from land held for development	145,715	-
- to inventories	(40,928)	(53)
- to contract cost assets (Note 12)	(67,676)	(72,390)
	37,111	(72,443)
Disposal:		
- freehold land	(389)	-
- development costs	(2,910)	-
	(3,299)	-
Adjustments:		
- freehold land	(3,955)	-
- development costs	(545)	-
	(4,500)	-
Exchange differences	689	687
Carrying amount at end of financial year	174,749	90,511

7 SUBSIDIARY COMPANIES

	Company	
	2023 RM'000	2022 RM'000
Quoted shares, at cost	327,034	335,440
Unquoted shares, at cost	3,647,984	3,646,452
Capital contribution	4,135	4,135
	3,979,153	3,986,027
Less: Accumulated impairment losses of unquoted shares	(316,983)	(314,432)
	3,662,170	3,671,595

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

NOTES TO THE FINANCIAL STATEMENTS

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7 SUBSIDIARY COMPANIES (CONT'D)

In the current financial year, an amount of RM20,930,000 (2022 : RM293,826,000) has been capitalised from the amounts due from certain subsidiary companies. In the previous financial year, the Company carried out an internal reorganisation exercise whereby, Berjaya Hartanah Berhad ("BHartanah") acquired the total equity interests in Berjaya Land Development Sdn Bhd, Berjaya Tagar Sdn Bhd and Alam Baiduri Sdn Bhd from the Company, for a total consideration of RM860.56 million, satisfied via a share swap of 796.81 million new BHartanah ordinary shares at RM1.08 per BHartanah share.

In the current financial year, the Company disposed of its 10% equity interest in Berjaya Construction Berhad ("BCB") for RM5.69 million. BCB is now a 90%-owned subsidiary company of the Company.

The capital contribution to subsidiary companies represent additional shareholders' net investment. The capital contribution is unsecured, interest free and the repayment of such balances are not expected in the foreseeable future until such time the subsidiary companies are in the position to repay the amount without impairing its liquidity position.

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

The review gave rise to the recognition of impairment losses of investments in subsidiary companies of RM2,551,000 (2022 : RM5,070,000) as disclosed in Note 34 based on recoverable amount of RM9,601,000 (2022 : RMNil).

Certain quoted shares in subsidiary companies of the Group and of the Company with carrying amounts totalling RM1,206,255,000 and RM326,720,000 (2022 : RM1,158,093,000 and RM325,846,000) 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 2023

- (i) Berjaya Vacation Club Berhad ("BVC"), a wholly-owned subsidiary company of the Company, acquired the remaining 31.27% equity interest in its joint venture, Asia Jet Sdn Bhd ("AJSB") for a total cash consideration of RM1.8 million, thus making AJSB a wholly-owned subsidiary company of BVC.

The financial effects of the acquisition of AJSB which qualified as a business combination were as follows:

Group	2023 RM'000
Property, plant and equipment	177
Right-of-use assets	124
Current assets	18,100
Current liabilities	(9,803)
Non-current liabilities	(198)
Total net assets acquired/Total cost of acquisition	<u>8,400</u>

NOTES TO THE FINANCIAL STATEMENTS

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7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the current financial year ended 30 June 2023 (cont'd)

- (i) The financial effects of the acquisition of AJSB which qualified as a business combination were as follows (cont'd):

Cost of acquisition comprised:

	2023 RM'000
Purchase consideration satisfied by cash	1,118
Balance of purchase consideration payable	715
Carried as a joint venture	5,240
Fair value gain on re-measurement of the joint venture prior to reclassification to investment in subsidiary company	1,327
	<u>8,400</u>
Satisfied by cash	(1,118)
Cash and cash equivalent of a subsidiary company acquired	2,958
Net cash inflow on acquisition of a subsidiary company	<u>1,840</u>

- (ii) H.R. Owen Plc, a wholly-owned subsidiary company of Berjaya Philippines Inc. acquired two wholly-owned subsidiary companies namely H.R. Owen Servicing And Repairs Limited (formerly known as Joe Macari Servicing Limited) and J M Developments (UK) Limited for a total consideration of £3,015,000 (equivalent to approximately RM15,643,000).

Cost of acquisition comprised:

	2023 RM'000
Purchase consideration satisfied by cash	3,969
Balance of purchase consideration payable	10,602
	<u>14,571</u>

The fair values of the identifiable assets and liabilities of these subsidiary companies as at the date of acquisition were as follows:

Group	Fair value RM'000
Property, plant and equipment	328
Cash and cash equivalent acquired	1
Total net assets acquired/Total cost of acquisition	<u>329</u>
Goodwill on consolidation	6,098
Intangible assets on consolidation	10,859
	<u>17,286</u>
Less: Deferred tax liabilities arising on consolidation	(2,715)
Investment cost, representing fair value of the subsidiary companies acquired at the date of acquisition	<u>14,571</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

7 SUBSIDIARY COMPANIES (CONT'D)

a) Acquisition of subsidiary companies (Cont'd)

For the current financial year ended 30 June 2023 (cont'd)

- (iii) Following the Exit Offer and Warrants Offer in connection to the directed delisting of Informatics Education Ltd ("Informatics"), Berjaya Leisure Capital (Cayman) Limited, a wholly-owned subsidiary company of the Company, acquired a further 22.23% equity interest (about 39.4 million shares) in Informatics, for a total cash consideration of approximately RM1.42 million and consequently its total equity interest in Informatics had increased from 67.42% to 89.65%.
- (iv) Several new subsidiary companies were incorporated during the financial year. None of these are material to the Group.

b) Disposal of subsidiary companies

For financial year ended 30 June 2023 and 30 June 2022

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

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.

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	
	2023 %	2022 %
Sports Toto Berhad ("SPToto") (on a consolidated basis)	58.94	59.25
Berjaya (China) Great Mall Co Ltd ("GMOC")	49.00	49.00

NOTES TO THE FINANCIAL STATEMENTS

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7 SUBSIDIARY COMPANIES (CONT'D)

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

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	SPToto	GMOC
At 30 June 2023	RM'000	RM'000
Non-current assets	4,938,528	153
Current assets	1,922,300	333,554
Non-current liabilities	(2,065,365)	-
Current liabilities	(1,553,919)	(131,423)
Net assets	<u>3,241,544</u>	<u>202,284</u>
Equity attributable to:		
- owners of the Parent	1,301,850	103,149
- non-controlling interests	1,939,694	99,135
Total equity	<u>3,241,544</u>	<u>202,284</u>
At 30 June 2022		
Non-current assets	4,660,689	157
Current assets	1,523,966	442,921
Non-current liabilities	(2,068,759)	-
Current liabilities	(1,061,329)	(133,676)
Net assets	<u>3,054,567</u>	<u>309,402</u>
Equity attributable to:		
- owners of the Parent	1,219,679	157,615
- non-controlling interests	1,834,888	151,787
Total equity	<u>3,054,567</u>	<u>309,402</u>

NOTES TO THE FINANCIAL STATEMENTS

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7 SUBSIDIARY COMPANIES (CONT'D)

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

Group Year ended 30 June 2023	SPToto RM'000	GMOC RM'000
Revenue	6,099,660	-
Profit/(Loss) for the financial year	231,318	(100,556)
Other comprehensive income	97,325	(6,562)
Total comprehensive income	328,643	(107,118)
Profit/(Loss) for the financial year attributable to:		
- owners of the Parent	91,946	(51,284)
- non-controlling interests	139,372	(49,272)
	231,318	(100,556)
Total comprehensive income attributable to:		
- owners of the Parent	130,107	(54,630)
- non-controlling interests	198,536	(52,488)
	328,643	(107,118)
Net cash generated from/(used in):		
- operating activities	232,171	(515)
- investing activities	(168,595)	-
- financing activities	(17,476)	517
Net change in cash and cash equivalents	46,100	2
Dividends issued to non-controlling interests	75,546	-
Year ended 30 June 2022		
Revenue	5,229,328	-
Profit/(Loss) for the financial year	170,215	(198,466)
Other comprehensive income	(22,598)	11,175
Total comprehensive income	147,617	(187,291)
Profit/(Loss) for the financial year attributable to:		
- owners of the Parent	65,462	(101,218)
- non-controlling interests	104,753	(97,248)
	170,215	(198,466)
Total comprehensive income attributable to:		
- owners of the Parent	61,561	(95,518)
- non-controlling interests	86,056	(91,773)
	147,617	(187,291)

NOTES TO THE FINANCIAL STATEMENTS

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7 SUBSIDIARY COMPANIES (CONT'D)

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

Group Year ended 30 June 2022 (Cont'd)	SPToto RM'000	GMOC RM'000
Net cash generated from/(used in):		
- operating activities	280,138	(995)
- investing activities	(102,513)	-
- financing activities	29,358	990
Net change in cash and cash equivalents	<u>206,983</u>	<u>(5)</u>
Dividends issued to non-controlling interests	<u>31,797</u>	<u>-</u>

8 ASSOCIATED COMPANIES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Quoted shares in Malaysia, at cost	123,315	127,602	43,339	43,339
Unquoted shares, at cost	347,257	347,257	-	-
Exchange differences	24,311	13,498	-	-
	<u>494,883</u>	<u>488,357</u>	<u>43,339</u>	<u>43,339</u>
Share of post-acquisition reserves	(120,244)	(127,035)	-	-
	<u>374,639</u>	<u>361,322</u>	<u>43,339</u>	<u>43,339</u>
Less: Accumulated impairment losses				
- quoted shares in Malaysia	(2,936)	(2,936)	-	-
- unquoted shares	(46,514)	(46,514)	-	-
	<u>(49,450)</u>	<u>(49,450)</u>	<u>-</u>	<u>-</u>
Total investments in associated companies	<u>325,189</u>	<u>311,872</u>	<u>43,339</u>	<u>43,339</u>
Represented by:				
Carrying amount of:				
- quoted shares in Malaysia	169,224	171,567	43,339	43,339
- unquoted shares	155,965	140,305	-	-
	<u>325,189</u>	<u>311,872</u>	<u>43,339</u>	<u>43,339</u>
Fair value of quoted shares in Malaysia (Level 1 fair value hierarchy)	<u>70,674</u>	<u>71,561</u>	<u>22,950</u>	<u>22,568</u>

NOTES TO THE FINANCIAL STATEMENTS

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8 ASSOCIATED COMPANIES (CONT'D)

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

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

Certain quoted shares of the Group and of the Company with carrying amounts of RM21,456,000 and RMNil (2022 : RM94,310,000 and RM40,031,000) respectively are pledged to financial institutions for credit facilities granted to the Company and certain of its subsidiary companies.

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	BKDS	BAssets
At 30 June 2023	RM'000	RM'000
Non-current assets	203,791	2,589,831
Current assets	307,813	555,375
Non-current liabilities	(545,287)	(759,182)
Current liabilities	(309,762)	(496,184)
Capital contribution of fellow shareholder not proportionate of its equity interest	(119,698)	-
Net (liabilities)/assets	<u>(463,143)</u>	<u>1,889,840</u>
Equity attributable to:		
Owners of the associated companies	(463,143)	1,895,866
Non-controlling interests of the associated companies	-	(6,026)
	<u>(463,143)</u>	<u>1,889,840</u>
	BKDS	BAssets
	RM'000	RM'000
Non-current assets	193,622	2,821,335
Current assets	407,380	284,352
Non-current liabilities	(441,296)	(952,596)
Current liabilities	(123,636)	(280,610)
Capital contribution of fellow shareholder not proportionate of its equity interest	(109,474)	-
Net (liabilities)/assets	<u>(73,404)</u>	<u>1,872,481</u>

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8 ASSOCIATED COMPANIES (CONT'D)

Group	BKDS	BAssets
At 30 June 2022	RM'000	RM'000
Equity attributable to:		
Owners of the associated companies	(73,404)	1,873,591
Non-controlling interests of the associated companies	-	(1,110)
	<u>(73,404)</u>	<u>1,872,481</u>
	BKDS	BAssets
	RM'000	RM'000
Year ended 30 June 2023		
Revenue	258,971	224,129
Profit/(loss) for the financial year	39,463	(28,526)
Other comprehensive income	12,795	45,883
Total comprehensive income	<u>52,258</u>	<u>17,357</u>
Profit/(loss) for the financial year attributable to:		
- owners of the associated companies	39,463	(23,316)
- non-controlling interests of the associated companies	-	(5,210)
	<u>39,463</u>	<u>(28,526)</u>
Total comprehensive income attributable to:		
- owners of the associated companies	52,258	22,273
- non-controlling interests of the associated companies	-	(4,916)
	<u>52,258</u>	<u>17,357</u>
Group's share of profit and other comprehensive income for the financial year	<u>26,129</u>	<u>2,051</u>
Dividend distribution in excess of its carrying value (Note 33)	<u>208,091</u>	<u>-</u>
	BKDS	BAssets
	RM'000	RM'000
Year ended 30 June 2022		
Revenue	126,706	174,056
Loss for the financial year	(64,414)	(55,878)
Other comprehensive income	(4,059)	(21,979)
Total comprehensive income	<u>(68,473)</u>	<u>(77,857)</u>
Loss for the financial year attributable to:		
- owners of the associated companies	(64,414)	(54,958)
- non-controlling interests of the associated companies	-	(920)
	<u>(64,414)</u>	<u>(55,878)</u>

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8 ASSOCIATED COMPANIES (CONT'D)

Group Year ended 30 June 2022 (Cont'd)	BKDS RM'000	BAssets RM'000
Total comprehensive income attributable to:		
- owners of the associated companies	(68,473)	(76,534)
- non-controlling interests of the associated companies	-	(1,323)
	<u>(68,473)</u>	<u>(77,857)</u>
Group's share of losses and other comprehensive income for the financial year attributable to owners of the associated companies	<u>(34,237)</u>	<u>(7,255)</u>
Dividends received during the financial year	<u>-</u>	<u>-</u>

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

Group 30 June 2023	BKDS RM'000	BAssets RM'000
Attributable to owners of the associated companies:		
Net (liabilities)/assets at beginning of financial year	(73,404)	1,873,591
Profit/(loss) for the financial year	39,463	(23,316)
Other comprehensive income	12,795	45,589
Dividend during the financial year	(416,182)	-
Increase in share capital	-	2
Exchange differences	(25,815)	-
Net (liabilities)/assets at end of financial year	<u>(463,143)</u>	<u>1,895,866</u>
Group's equity interest	50%	9.21%
Interest in net (liabilities)/assets of the associated companies	(231,572)	174,609
Unrecognised accumulated share of losses and other comprehensive income	22,188	-
Dividend distribution in excess of its carrying value	208,091	-
Less: Impairment loss	-	(2,936)
Less: Intragroup adjustments	1,293	(2,449)
Carrying amount of Group's interest in the associated companies	<u>-</u>	<u>169,224</u>

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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 (Cont'd)

Group 30 June 2022	BKDS RM'000	BAssets RM'000
Attributable to owners of the associated companies:		
Net (liabilities)/assets at beginning of financial year	(4,817)	1,952,438
Loss for the financial year	(64,414)	(54,958)
Other comprehensive income	(4,059)	(23,889)
Exchange differences	(114)	-
Net (liabilities)/assets at end of financial year	<u>(73,404)</u>	<u>1,873,591</u>
Group's equity interest	50%	9.48%
Interest in net (liabilities)/assets of the associated companies	(36,702)	177,616
Unrecognised accumulated share of losses and other comprehensive income	35,409	-
Less: Impairment loss	-	(2,936)
Less: Intragroup adjustments	1,293	(3,113)
Carrying amount of Group's interest in the associated companies	<u>-</u>	<u>171,567</u>

Aggregate information of associated companies that are not individually material

Group	2023 RM'000	2022 RM'000
The Group's share of profit/(loss) for the financial year, representing total comprehensive income	11,605	(4,104)
Aggregate carrying amount of the Group's interests in these associated companies	<u>155,965</u>	<u>140,305</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 net profit of these associated companies amounting to RM22,948,000 (2022 : net losses of RM35,746,000) and the Group's cumulative share of unrecognised losses of these associated companies amounted to RM51,367,000 (2022 : RM74,315,000).

NOTES TO THE FINANCIAL STATEMENTS

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9 JOINT VENTURES

	Group	
	2023	2022
	RM'000	RM'000
Contributed legal capital/cost of investment	155,500	160,239
Share of post-acquisition reserves	(122,019)	(116,558)
Exchange differences	6,207	5,361
	<u>39,688</u>	<u>49,042</u>
Less: Accumulated impairment losses	(6,849)	(7,849)
	<u>32,839</u>	<u>41,193</u>

Details of the joint ventures are set out in Note 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 RM9,475,000 (2022 : RM5,630,000) and the Group's cumulative share of unrecognised losses of these joint ventures amounted to RM17,825,000 (2022 : RM8,350,000).

Summarised financial information in respect of Berjaya Hotay Joint Venture Company Limited ("BHotay"), a material joint venture of the Group is set out below. These financial information represent the amounts in the financial statements of the joint venture after fair value adjustments arising from business combination and not the Group's share of those amounts.

Group	BHotay	
	2023	2022
	RM'000	RM'000
Non-current assets	167,116	173,590
Current assets	33,567	14,261
Non-current liabilities	(130,784)	(109,538)
Current liabilities	(33,750)	(38,375)
Net assets	<u>36,149</u>	<u>39,938</u>
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	10,267	7,844
Current financial liabilities (excluding trade and other payables and provision)	21,886	24,676
Non-current financial liabilities (excluding trade and other payables and provision)	<u>100,045</u>	<u>85,498</u>
Revenue	<u>79,453</u>	<u>27,998</u>

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9 JOINT VENTURES (CONT'D)

Group

	BHotay	
	2023 RM'000	2022 RM'000
Loss for the financial year, representing total comprehensive income for the financial year	(9,761)	(14,866)
The above loss for the financial year include the following:		
Depreciation and amortisation	17,654	15,599
Finance costs	12,841	1,582
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	
	2023 RM'000	2022 RM'000
Net assets at beginning of financial year	39,938	56,496
Loss for the financial year, representing total comprehensive income for the financial year	(9,761)	(14,866)
Exchange differences	5,972	(1,692)
Net assets at end of financial year	36,149	39,938
Group's equity interest	50%	50%
Carrying amount of Group's interest in the joint venture	18,075	19,969

Aggregate information of joint ventures that are not individually material

	Group	
	2023 RM'000	2022 RM'000
The Group's share of profit for the financial year, representing total comprehensive income for the financial year	921	2,116
Aggregate carrying amount of the Group's interests in these joint ventures	14,764	21,224

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10 INVESTMENTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At fair value				
Quoted shares:				
- in Malaysia	201,226	111,346	83,361	56,559
- outside Malaysia	27,007	4,010	-	-
	228,233	115,356	83,361	56,559
Quoted warrants in Malaysia	-	1,648	-	499
Malaysian Government Securities	3,162	3,040	-	-
	231,395	120,044	83,361	57,058
At fair value				
Unquoted shares:				
- in Malaysia	23,682	15,459	14,182	5,958
- outside Malaysia	31,386	33,331	-	-
	55,068	48,790	14,182	5,958
Total investments	286,463	168,834	97,543	63,016

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% (2022 : 4.50%) per annum.

Further details on fair value hierarchy and classification of equity investments are disclosed in Notes 47 and 48 respectively.

Certain quoted investments of the Group and of the Company with carrying amount of RM107,916,000 and RM77,668,000 respectively (2022 : RM77,870,000 and RM56,368,000) are pledged to a financial institution for credit facilities granted to the Company.

NOTES TO THE FINANCIAL STATEMENTS

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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
2023						
Cost:						
At beginning of financial year	4,400,000	55,263	921,563	3,151	21,239	5,401,216
Addition during the financial year	-	-	-	-	511	511
Arising from acquisition of subsidiary companies	-	-	6,098	10,859	-	16,957
Disposal of subsidiary companies	-	-	-	-	(2,625)	(2,625)
Exchange differences	-	5,887	9,891	1,366	224	17,368
At end of financial year	4,400,000	61,150	937,552	15,376	19,349	5,433,427
Accumulated amortisation/impairment:						
At beginning of financial year	(965,317)	-	(831,381)	(2,074)	(16,375)	(1,815,147)
Amortisation for the financial year	-	-	-	(1,273)	(1,332)	(2,605)
Disposal of subsidiary companies	-	-	-	-	2,321	2,321
Exchange differences	-	-	-	152	-	152
At end of financial year	(965,317)	-	(831,381)	(3,195)	(15,386)	(1,815,279)
Carrying amount at 30 June 2023	<u>3,434,683</u>	<u>61,150</u>	<u>106,171</u>	<u>12,181</u>	<u>3,963</u>	<u>3,618,148</u>
2022						
Cost:						
At beginning of financial year	4,400,000	59,556	927,466	3,396	20,694	5,411,112
Addition during the financial year	-	-	-	-	385	385
Exchange differences	-	(4,293)	(5,903)	(245)	160	(10,281)
At end of financial year	4,400,000	55,263	921,563	3,151	21,239	5,401,216
Accumulated amortisation/impairment:						
At beginning of financial year	(965,317)	-	(819,626)	(1,895)	(14,964)	(1,801,802)
Impairment for the financial year	-	-	(11,755)	-	-	(11,755)
Amortisation for the financial year	-	-	-	(331)	(1,411)	(1,742)
Exchange differences	-	-	-	152	-	152
At end of financial year	(965,317)	-	(831,381)	(2,074)	(16,375)	(1,815,147)
Carrying amount at 30 June 2022	<u>3,434,683</u>	<u>55,263</u>	<u>90,182</u>	<u>1,077</u>	<u>4,864</u>	<u>3,586,069</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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	
	2023	2022
	RM'000	RM'000
Motor vehicle dealerships	93,584	77,612
Property development and property investment	4,102	4,102
Hotels and resorts	8,485	8,468
	<u>106,171</u>	<u>90,182</u>

Recognition of impairment

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

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

Key assumptions used in VIU calculations and fair value less costs to sell of CGUs

The recoverable amount of a CGU is determined based on the higher of VIU or fair value less costs to sell of the respective CGUs. VIU is calculated using cash flow projections based on financial budgets covering a five-year period with a terminal value thereafter. Fair value less costs to sell is estimated based on the best information available in an active market to reflect the amount obtainable in an arm's length transaction, less costs of disposal.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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 8.8% to 10.5% (2022 : 7.8% to 10.3%), of which 9.0% (2022 : 9.0%) have been applied to the Gaming Rights - Licence.

(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% (2022 : 1.0% to 1.5%), of which 1.5% (2022 : 1.5%) has been applied to the Gaming Rights - Licence.

(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 0.5% with all other variables held constant, the VIU of the gaming rights of the Malaysian toto betting business segment would fall below the carrying amount of the CGU by RM167.94 million, resulting in a decrease in the fair value reserve.

Management believes that there are no reasonable possible change in any of the above key assumptions which would cause the carrying amounts of the CGUs allocated to Dealerships, Customer Relationships and goodwill to materially exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

12 CONTRACT COST ASSETS

	Group	
	2023 RM'000	2022 RM'000
Property development activities:		
Costs to obtain contracts with customers (Note a)	5,795	7,861
Costs to fulfill contracts with customers (Note b)	3,805	4,556
	9,600	12,417

(a) Costs to obtain contracts with customers

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	7,861	4,775
Additions during the financial year	7,249	9,587
Amortisation for the financial year	(9,319)	(6,505)
Exchange differences	4	4
At end of financial year	5,795	7,861

(b) Costs to fulfill contracts with customers

	Group	
	2023 RM'000	2022 RM'000
At cost:		
At beginning of financial year		
- freehold land	14,037	11,959
- development costs	279,705	181,302
	293,742	193,261
Costs incurred during the financial year:		
- development costs	62,731	27,787
Cumulative costs recognised in profit or loss:		
- at beginning of financial year	(289,186)	(185,206)
- recognised during the financial year	(131,243)	(103,980)
- at end of financial year	(420,429)	(289,186)
Transferred during the financial year:		
- from property development costs (Note 6)	67,676	72,390
Exchange differences	85	304
Carrying amount as at end of financial year	3,805	4,556

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

13 RECEIVABLES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>NON-CURRENT</u>				
Other receivables				
Amounts owing by :				
- subsidiary companies	-	-	617,139	1,045,523
- related companies	50,604	-	-	-
- associated company	119,701	107,096	-	-
- joint ventures	247,958	210,045	-	-
	418,263	317,141	617,139	1,045,523
Less: Allowance for impairment				
- amounts owing by subsidiary companies	-	-	(158,837)	(155,615)
- amount owing by an associated company	(14,981)	(11,976)	-	-
	403,282	305,165	458,302	889,908
Sundry receivables (Note c)	22,330	37,452	-	-
Total non-current receivables	425,612	342,617	458,302	889,908
<u>CURRENT</u>				
Trade receivables				
Amount owing by:				
- third parties	254,104	218,693	-	-
- related company	169,010	136,557	-	-
- joint venture	4,517	2,929	-	-
	427,631	358,179	-	-
Less: Allowance for impairment				
	(26,390)	(22,359)	-	-
	401,241	335,820	-	-
Other receivables				
Sundry receivables	188,287	202,512	5,995	426
Amount receivable from disposal of GROC Project (Note b(i))	626,367	640,198	-	-
Refundable deposits	32,271	20,897	363	379
Amounts owing by :				
- subsidiary companies	-	-	951,363	332,747
- related companies	33,432	85,513	127	92
- associated companies	199,225	174,976	1,670	693
- joint ventures	79,410	94,389	-	-
Total other receivables carried forward	1,158,992	1,218,485	959,518	334,337

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

13 RECEIVABLES (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Other receivables (Cont'd)				
Total other receivables brought forward	1,158,992	1,218,485	959,518	334,337
Less: Allowance for impairment:				
- Sundry receivables	(10,270)	(9,409)	(299)	(299)
- Amount receivable from disposal of GMOC Project (Note b(i))	(293,334)	(197,808)	-	-
- Amounts owing by:				
- subsidiary companies	-	-	(182,285)	(116,465)
- associated companies	(8,366)	(6,010)	-	(9)
	<u>847,022</u>	<u>1,005,258</u>	<u>776,934</u>	<u>217,564</u>
Total receivables at amortised cost	<u>1,673,875</u>	<u>1,683,695</u>	<u>1,235,236</u>	<u>1,107,472</u>
Other current assets				
Sundry receivables	1,799	2,168	-	-
Prepayments (Note d)	334,031	316,063	1,352	1,827
Deposits for acquisition of assets	5,123	12,182	-	-
Dividend receivable	104,629	21,203	108,412	25,259
	<u>445,582</u>	<u>351,616</u>	<u>109,764</u>	<u>27,086</u>
Total current receivables	<u>1,693,845</u>	<u>1,692,694</u>	<u>886,698</u>	<u>244,650</u>
Total receivables	<u>2,119,457</u>	<u>2,035,311</u>	<u>1,345,000</u>	<u>1,134,558</u>

(a) Trade receivables

The Group's trade receivables are non-interest bearing with credit terms ranging from 1 to 90 (2022 : 1 to 90) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition. As at 30 June 2023, the Group has no significant concentration of credit risk that may arise from exposure to a single trade receivable or to groups of trade receivables, except for an amount due from a related company to a foreign subsidiary company of the Group amounting to RM169,010,000 (2022 : RM136,557,000).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

13 RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)Ageing analysis of trade receivables

The ageing analysis of trade receivables is as follows:

	Group	
	2023 RM'000	2022 RM'000
Current	132,294	125,332
1 to 30 days	43,786	31,713
31 to 60 days	15,289	10,973
61 to 90 days	5,340	14,440
Over 90 days	199,332	149,069
	263,747	206,195
Impaired	31,590	26,652
	<u>427,631</u>	<u>358,179</u>

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	
	2023 RM'000	2022 RM'000
Trade receivables	31,590	26,652
Less: Allowance for impairment	(26,390)	(22,359)
	<u>5,200</u>	<u>4,293</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

13 RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)Movement in allowance accounts

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	22,359	23,093
Charge for the financial year (Note 36)	5,809	557
Reversal of impairment loss (Note 32)	(313)	(954)
Written off	(1,121)	(396)
Exchange differences	(344)	59
At end of financial year	26,390	22,359

(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 43(b). GMOC had commenced to seek the recognition and enforcement of the arbitration award in all jurisdictions.

During the current financial year, the Group has accounted for an additional impairment amounting to RM99,800,000 (2022 : RM197,808,000) on the Final Instalment in view of the dampened property market in the PRC. Notwithstanding the impairment made, GMOC is vigorously pursuing enforcements in both jurisdictions in the PRC and Hong Kong.

(ii) Movement in allowance accounts

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At beginning of financial year	225,203	21,205	272,388	238,866
Charge for the financial year:				
Amount receivable from disposal of GMOC Project (Note 34)	99,800	197,808	-	-
Associated companies (Note 34)	4,855	6,098	-	-
Sundry receivables (Note 36)	1,142	1,192	-	-
Subsidiary companies (Note 34)	-	-	79,164	49,665
Reversal of impairment loss (Note 32)	(11)	(397)	-	-
Transfer to investment in subsidiaries upon capitalisation	-	-	(10,122)	(841)
Written off	-	-	(9)	(15,302)
Exchange differences	(4,038)	(703)	-	-
At end of financial year	326,951	225,203	341,421	272,388

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13 RECEIVABLES (CONT'D)

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

(iii) 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 RM333,033,000 (2022 : RM442,390,000) 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.

(iv) 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 RM492,668,000 (2022 : RM355,631,000) 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.

(v) 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 RM333,686,000 (2022 : RM269,701,000) which are interest bearing.

The amounts owing by joint ventures are unsecured and non-interest bearing, except for a gross amount of RM307,634,000 (2022 : RM285,964,000) which is interest bearing.

(c) Included in sundry receivables of the Group is an advance payments of RM22,330,000 (2022 : RM21,233,000) made in respect of property development project of the Group's foreign venture.

(d) Included in the prepayments of the Group is an amount of RM220,724,000 (2022 : RM217,724,000) 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 43(a).

NOTES TO THE FINANCIAL STATEMENTS

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14 CONTRACT ASSETS/(LIABILITIES)

	Group	
	2023 RM'000	2022 RM'000
NON-CURRENT		
Contract liabilities	(171,619)	(185,047)
CURRENT		
Contract assets	88,984	97,693
Contract liabilities	(422,867)	(338,988)
	<u>(333,883)</u>	<u>(241,295)</u>
Total	<u>(505,502)</u>	<u>(426,342)</u>

	Group	
	2023 RM'000	2022 RM'000
Contract assets by business segments:		
Property development activities (Note a)	73,195	92,953
Wagering and voting systems contracts (Note c)	15,789	4,740
	<u>88,984</u>	<u>97,693</u>
Contract liabilities by business segments:		
Property development activities (Note a)	(29,986)	(6,401)
Club and vacation time share memberships (Note b)	(173,878)	(193,126)
Wagering and voting systems contracts (Note c)	(1,549)	(13,002)
Deposits received from customers for sale of motor vehicles (Note d)	(355,633)	(279,151)
Hotel operations activities (Note e)	(33,077)	(28,208)
Franchisor and licensor for computer and commercial training centres and examination facilitators activities (Note f)	(363)	(4,147)
	<u>(594,486)</u>	<u>(524,035)</u>
Total	<u>(505,502)</u>	<u>(426,342)</u>

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

	Group	
	2023 RM'000	2022 RM'000
Contract assets	73,195	92,953
Contract liabilities	(29,986)	(6,401)
	<u>43,209</u>	<u>86,552</u>

NOTES TO THE FINANCIAL STATEMENTS

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

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

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	86,552	36,846
Consideration payable to the customers	5,498	3,229
Revenue recognised during the financial year	261,333	178,165
Progress billings during the financial year	(310,174)	(131,688)
At end of financial year	43,209	86,552

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 2023 is RM164,542,000 (2022 : RM247,248,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	164,542	247,248

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

	Group	
	2023 RM'000	2022 RM'000
Contract liabilities	(173,878)	(193,126)
At beginning of financial year	(193,126)	(213,595)
Revenue recognised during the financial year	19,248	20,469
At end of financial year	(173,878)	(193,126)

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

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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 2023 is RM173,878,000 (2022 : RM193,126,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	2,259	8,163
More than 1 year	171,619	184,963
	173,878	193,126

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

	Group	
	2023 RM'000	2022 RM'000
Contract assets	15,789	4,740
Contract liabilities	(1,549)	(13,002)
	14,240	(8,262)
At beginning of financial year	(8,262)	6,894
Revenue recognised during the financial year	25,461	1,554
Deferred during the financial year	(1,549)	(12,833)
Progress billings during the financial year	(1,978)	(4,271)
Exchange differences	568	394
At end of financial year	14,240	(8,262)

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 2023 is RM1,549,000 (2022 : RM13,002,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	1,549	12,918
More than 1 year	-	84
	1,549	13,002

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

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

	Group	
	2023 RM'000	2022 RM'000
Contract liabilities	(355,633)	(279,151)
At beginning of financial year	(279,151)	(169,341)
Revenue recognised during the financial year	170,641	171,631
Considerations received	(231,651)	(283,587)
Exchange differences	(15,472)	2,146
At end of financial year	(355,633)	(279,151)

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) from the customers.

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2023 is RM355,633,000 (2022 : RM279,151,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	355,633	279,151

(e) Contract liabilities from hotels operation activities

	Group	
	2023 RM'000	2022 RM'000
Contract liabilities	(33,077)	(28,208)
At beginning of financial year	(28,208)	(29,462)
Revenue recognised during the financial year	580,890	253,526
Progress billings during the financial year	(585,759)	(252,272)
At end of financial year	(33,077)	(28,208)

Contract liabilities represent the obligations to provide services relating to hotel operations for which the Group has received the considerations from the customers.

NOTES TO THE FINANCIAL STATEMENTS

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

(e) Contract liabilities from hotels operation activities (Cont'd)

The transaction price allocated to the unsatisfied performance obligations as at 30 June 2023 is RM33,077,000 (2022 : RM28,208,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	33,077	28,208

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

	Group	
	2023 RM'000	2022 RM'000
Contract liabilities	(363)	(4,147)
At beginning of financial year	(4,147)	(5,500)
Revenue recognised during the financial year	3,784	15,448
Progress billings during the financial year	-	(14,095)
At end of financial year	(363)	(4,147)

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 2023 is RM363,000 (2022 : RM4,147,000). The remaining performance obligations are expected to be recognised as follows:

	Group	
	2023 RM'000	2022 RM'000
Within 1 year	363	4,147

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

15 SHORT TERM INVESTMENTS

	Group	
	2023 RM'000	2022 RM'000
Unit trust funds in Malaysia, at fair value	8,251	8,727

16 DEPOSITS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deposits with:				
- Licensed banks	308,853	340,955	25,572	36,826
- Other financial institutions	177,415	112,126	-	-
	<u>486,268</u>	<u>453,081</u>	<u>25,572</u>	<u>36,826</u>

Included in deposits are:

(a) amounts which are restricted in usage:

- (i) RM32,569,000 (2022 : RM39,212,000) and RM25,572,000 (2022 : RM36,826,000) held in debt service reserve accounts for the Group and the Company respectively; and
- (ii) RM2,991,000 (2022 : RM2,351,000) pledged for credit and other facilities granted to certain subsidiary companies of the Group.

(b) RM11,087,000 (2022 : RM9,385,000) being deposits with maturity more than 3 months held by the Group.

(c) RM18,077,000 (2022 : RM17,579,000) 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	
	2023 %	2022 %	2023 %	2022 %
Licensed banks	2.15	1.99	1.89	1.77
Other financial institutions	5.94	5.94	-	-

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

	Group		Company	
	2023 Days	2022 Days	2023 Days	2022 Days
Licensed banks	10	14	14	15
Other financial institutions	31	31	-	-

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 RM30,537,000 (2022 : RM8,156,000) and RM29,154,000 (2022 : RM5,283,000) held in debt service reserve accounts for the Group and the Company respectively.
- (b) amounts totalling RM166,452,000 (2022 : RM47,330,000) 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 RM715,000 (2022 : RM206,000).

18 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

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

- (a) the carrying amount of an associated company, Berjaya Vietnam Financial Center Limited ("BVFC") of RM145,373,000. BLCL had, on 4 June 2018, entered into a Capital Transfer Agreement ("CTA") to dispose the remaining 32.5% of the capital contribution in BVFC to Vinhomes Joint Stock Company ("Vinhomes") and Can Gio Tourist City Corporation for a cash consideration of VND884.93 billion (equivalent to approximately RM175.22 million) ("Proposed BVFC Disposal"). BLCL had received a refundable deposit of USD15.0 million (equivalent to about RM70.29 million).

Initially, BLCL's capital contribution of VND967.31 billion represented 100% of the charter capital of BVFC. Following the conditions imposed by the Vietnamese authorities whereby BVFC was required to increase its charter capital, Vinhomes had, in March 2018, injected fresh capital contribution of VND2,008.69 billion (equivalent to approximately RM397.72 million) into BVFC which accordingly resulted in a dilution of BLCL's holding in the charter capital of BVFC to 32.5%.

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

In conjunction with the Proposed BVFC Disposal, Vinhomes and its affiliates are also being considered as potential purchasers of BVIUT and had, in December 2017, also injected a cash sum of VND11,904 billion (equivalent to approximately RM2.36 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 (RM2.38 billion). Accordingly, BLCL's holding in the charter capital of BVIUT has also been diluted from 100% to 0.8%.

- (c) The disposal of freehold land with carrying amount of RM6,986,000 was completed during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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

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.

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

	Group	
	2023 RM'000	2022 RM'000
<u>Assets</u>		
Property, plant and equipment	-	6,986
Associated company	145,373	145,373
Receivables	38,353	36,609
Non-current assets classified as held for sale	<u>183,726</u>	<u>188,968</u>
Analysed as follows:		
<u>Assets</u>		
Investment in BVFC and BVIUT	145,373	145,373
Amounts due from BVFC and BVIUT	38,353	36,609
Relating to a disposal of property, plant and equipment	-	6,986
	<u>183,726</u>	<u>188,968</u>

19 SHARE CAPITAL

	Group and Company			
	No. of ordinary shares		Amount	
	2023 '000	2022 '000	2023 RM'000	2022 RM'000
Issued and fully paid:				
At beginning and the end of the financial year	<u>5,000,337</u>	<u>5,000,337</u>	<u>2,500,168</u>	<u>2,500,168</u>

Issued ordinary shares with voting rights:

	Group and Company	
	2023 No. of shares '000	2022 No. of shares '000
Total number of issued ordinary shares	5,000,337	5,000,337
Less: Number of ordinary shares held as treasury shares (Note 22)	(79,837)	(79,837)
	<u>4,920,500</u>	<u>4,920,500</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

19 SHARE CAPITAL (CONT'D)

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 OTHER RESERVES

Group	Foreign currency translation reserve (Note a) RM'000	Fair value reserve (Note b) RM'000	Consolidation reserve (Note c) RM'000	FVTOCI reserve (Note d) RM'000	Capital reserve (Note e) RM'000	Total RM'000
2023						
At beginning of financial year	171,639	1,054,940	89,067	(44,134)	116,528	1,388,040
Other comprehensive income	53,366	-	-	61,001	-	114,367
Effects arising from the disposals of FVTOCI investments	-	-	-	(4,160)	-	(4,160)
Transaction with owners: Arising from changes in equity interest in subsidiary companies	-	-	171	-	-	171
At end of financial year	225,005	1,054,940	89,238	12,707	116,528	1,498,418

Group**2022**

At beginning of financial year	129,661	1,054,940	85,664	(47,681)	116,528	1,339,112
Other comprehensive income	41,978	-	-	3,883	-	45,861
Effects arising from the disposals of FVTOCI investments	-	-	-	(336)	-	(336)
Transaction with owners: Arising from changes in equity interest in subsidiary companies	-	-	3,403	-	-	3,403
At end of financial year	171,639	1,054,940	89,067	(44,134)	116,528	1,388,040

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

20 OTHER RESERVES (CONT'D)

Company	FVTOCI reserve (Note d) RM'000
2023	
At beginning of financial year	(3,552)
Other comprehensive income	29,483
At end of financial year	<u>25,931</u>
Company	
2022	
At beginning of financial year	(6,026)
Other comprehensive income	2,474
At end of financial year	<u>(3,552)</u>

- (a) This reserve represents the foreign currency translation differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.
- (b) This reserve represents mainly the Group's share of post acquisition fair value and other adjustments arising from the business combination of SPToto Group in prior financial years.
- (c) This reserve represents the effects arising from changes in the Group's ownership interest in subsidiary companies that do not result in loss of control.
- (d) FVTOCI reserve represents the cumulative fair value changes, net of tax, if applicable, of FVTOCI financial assets until they are disposed of.
- (e) This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

21 (ACCUMULATED LOSSES)/RETAINED EARNINGS

The entire retained earnings of the Company, subject to Section 131 of the Companies Act 2016 and after consideration of the implied reduction effect of treasury shares balance, is available for distribution as single tier dividends.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

22 TREASURY SHARES

	Group and Company			
	2023 No. of shares '000	2022 No. of shares '000	2023 RM'000	2022 RM'000
At beginning and end of the financial year	79,837	79,837	33,643	33,643

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

The renewal of the Company's plan and mandate relating to the share buyback was approved by the shareholders of the Company on 13 December 2022, granting the Directors of the Company the authority to buyback its own shares up to 10% of the existing total number of issued shares, inclusive of all treasury shares that have been bought back.

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

23 LONG TERM BORROWINGS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Secured:</u>				
Term loans	1,224,131	1,166,117	338,470	368,688
Amount repayable within 12 months included in short term borrowings (Note 29)	(425,148)	(223,246)	(240,176)	(79,073)
	798,983	942,871	98,294	289,615
Medium term notes (Note a)	949,019	1,023,785	150,000	225,000
Amount repayable within 12 months included in short term borrowings (Note 29)	(164,959)	(75,000)	(75,000)	(75,000)
	784,060	948,785	75,000	150,000
Sukuk Wakalah MTNs (Note b)	218,450	132,650	-	-
Amount repayable within 12 months included in short term borrowings (Note 29)	(158,450)	(52,650)	-	-
	60,000	80,000	-	-
Other bank borrowings	347,307	426,751	156,098	217,304
Balance carried forward	1,990,350	2,398,407	329,392	656,919

NOTES TO THE FINANCIAL STATEMENTS

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23 LONG TERM BORROWINGS (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Balance brought forward	1,990,350	2,398,407	329,392	656,919
<u>Unsecured:</u>				
Other bank borrowings	-	161	-	-
<u>Secured:</u>				
Hire purchase liabilities (Note c)	43,621	45,711	547	568
Amount repayable within 12 months included in short term borrowings (Note 29)	(37,883)	(9,348)	(277)	(279)
	5,738	36,363	270	289
	<u>1,996,088</u>	<u>2,434,931</u>	<u>329,662</u>	<u>657,208</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 2.80% to 7.50% (2022 : 2.50% to 7.92%) per annum for the Group and from 3.21% to 7.05% (2022 : 2.92% to 5.95%) per annum for the Company.

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

Long term borrowings	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amounts repayable within :				
More than 1 year				
but not later than 2 years	730,910	680,924	172,207	216,109
More than 2 years				
but not later than 5 years	649,159	1,085,897	157,185	427,149
More than 5 years	610,281	631,747	-	13,661
	<u>1,990,350</u>	<u>2,398,568</u>	<u>329,392</u>	<u>656,919</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

23 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes

- (i) STM Lottery Sdn Bhd ("STM"), a wholly-owned subsidiary company of SPToto undertook a MTN programme of up to RM800,000,000 in nominal value ("STM MTN"). As at 30 June 2023, STM MTN totalling RM800,000,000 (2022 : RM800,000,000) in nominal value remains outstanding.

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

- (ii) The Company undertook a MTN programme of up to RM650,000,000 in nominal value ("BLB MTN"). As at 30 June 2023, BLB MTN totalling RM150,000,000 (2022 : RM225,000,000) in nominal value remains outstanding.

BLB MTN is secured by a financial guarantee insurance facility granted by Danajamin Nasional Berhad to the Company for the principal redemption of up to RM500,000,000 in nominal value and a bank guarantee facility granted by OCBC Bank (Malaysia) Berhad to the Company for the principal redemption of up to RM150,000,000 in nominal value.

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

<u>CURRENT</u>		Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
	Maturity				
Secured with fixed rate:					
3.10% p.a.	December 2022	-	75,000	-	75,000
3.60% p.a.	December 2023	75,000	-	75,000	-
5.14% p.a.	January 2024	25,000	-	-	-
4.20% p.a.	June 2024	25,000	-	-	-
5.05% p.a.	June 2024	39,959	-	-	-
Amount repayable within 12 months included in short term borrowings (Note 29)		164,959	75,000	75,000	75,000
<u>NON-CURRENT</u>					
Secured with fixed rate:					
3.60% p.a.	December 2023	-	75,000	-	75,000
4.15% p.a.	September 2024	30,000	-	-	-
3.69% p.a.	December 2024	75,000	-	75,000	-
4.99% p.a.	June 2025	200,000	-	-	-
Amount repayable more than 1 year but not later than 2 years carried forward		305,000	75,000	75,000	75,000

NOTES TO THE FINANCIAL STATEMENTS

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23 LONG TERM BORROWINGS (CONT'D)

(a) Medium term notes (Cont'd)

The maturities of the MTNs as at the reporting date are as follows (cont'd):

NON-CURRENT (Cont'd)		Group		Company	
		2023	2022	2023	2022
	Maturity	RM'000	RM'000	RM'000	RM'000
Amount repayable more than 1 year but not later than 2 years brought forward		305,000	75,000	75,000	75,000
5.14% p.a.	January 2024	-	25,000	-	-
4.20% p.a.	June 2024	-	25,000	-	-
5.05% p.a.	June 2024	-	39,923	-	-
4.15% p.a.	September 2024	-	30,000	-	-
3.69% p.a.	December 2024	-	75,000	-	75,000
4.99% p.a.	June 2025	-	200,000	-	-
5.25% p.a.	June 2026	139,613	139,499	-	-
5.45% p.a.	June 2028	54,764	-	-	-
Amount repayable more than 2 years but not later than 5 years		194,377	534,422	-	75,000
5.45% p.a.	June 2028	-	54,723	-	-
5.65% p.a.	June 2029	100,000	100,000	-	-
5.55% p.a.	June 2029	124,683	124,640	-	-
4.98% p.a.	June 2030	60,000	60,000	-	-
Amount repayable more than 5 years		284,683	339,363	-	-
Total non-current MTNs		784,060	948,785	75,000	150,000

(b) Sukuk Wakalah MTNs

BGRB Venture Sdn Bhd ("BVSB"), a wholly-owned subsidiary of BHartanah has established an Islamic medium term notes programme under the Sukuk Wakalah structure with a limit of RM1.0 billion and a tenure of 99 years ("Sukuk Wakalah MTNs"). The Sukuk Wakalah MTNs are secured with a corporate guarantee from BHartanah. As at 30 June 2023, Sukuk Wakalah MTNs totalling RM218,450,000 (2022 : RM132,650,000) in nominal value remains outstanding.

NOTES TO THE FINANCIAL STATEMENTS

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23 LONG TERM BORROWINGS (CONT'D)

(b) Sukuk Wakalah MTNs (Cont'd)

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

<u>CURRENT</u>	Maturity	Group	
		2023 RM'000	2022 RM'000
Secured with fixed rate:			
7.00% p.a.	August 2022	-	4,650
7.00% p.a.	September 2022	-	3,530
7.00% p.a.	October 2022	-	16,000
7.00% p.a.	November 2022	-	4,000
7.00% p.a.	February 2023	-	10,000
7.00% p.a.	March 2023	-	10,670
7.00% p.a.	May 2023	-	3,800
7.00% p.a.	August 2023	3,700	-
7.00% p.a.	September 2023	2,930	-
7.00% p.a.	October 2023	7,100	-
7.00% p.a.	October 2023	65,000	-
7.00% p.a.	November 2023	4,200	-
7.00% p.a. *	December 2023	50,000	-
7.00% p.a.	March 2024	6,100	-
7.00% p.a.	March 2024	4,370	-
7.00% p.a.	May 2024	15,050	-
Amount repayable within 12 months included in short term borrowings (Note 29)		158,450	52,650
<u>NON-CURRENT</u>			
Amount repayable more than 1 year but not later than 3 years			
7.00% p.a. *	December 2023	-	50,000
7.00% p.a. *	June 2025	30,000	30,000
7.00% p.a. *	January 2026	30,000	-
		60,000	80,000

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

(c) Hire purchase liabilities

Approximately RM4,370,000 (2022 : RM1,620,000) and RM270,000 (2022 : RM289,000) included in the hire purchase liabilities of the Group and of the Company respectively are owing to a related company.

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23 LONG TERM BORROWINGS (CONT'D)

(c) Hire purchase liabilities (Cont'd)

The hire purchase liabilities bear interest at rates ranging from 2.42% to 9.07% and from 4.75% to 5.25% (2022 : 2.33% to 5.47% and 4.75% to 5.25%) per annum respectively for the Group and the Company.

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
1 year after reporting date	37,883	9,348	277	279
More than 1 year but but not later than 2 years	1,628	35,119	122	284
More than 2 years but not later than 5 years	4,110	1,244	148	5
	<u>43,621</u>	<u>45,711</u>	<u>547</u>	<u>568</u>

24 LONG TERM LIABILITIES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Club members' deposits (Note a) Retention sum	16,961	17,720	-	-
- property development projects	25,372	26,013	-	-
Rental deposits	298	298	-	-
Other payable	4,551	4,905	-	-
Deferred cash consideration for acquisition of subsidiary companies	7,250	-	-	-
Amount owing to subsidiary companies (Note b)	-	-	1,319,175	1,105,572
Amount owing to an associated company (Note c)	47,932	36,031	-	-
	<u>102,364</u>	<u>84,967</u>	<u>1,319,175</u>	<u>1,105,572</u>

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

(b) The amounts owing to certain subsidiary companies which are interest bearing, except for an amount of RM65,080,000 (2022 : RM65,064,000) which is non-interest bearing, have been classified as long term liabilities as these subsidiary companies have formally notified the Company that these amounts are not payable within the next 12 months.

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24 LONG TERM LIABILITIES (CONT'D)

- (c) The amount owing to an associated company by a foreign subsidiary company is unsecured and non-interest bearing. The portion repayable within 12 months from the reporting date is included in payables as disclosed in Note 28.

25 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS)

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

Group 2023		Funded RM'000	Unfunded RM'000	Total RM'000
Current	- retirement benefit obligations	-	85	85
Non-current	- retirement benefit assets	(38,082)	-	(38,082)
	- retirement benefit obligations	439	3,702	4,141
		(37,643)	3,702	(33,941)
		(37,643)	3,787	(33,856)
2022				
Current	- retirement benefit obligations	-	98	98
Non-current	- retirement benefit assets	(25,294)	-	(25,294)
	- retirement benefit obligations	455	5,449	5,904
		(24,839)	5,449	(19,390)
		(24,839)	5,547	(19,292)

(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	
	2023 RM'000	2022 RM'000
At beginning of financial year	(24,839)	(9,319)
Recognised in statement of profit or loss	(474)	(19)
Recognised in statement of other comprehensive income	(8,742)	(14,848)
Employer's contribution	(878)	(1,187)
Exchange differences	(2,710)	534
At end of financial year	(37,643)	(24,839)

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25 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (CONT'D)

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

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

	Group	
	2023 RM'000	2022 RM'000
Presented after appropriate offsetting as follows:		
Retirement benefit assets	(38,082)	(25,294)
Retirement benefit liabilities	439	455
	(37,643)	(24,839)

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

	Group	
	2023 RM'000	2022 RM'000
Present value of the obligation	50,927	54,516
Fair value of plan assets	(88,570)	(79,355)
Surplus over plan assets	(37,643)	(24,839)

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

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	54,516	80,955
Current service cost and interest cost	2,113	1,570
Actuarial gain	(7,672)	(20,491)
Benefits paid by the plan	(3,988)	(1,467)
Exchange differences	5,958	(6,051)
At end of financial year	50,927	54,516

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

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	79,355	90,274
Interest income	2,587	1,589
Return/(deficit) on plan assets	1,070	(5,643)
Employer's contribution	878	1,187
Benefits paid by the plan	(3,988)	(1,467)
Exchange differences	8,668	(6,585)
At end of financial year	88,570	79,355

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

25 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (CONT'D)

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

The plan assets consist of the following:

	Group	
	2023 RM'000	2022 RM'000
Equity instruments	69,025	58,402
Fixed income assets	19,307	20,732
Cash in bank	238	221
	88,570	79,355

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	
	2023 RM'000	2022 RM'000
Current and past service costs (net of gains on settlements) recognised in employee benefit expenses (Note 38)	484	152
Net interest income	(958)	(171)
Retirement benefits recognised in profit or loss	(474)	(19)

Recognised in the statements of comprehensive income:

	Group	
	2023 RM'000	2022 RM'000
Remeasurement gain/(loss) arising from:		
Actuarial changes in financial assumptions	11,274	21,531
Actuarial changes in demographic assumptions	573	108
Return/(deficit) on plan assets	1,070	(5,643)
Experience adjustments arising from defined benefit obligations	(4,175)	(1,148)
Actuarial gain recognised in other comprehensive income	8,742	14,848
Deferred tax liabilities	(2,186)	(3,712)
	6,556	11,136

The current service and net interest (income)/costs are charged to profit or loss and presented as part of the employee benefit expenses and interest income or finance costs respectively.

The amounts recognised in other comprehensive income were included within items that would not be subsequently reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

25 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (CONT'D)

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

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

	Group	
	2023	2022
Discount rate	<u>5.30% - 6.22%</u>	<u>3.80% - 6.71%</u>

Sensitivity analysis for retirement benefit obligation

Should the discount rate decrease by 0.50% (2022: 0.25%) with all other variables held constant, the retirement benefit obligation liabilities would increase by 6.50% (2022: 4.1%).

(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	
	2023 RM'000	2022 RM'000
At beginning of financial year	5,547	5,220
Recognised in profit or loss	(421)	640
Benefits paid by the plans	(538)	(313)
Actuarial gain recognised in other comprehensive income	(801)	-
At end of financial year	<u>3,787</u>	<u>5,547</u>
Analysed as follows:		
Current	85	98
Non-current	3,702	5,449
	<u>3,787</u>	<u>5,547</u>

The amounts recognised in the statement of financial position are determined based on the present value of unfunded defined benefit obligations.

The amounts recognised in profit or loss are as follows:

	Group	
	2023 RM'000	2022 RM'000
Current service cost (Note 38)	253	346
Gain on settlement	(887)	-
Interest cost (Note 35)	213	294
Retirement benefits recognised in profit or loss	<u>(421)</u>	<u>640</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

25 RETIREMENT BENEFIT OBLIGATIONS/(ASSETS) (CONT'D)

(b) Unfunded Defined Benefit Plans (Cont'd)

	Group	
	2023	2022
Principal actuarial assumptions to determine benefit obligations:		
Discount rate in Malaysia (%)	5.70	4.20
Expected rate of salary increase (%)	5.00	5.00

A quantitative sensitivity analysis of the change in the rate is shown below:

	Increase / (decrease)		Impact on unfunded defined benefit obligations	
	2023	2022	2023	2022
	%	%	RM'000	RM'000
Discount rate	1	1	(474)	(749)
Future salary increase	1	1	580	983
Discount rate	(1)	(1)	559	902
Future salary decrease	(1)	(1)	(499)	(824)

The duration of the unfunded defined benefit obligations as at 30 June 2023 is between 7 and 14 (2022 : 8 and 15) years.

26 DERIVATIVE LIABILITY

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-hedging derivatives				
Derivative liability				
Current				
Put Option	-	(595)	-	(595)

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

NOTES TO THE FINANCIAL STATEMENTS

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27 DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2023 RM'000	2022 RM'000
At beginning of financial year	923,497	916,717
Recognised in profit or loss (Note 39)	(25,999)	4,083
Recognised in other comprehensive income	2,186	3,712
Arising from acquisition of subsidiary companies	2,715	-
Exchange differences	(248)	(1,015)
At end of financial year	<u>902,151</u>	<u>923,497</u>
Presented after appropriate offsetting as follows:		
Deferred tax assets	(92,862)	(72,576)
Deferred tax liabilities	<u>995,013</u>	<u>996,073</u>
	<u>902,151</u>	<u>923,497</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

27 DEFERRED TAX (ASSETS)/LIABILITIES (CONTD)

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 /Intangible assets RM'000	Undistributed		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
			profits of an associated company RM'000	profits of an associated company RM'000						
At 1 July 2022	138,581	838,332	822	11,321	1,062	9,298	44,563	3,654	1,047,633	
Recognised in profit or loss Arising from acquisition of subsidiary companies	1,674	-	422	496	(615)	(999)	(877)	(1,341)	(1,240)	
Exchange differences	(1,084)	2,715	-	-	-	-	-	-	2,715	
	139,171	841,247	1,244	(1,523)	3,199	(30)	(1,276)	(1,276)	(514)	
Less: Set-off of deferred tax assets At 30 June 2023			1,244	10,294	3,646	8,299	43,656	1,037	1,048,594	
									(53,581)	
									995,013	
At 1 July 2021	138,132	839,214	1,099	10,395	4,607	9,134	44,191	5,348	1,052,120	
Recognised in profit or loss	(408)	-	(277)	(597)	(1,687)	164	541	(2,114)	(4,378)	
Exchange differences	857	(882)	-	1,523	(1,858)	-	(169)	420	(109)	
	138,581	838,332	822	11,321	1,062	9,298	44,563	3,654	1,047,633	
Less: Set-off of deferred tax assets At 30 June 2022									(51,560)	
									996,073	

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

27 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
Deferred Tax Assets of the Group:						
At 1 July 2022	(49,384)	(39,202)	(1,311)	(35,898)	1,659	(124,136)
Recognised in profit or loss	(28,427)	1,546	(412)	1,451	1,083	(24,759)
Recognised in other comprehensive income	-	-	-	-	2,186	2,186
Exchange differences	602	97	(94)	(397)	58	266
	(77,209)	(37,559)	(1,817)	(34,844)	4,986	(146,443)
Less: Set-off of deferred tax liabilities						53,581
At 30 June 2023						(92,862)
Deferred Tax Liabilities of the Group:						
At 1 July 2021	(53,583)	(39,557)	(507)	(39,437)	(2,319)	(135,403)
Recognised in profit or loss	4,558	654	(769)	3,539	479	8,461
Recognised in other comprehensive income	-	-	-	-	3,712	3,712
Exchange differences	(359)	(299)	(35)	-	(213)	(906)
	(49,384)	(39,202)	(1,311)	(35,898)	1,659	(124,136)
Less: Set-off of deferred tax liabilities						51,560
At 30 June 2022						(72,576)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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

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

	Group	
	2023 RM'000	2022 RM'000
Unutilised tax losses	572,063	597,199
Unabsorbed capital allowances	291,727	280,005
Investment tax allowances	105,666	105,666
Others	260,867	249,666
	<u>1,230,323</u>	<u>1,232,536</u>

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

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

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

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

	Group	
	2023 RM'000	2022 RM'000
With no expiry	20,691	20,399
Within 12 months	-	1,648
More than 12 months	551,372	575,152
	<u>572,063</u>	<u>597,199</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

28 PAYABLES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade payables	268,928	155,592	-	-
Other payables				
Other payables	253,615	279,887	1,280	1,917
Accruals	400,058	337,790	4,509	4,205
Payable for acquisition of assets	38,603	71,473	-	-
Agency deposits	39,415	39,148	-	-
Deferred cash consideration for acquisition of subsidiary companies	3,352	-	-	-
Refundable deposits received for proposed disposal of joint ventures	109,793	100,970	-	-
Refundable deposits received for disposal of investments	67,612	64,539	-	-
Refundable deposits	58,326	55,485	-	-
Amounts owing to:				
- subsidiary companies	-	-	65,247	25,667
- related companies	289,057	149,951	1,088	713
- associated companies	27,851	5,628	24,060	1,294
	1,287,682	1,104,871	96,184	33,796
Total payables at amortised cost	1,556,610	1,260,463	96,184	33,796
Other current liabilities				
Deposits	313	1,084	-	-
Deferred lease income	316	575	-	-
Pool betting duty payables	20,557	20,463	-	-
Other duties and taxes payable	98,803	97,621	-	-
Dividend payable to non-controlling interests	15,962	16,007	-	-
	135,951	135,750	-	-
Total payables	1,692,561	1,396,213	96,184	33,796

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit terms granted to the Group range from 1 to 184 (2022 : 1 to 184) days.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

28 PAYABLES (CONT'D)

(b) Other payables

Included in other payables are advances from certain directors of subsidiary companies amounting to RM2,113,000 (2022 : RM2,249,000) 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.

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

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

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

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

The amounts owing to subsidiary, related and associated companies are unsecured, repayable on demand and interest bearing except for amounts totalling RM316,908,000 and RM27,077,000 (2022 : RM155,579,000 and RM3,637,000) which are non-interest bearing in respect of the Group and the Company respectively.

29 SHORT TERM BORROWINGS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Secured:				
Amount repayable within 12 months:				
- Term loans (Note 23)	425,148	223,246	240,176	79,073
- Medium term notes (Note 23)	164,959	75,000	75,000	75,000
- Sukuk Wakalah MTNs (Note 23)	158,450	52,650	-	-
Other short term borrowings	352,586	293,419	230,337	186,587
Vehicle stocking loans	440,519	256,723	-	-
Bank overdrafts	14,221	13,210	5,333	4,731
	<u>1,555,883</u>	<u>914,248</u>	<u>550,846</u>	<u>345,391</u>
Unsecured:				
Other bank borrowings	-	54	-	-
	<u>1,555,883</u>	<u>914,302</u>	<u>550,846</u>	<u>345,391</u>
Secured:				
Hire purchase liabilities (Note 23)	37,883	9,348	277	279
	<u>1,593,766</u>	<u>923,650</u>	<u>551,123</u>	<u>345,670</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

29 SHORT TERM BORROWINGS (CONT'D)

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 1.89% to 9.75% (2022 : 1.88% to 9.45%) per annum for the Group and from 3.21% to 9.75% (2022 : 2.92% to 8.75%) per annum for the Company.

The vehicle stocking loans obtained by foreign subsidiary companies bear interest at the rate of 6.50% to 8.50% (2022 : 3.24% to 4.63%) per annum.

Approximately RM1,372,000 (2022 : RM884,000) and RM277,000 (2022 : RM279,000) included in the hire purchase liabilities of the Group and of the Company respectively represent amounts owing to a related company.

As at the reporting date, the Company had a non-compliance of a loan covenant of its secured bank borrowing, in respect of the minimum threshold of the shareholding of one of BCorp's substantial shareholders in BCorp. As a result, the non-current portion of the said bank borrowing amounting to RM139,040,000 has been reclassified to current liabilities as at 30 June 2023. An indulgence for the non-compliance was granted by the lenders to the Company subsequent to the financial year end. Upon obtaining the indulgence from the lenders, this amount is reclassified to non-current liabilities in the financial year ending 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

30 PROVISIONS

Group	Sales warranty RM'000	Restoration costs RM'000	Construction	Others RM'000	Total RM'000
			-related costs RM'000		
2023					
At beginning of financial year	224	15,066	27,329	10,290	52,909
Reversal during the financial year	(239)	(5,435)	(4,376)	(2,962)	(13,012)
Additional provision					
during the financial year	1,834	-	5,088	13,098	20,020
Utilised during the financial year	(33)	(256)	(394)	-	(683)
Acquisition of					
subsidiary companies	-	45	-	-	45
Disposal of subsidiary companies	-	(90)	-	-	(90)
Exchange differences	79	981	-	-	1,060
At end of financial year	1,865	10,311	27,647	20,426	60,249
Analysed as follows:					
Current	1,865	10,265	27,647	20,426	60,203
Non-current	-	46	-	-	46
	1,865	10,311	27,647	20,426	60,249
2022					
At beginning of financial year	473	1,735	35,581	3,186	40,975
Reversal during the financial year	(483)	-	(7,253)	-	(7,736)
Additional provision					
during the financial year	221	14,021	-	7,328	21,570
Utilised during the financial year	(4)	-	(999)	(224)	(1,227)
Exchange differences	17	(690)	-	-	(673)
At end of financial year	224	15,066	27,329	10,290	52,909

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

30 PROVISIONS (CONT'D)

Group	Sales warranty RM'000	Restoration costs RM'000	Construction	Others RM'000	Total RM'000
			-related costs RM'000		
2022					
Analysed as follows:					
Current	224	14,981	27,329	10,290	52,824
Non-current	-	85	-	-	85
	<u>224</u>	<u>15,066</u>	<u>27,329</u>	<u>10,290</u>	<u>52,909</u>

(a) Sales warranty

A foreign subsidiary company provides 3 to 12 (2022 : 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.

(c) Provision for construction-related costs

Provision for construction-related costs comprise of:

- (i) estimated final claims by contractors which have not been finalised.
- (ii) anticipated losses to be incurred for the development of low cost housing under the requirement of the Malaysian Government.
- (iii) anticipated cost to be incurred for the obligation to complete the infrastructure for development projects.

(d) Other provision

This relates to the provision of statutory contribution to be incurred for certain property development projects in accordance to the requirement of the Malaysian Government.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

31 REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers	7,239,550	6,020,098	940	940
Revenue from other sources:				
- Lease income from:				
- investment properties	24,201	19,898	-	-
- right-of-use assets	5,901	4,244	-	-
- Gross dividends				
- from a quoted subsidiary company	-	-	24,747	8,861
- from an unquoted subsidiary company	-	-	-	66,190
- from an unquoted associated company	-	-	208,091	-
- from quoted investments	-	-	2,405	1,006
- from unquoted investments	-	-	1,250	1,500
	<u>7,269,652</u>	<u>6,044,240</u>	<u>237,433</u>	<u>78,497</u>
Disaggregation of the revenue from contracts with customers:				
<u>By major goods and services:</u>				
Toto betting income	2,831,551	2,143,092	-	-
Sales of motor vehicles, charges for aftersales services, repairs and maintenance services rendered	3,092,735	3,012,563	-	-
Income from supply of goods and services from hotels, resorts and casino operations	733,080	506,232	-	-
Sale of property inventories	314,169	203,887	-	-
Income from chartered flights	14,519	1,454	-	-
Membership fees and subscriptions	70,342	68,559	-	-
Sale of lottery, voting systems, spare parts and licensing fees	161,649	60,153	-	-
Revenue from training course, examination and related fees	18,826	20,788	-	-
Management fees income	2,679	3,370	940	940
	<u>7,239,550</u>	<u>6,020,098</u>	<u>940</u>	<u>940</u>
<u>By geographical location:</u>				
Malaysia	3,416,490	2,504,706	940	940
Outside Malaysia	3,823,060	3,515,392	-	-
	<u>7,239,550</u>	<u>6,020,098</u>	<u>940</u>	<u>940</u>
<u>Timing of revenue recognition:</u>				
At a point in time	6,929,364	5,809,197	940	940
Over time	310,186	210,901	-	-
	<u>7,239,550</u>	<u>6,020,098</u>	<u>940</u>	<u>940</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

32 OTHER INCOME

Included in other income are the following:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Operating lease income, other than those relating to investment properties	17,707	14,250	11	21
Reversal of impairment loss on receivables	324	1,351	-	-
Bad debts recovered	2,150	90	-	-
Finance income - loans and receivables	7,882	6,731	-	-
Government grant	7,046	19,300	-	-
Gain on disposal of:				
- property, plant and equipment	1,085	6,776	13	-
- non-current asset classified as held for sale	502	-	-	-
Gain on lease termination	1,721	421	-	-
Gain on foreign exchange	79,291	48,603	5,626	555

33 INVESTMENT RELATED INCOME

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest income on loans and receivables:				
- fixed and other deposits	12,495	5,827	918	818
- inter-company				
- subsidiary companies	-	-	55,760	48,783
- related companies	3,137	4,514	-	6
- joint ventures	22,143	16,962	-	-
- others	1,881	968	-	-
	39,656	28,271	56,678	49,607
Dividend income				
from FVTOCI investments				
- quoted in Malaysia	4,679	2,452	-	-
- unquoted in Malaysia	1,400	1,875	-	-
Fair value gains of fair value through profit or loss investments				
- unquoted outside Malaysia	-	1,345	-	-
- quoted in Malaysia	14,133	-	-	-
Balance carried forward	59,868	33,943	56,678	49,607

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

33 INVESTMENT RELATED INCOME (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Balance brought forward	59,868	33,943	56,678	49,607
Dividend distribution from an associated company in excess of its carrying value	208,091	-	-	-
Net fair value gain on investment properties	2,700	5,475	-	-
Gain on disposal of subsidiary companies	1,925	-	17	-
Gain on disposal of:				
- investment properties	-	22,428	-	-
- associated companies	-	4,258	-	-
- land held for property development	5,027	-	-	-
Write-back of previously written off amounts owing by subsidiary companies	-	-	-	5,221
Contribution arising from waiver of loan from an associated company	-	10,799	-	-
Remeasurement gain of a former joint venture prior to its reclassification to investment in a subsidiary company	1,327	-	-	-
	<u>278,938</u>	<u>76,903</u>	<u>56,695</u>	<u>54,828</u>

34 INVESTMENT RELATED EXPENSES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Impairment losses of:				
- goodwill	-	11,755	-	-
- investments in subsidiary companies	-	-	2,551	5,070
Loss on disposal of subsidiary companies	-	-	961	168,605
Loss on disposal of partial equity interest in an associated company	3,239	-	-	-
Impairment loss on balance of proceeds from GMOC Project	99,800	197,808	-	-
Balance carried forward	<u>103,039</u>	<u>209,563</u>	<u>3,512</u>	<u>173,675</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

34 INVESTMENT RELATED EXPENSES (CONT'D)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Balance brought forward	103,039	209,563	3,512	173,675
Fair value loss of fair value through profit or loss investments quoted:				
- in Malaysia	1,648	3,419	498	998
Fair value loss on derivatives	-	35	-	35
Impairment loss on amounts owing by:				
- associated companies	4,855	6,098	-	-
- subsidiary companies	-	-	79,164	49,665
	<u>109,542</u>	<u>219,115</u>	<u>83,174</u>	<u>224,373</u>

35 FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest expense on financial liabilities at amortised cost:				
- bank and other borrowings	106,537	87,306	40,959	36,479
- hire purchase	3,597	3,172	74	71
- inter-companies				
- subsidiary companies	-	-	56,218	45,414
- related companies	2	1	-	-
- medium term notes	48,047	50,694	6,544	10,007
- Sukuk Wakalah MTNs	12,798	6,558	-	-
- lease liabilities (Note 4)	49,242	36,854	-	-
- loan related expenses	2,922	5,589	1,147	1,625
- manufacturers' vehicle stocking loans	21,004	8,114	-	-
- defined benefit plans (Note 25)	213	294	-	-
- unwinding of discount and charge out of deferred transaction costs	5,469	6,894	3,009	3,377
	<u>249,831</u>	<u>205,476</u>	<u>107,951</u>	<u>96,973</u>

NOTES TO THE FINANCIAL STATEMENTS

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36 PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
In addition to the other transactions disclosed in the financial statements, profit/(loss) before tax is stated after charging/(crediting):				
Depreciation of:				
- property, plant and equipment	106,129	99,963	446	599
- right-of-use assets	113,912	105,271	-	-
Auditors' remuneration				
- auditors of the Company				
- statutory audit	2,093	1,907	739	658
- underprovision in previous financial year	99	59	25	15
- other services	424	298	25	16
- other auditors other than Ernst & Young PLT				
- statutory audit	2,648	2,878	-	-
- under/(over) provision in previous financial year	8	(22)	-	-
- other services	635	822	-	-
Impairment loss on receivables	6,951	1,749	-	-
Receivables written off	1,346	243	-	-
Expenses relating to leases of:				
- short-term	5,492	4,702	-	-
- low-value assets	283	1,193	-	-
Contribution to National Sports Council	32,957	25,306	-	-
Property, plant and equipment written off	1,096	252	-	-
Provision for:				
- sales warranty	1,834	221	-	-
- others	13,098	7,328	-	-
Reversal of provision for:				
- sales warranty	(239)	(483)	-	-
- restoration costs	(5,435)	-	-	-
- construction cost	(4,376)	(7,253)	-	-
- others	(2,962)	-	-	-
Inventories written down	4,596	2,189	-	-
Amortisation of:				
- customer relationships	1,273	331	-	-
- computer software	1,332	1,411	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
In addition to the other transactions disclosed in the financial statements, profit/(loss) before tax is stated after charging/(crediting) (cont'd):				
Management fees payable to ultimate holding company	1,187	1,187	424	424
Loss on foreign exchange	70,567	91,252	-	-
Loss on disposal of property, plant and equipment	267	558	-	-
Direct operating expenses of investment properties *	9,161	7,177	-	-
Employee benefit expenses (Note 38)	655,229	539,509	20,505	16,720

* 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.

37 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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors of the Company:				
<u>Executive Directors</u>				
Salaries, bonuses and other emoluments	4,796	4,004	1,780	525
Defined contribution plan	734	539	223	63
Benefits-in-kind	127	65	81	32
<u>Non-Executive Directors</u>				
Fees	347	332	273	252
Other emoluments	605	586	79	45
Defined contribution plan	25	21	-	-
Benefits-in-kind	11	13	-	-
	6,645	5,560	2,436	917

NOTES TO THE FINANCIAL STATEMENTS

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38 EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages, salaries, bonuses and allowances (excluding directors' remuneration)	542,682	460,889	17,139	14,093
Social security costs and employee insurance	25,074	20,265	495	384
Retirement benefits				
- defined benefit plans (Note 25)	737	498	-	-
- defined contribution plan	44,042	36,243	2,102	1,780
Short term accumulating compensated absences	(666)	(2,185)	(97)	-
Other staff related expenses	43,360	23,799	866	463
	<u>655,229</u>	<u>539,509</u>	<u>20,505</u>	<u>16,720</u>

39 TAXATION

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Income tax:				
Malaysian income tax	163,249	107,306	4,410	4,410
Foreign tax	19,880	24,067	-	-
Under/(Over) provision in prior financial years:				
- Malaysian income tax	1,470	495	-	(96)
- Foreign tax	(1,852)	1,268	-	-
	<u>182,747</u>	<u>133,136</u>	<u>4,410</u>	<u>4,314</u>
Deferred tax (Note 27):				
Relating to origination and reversal of temporary differences	(31,375)	2,953	-	-
Effects of real property gains tax	169	2,291	-	-
Under/(Over) provision in prior financial years	5,207	(1,161)	-	-
	<u>(25,999)</u>	<u>4,083</u>	<u>-</u>	<u>-</u>
	<u>156,748</u>	<u>137,219</u>	<u>4,410</u>	<u>4,314</u>

Malaysian income tax is calculated at the Malaysian statutory income tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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

NOTES TO THE FINANCIAL STATEMENTS

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39 TAXATION (CONT'D)

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

Group	2023 RM'000	2022 RM'000
Profit/(loss) before tax	394,006	(100,296)
Tax at Malaysian statutory tax rate of 24% (2022 : 24%)	94,561	(24,072)
Effect of "Prosperity Tax"	-	14,555
Effect of different tax rates in other countries/tax regimes	(3,723)	(7,691)
Effect of income not subject to tax	(70,888)	(11,650)
Effect of income subject to real property gains tax	169	2,291
Effect of expenses not deductible for tax purposes	133,064	153,268
Effect of utilisation of previously unrecognised tax losses, unabsorbed capital allowances and unabsorbed investment tax allowances	(8,838)	(7,265)
Effect of share of associated companies' and joint ventures' results	(1,300)	3,433
Deferred tax assets not recognised in respect of current financial year tax losses, unabsorbed capital allowances and other deductible temporary differences	8,456	14,025
Deferred tax liability reversed on undistributed profits of an associated company	422	(277)
Under/(Over) provision of deferred tax in prior financial years	5,207	(1,161)
(Over)/Under provision of income tax expense in prior financial years	(382)	1,763
Taxation for the financial year	156,748	137,219
Company	2023 RM'000	2022 RM'000
Profit/(loss) before tax	72,867	(219,446)
Tax at Malaysian statutory tax rate of 24% (2022 : 24%)	17,488	(52,667)
Effect of expenses not deductible for tax purposes	48,337	80,325
Effect of income not subject to tax	(61,415)	(23,248)
Over provision of income tax in prior financial years	-	(96)
Taxation for the financial year	4,410	4,314

NOTES TO THE FINANCIAL STATEMENTS

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40 EARNINGS/(LOSS) PER SHARE

The earnings/(loss) per share is calculated as follows:

	Group	
	2023	2022
Earnings/(loss) attributable to the equity holders of the Parent (RM'000)	147,297	(242,964)
Weighted average number of ordinary shares with voting rights in issue (excluding treasury shares) ('000)	4,920,500	4,920,500
Basic earnings/(loss) per share (sen)	2.99	(4.94)

There are no potential ordinary shares outstanding as at 30 June 2023 and at 30 June 2022. As such, the fully diluted earnings/(loss) per share of the Group is equivalent to the basic earnings/(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.

41 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 such, the Company did not ascribe any values to these corporate guarantees.

42 COMMITMENTS

(a) Other Commitments

	Group	
	2023 RM'000	2022 RM'000
Capital expenditure: - approved and contracted for	24,094	89,141
Investment in a joint venture	8,000	8,000
	<u>32,094</u>	<u>97,141</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

42 COMMITMENTS (CONT'D)

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

	Group	
	2023 RM'000	2022 RM'000
Future minimum rental receivable:		
Not later than 1 year	17,400	16,365
Later than 1 year and not later than 5 years	9,236	7,472
	26,636	23,837

The Group entered into commercial property leases on its investment properties portfolio consisting of commercial and office space.

43 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;

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

43 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):

- 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 BTBSB is awaiting the decision from the Selangor State government;
- 6b. the approval for the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order, Earthworks and Infrastructure and Building Plan pertaining to the construction of the new turf club is pending as MDHS is unable to process the application until item 6a of the CP above is fulfilled; and
- 6c. the approval of the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land is pending as the application will only be tabled at the State Exco of Selangor after approvals for items 6a and 6b are obtained.

As announced on 16 August 2010, CP no. 4, 5, 6a, 6b and 6c above have yet to be fulfilled.

On 29 January 2010, the Company announced that STC and BTBSB had mutually agreed to an extension of time to 18 January 2011 to fulfil the CP in the abovementioned conditional sale and purchase agreement. This extension of time was further extended by STC to 18 January 2012. Subsequently, on 22 December 2011, the Company announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

On 13 August 2012, the Company announced that BTBSB 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, BTBSB 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 BTBSB for such extension; and
- upon signing the Supplemental Agreement, BTBSB 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, BTBSB paid a sum of RM3.0 million to extend the period for another year to 18 January 2024 to fulfil the conditions precedent below:

1. renewal of consent by Land and Mines Department (Federal) for the transfer to BTBSB 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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43 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(a) STC Proposals Proceedings (Cont'd)

On 10 November 2017, the Company announced that further to the legal proceedings instituted by the Company, BTSB and BCity (the "Applicants") in March 2016 against the (1) Selangor State Government, (2) MDHS, (3) Majlis Daerah Kuala Selangor, (4) Pengarah Pejabat Tanah & Galian Negeri Selangor, (5) Pengarah Jabatan Perancangan Bandar dan Desa Negeri Selangor, (6) Pengarah Jabatan Kerja Raya Negeri Selangor, (7) Pengarah Jabatan Alam Sekitar Negeri Selangor and (8) Pengarah Jabatan Geosains Negeri Selangor (the "Respondents") by way of an application for judicial review in the Shah Alam High Court. The Shah Alam High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

The judgement rendered on 9 November 2017 was as follows:

1. The Applicants' application against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents are dismissed with costs of RM2,000.00 awarded to the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents respectively.
2. The Applicants were allowed to proceed with the development.
3. The Applicants were required to submit the relevant documents to the relevant technical departments for comments.
4. The technical departments were directed to respond within 3 months from the receipt of these documents, and failing which would be deemed that they have no objection to these documents.
5. Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents were directed to retable the Applicants' proposal papers to relocate and construct the Selangor Turf Club before the National Physical Planning Council within 3 months after the receipt of the proposal papers from the Applicants.
6. The Applicants were directed to submit the said proposal papers within 1 month upon receipt of the fair order, failing which the Applicants shall forfeit the benefit of the order of mandamus pursuant to paragraph 5.
7. The 1st and 5th Respondents were ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation would be assessed in subsequent proceedings.

Further to the above, on 14 December 2017, the Company announced that the Selangor State Government and several other respondents ("the Appellants") had filed a Notice of Appeal to the Court of Appeal to appeal against the decision of the Shah Alam High Court made on 9 November 2017 ("Main Appeal").

The 1st and 5th Respondents had also applied to stay the ongoing proceedings in the Shah Alam High Court and the execution of the Shah Alam High Court judgement in the judicial review proceedings ("Stay of Proceedings Application"). The Applicants had applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the 1st and 5th respondents ("Extension of Time Application"). In addition, the Applicants had also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgement ("Assessment Proceedings").

The Court of Appeal had granted a stay of execution of the High Court judgement and the Assessment Proceedings pending the disposal of the Main Appeal at the Court of Appeal.

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43 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(a) STC Proposals Proceedings (Cont'd)

The hearing of the Selangor State Government's appeal at the Court of Appeal which was previously fixed on 24 October 2019 has been vacated by the Court of Appeal. The Court of Appeal would instead hear a motion by the Selangor State Government to adduce further evidence in this matter. The Court of Appeal had then fixed 22 November 2019 as case management date to fix the hearing date of the Main Appeal. On 22 November 2019, the Court of Appeal fixed the hearing date of the Main Appeal on 27 March 2020.

The hearing of the Selangor State Government's motion to adduce further evidence in the matter was dismissed by the Court of Appeal on 24 October 2019. The Appellants subsequently filed a motion for leave to appeal to the Federal Court against the decision of the Court of Appeal in dismissing the Appellants' motion to adduce further evidence (the "FC Leave Motion"). The Federal Court had fixed the hearing of the Appellants' application for leave to appeal on 13 April 2020.

The Appellants had also filed a stay application to stay the hearing of the Main Appeal pending disposal of the FC Leave Motion. This stay application is fixed for hearing on the same day as the hearing of the Main Appeal, that is on 27 March 2020. In the event that the stay was refused by the Court of Appeal, the hearing of the Main Appeal would proceed.

Due to the Movement Control Order ("MCO") coming into effect on 18 March 2020, the hearings of the FC Leave Motion and the application for stay as well as the Main Appeal were postponed to 6 July 2020 and 2 July 2020 respectively. A case management date for the Main Appeal was also fixed for 9 July 2020 by the Court of Appeal.

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

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

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

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

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43 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

(a) STC Proposals Proceedings (Cont'd)

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

At the hearing on 12 April 2023, the Federal Court has granted the Applicants leave for appeal at the Federal Court. The e-hearing date to hear the Applicants' appeal before the Federal Court ("Federal Court Appeal") has been fixed on 30 October 2023.

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

(b) GMOC Project Arbitration Proceedings

In the financial year ended 30 April 2017, the Company had announced that Berjaya (China) Great Mall Co. Ltd ("GMOC") had completed the disposal of the Berjaya (China) Great Mall Recreation Centre to Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean") for a revised total cash consideration of RMB2.039 billion (equivalent to approximately RM1.23 billion). GMOC had received the first instalment of RMB1.065 billion (equivalent to approximately RM641.28 million) and the balance cash consideration of RMB974.07 million (equivalent to approximately RM586.53 million) ("Final Instalment") was to be received by November 2017. The Final Instalment is secured by a guarantee granted by SkyOcean Holdings Group Limited, the holding company of Beijing SkyOcean and its major shareholder, Mr. Zhou Zheng ("Guarantors").

On 8 December 2017, the Company announced Beijing SkyOcean had not remitted the Final Instalment to GMOC by the appointed time. Hence, GMOC after seeking legal advice, had on 7 December 2017, issued a notice of demand to Beijing SkyOcean and the Guarantors to pay to GMOC the Final Instalment and accrued late payment interest within 3 days upon receipt of the said notice, failing which GMOC would take all relevant legal measures, including commencing legal proceeding in Hong Kong against Beijing SkyOcean and the Guarantors to protect and enforce GMOC's legitimate rights.

On 19 January 2018, the Company announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre ("HKIAC") against Beijing SkyOcean and the Guarantors ("Respondents") to seek recovery of the Final Instalment and accrued late payment interests ("Outstanding Payment") as well as other reliefs ("GMOC Project Arbitration Proceedings").

The arbitral tribunal was constituted and the procedural timetable was determined by the tribunal for pre-trial preparations, including closing of pleadings, discovery of documents and exchange of witness statements, etc. The arbitration hearing which was originally scheduled to take place in the week of 14 October 2019 was subsequently held and concluded during the week of 16 December 2019.

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43 MATERIAL LITIGATIONS AND ARBITRATION PROCEEDINGS (CONT'D)

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

On 27 May 2020, the Company announced that GMOC had on 21 May 2020 obtained a favourable arbitration award from the HKIAC ("Final Award"), details of which are as follows:-

- (i) Beijing SkyOcean shall pay to GMOC the outstanding balance amount of RMB974.07 million;
- (ii) Beijing SkyOcean shall pay liquidated damages on the outstanding balance amount calculated at the People's Bank of China's lending rate of 4.75% per annum from the payment due date of 28 November 2017 until the date full payment is made;
- (iii) The Guarantors shall be jointly and severally liable for the amounts payable by Beijing SkyOcean under the Final Award; and
- (iv) The Respondents shall jointly pay legal costs of about RMB15.9 million (equivalent to approximately RM9.72 million) and arbitration costs of about HKD3.96 million (equivalent to approximately RM2.23 million) within 30 days after issuance of the Final Award, failing which late payment interest at 8% per annum shall be charged from the due date until the date of actual payment.

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

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

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.

Due to the Covid-19 situation in China previously, the abovementioned recognition and enforcement proceedings had been delayed and are still ongoing at this juncture.

44 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 had filed an official appeal against the additional assessment for YA2017 through submission of the prescribed Form Q to the Special Commissioners of Income Tax ("SCIT"). SCIT has fixed the trial on 25 March 2024 and 26 March 2024.

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44 CONTINGENT LIABILITIES (CONT'D)

Amat Muhibah Tax Dispute (Cont'd)

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

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

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

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

On 8 August 2022, IRB informed the High Court that it had filed an application to intervene ("IRB Application to Intervene"). At a hearing on 2 February 2023, the High Court had allowed IRB Application to Intervene.

On 11 October 2022, the Attorney General Chambers informed the High Court that it had filed an appeal at the Court of Appeal against the High Court's decision to grant leave for the MOF Judicial Review ("AGC Appeal").

The Court of Appeal has fixed a case management on 13 February 2023 in regards to AGC Appeal. On 13 February 2023, the Court of Appeal has fixed a further case management date on 27 March 2023 for the Applicants to update the Court of Appeal on the status of the Notes of Proceedings. At the case management on 27 March 2023, MOF requested for more time to file Notes of Proceedings. The Court of Appeal then fixed case management on 26 July 2023 for both parties to update the status. In regards to the MOF Judicial Review, the High Court had fixed a further case management on 27 July 2023 to update the High Court on the status of the AGC Appeal.

At 26 July 2023, the Court of Appeal allowed MOF's request to consolidate the AGC Appeal with 22 other appeals. At the next case management held on 19 September 2023, the Court of Appeal has instructed both parties to file agreed issues or separate issues to be tried and fixed the next case management on 25 October 2023.

Following this, the High Court fixed a further case management on 31 October 2023 to update the High Court on the status of the AGC Appeal.

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

NOTES TO THE FINANCIAL STATEMENTS

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45 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	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Rental of premises and related services from:					
- Singer (Malaysia) Sdn Bhd	b	(485)	(485)	-	-
- Inter-Pacific Securities Sdn Bhd	a	(665)	(647)	-	-
- Berjaya Higher Education Sdn Bhd	a	(1,968)	(2,373)	-	-
Rental of premises and related services from:					
- Sun Media Corporation Sdn Bhd	b	(399)	(399)	-	-
- 7-Eleven Malaysia Sdn Bhd	b	(1,874)	(2,895)	-	-
- Berjaya Starbucks Coffee Company Sdn Bhd	a	(1,585)	(1,454)	-	-
- U Mobile Sdn Bhd ("UMSB")	b	(1,511)	(1,569)	-	-
- BerjayaCity Sdn Bhd	a	(1,010)	(3,195)	-	-
Provision of security guard services to:					
- subsidiary companies of BCorp	a	(296)	(407)	-	-
- subsidiary companies of Berjaya Food Berhad	a	(456)	(398)	-	-
- Singer (Malaysia) Sdn Bhd	b	(195)	(197)	-	-
Supply of computerised lottery systems and related services as well as receipt of licensing fee and support fee from:					
- Berjaya Gia Think Investment Technology Joint Stock Company	a	(34,946)	(29,232)	-	-
- Natural Avenue Sdn Bhd ("NASB")	c	(732)	(710)	-	-
Construction work and management services billings from:					
- Berjaya Times Square Sdn Bhd ("BTSSB")	c	(11,357)	-	-	-
Rental of premises to:					
- BTSSB	c	139	153	-	-
- Ambilan Imej Sdn Bhd	a	3,250	3,250	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

45 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Procurement of Toto betting rolls, slips and other printing services from: - Berjaya Paper Trading Sdn Bhd	b	8,123	10,153	-	-
Share registration services rendered by Berjaya Registration Services Sdn Bhd	a	396	342	49	48
Advertising and publishing services charged by Sun Media Corporation Sdn Bhd	b	1,115	1,047	88	71
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	b	3,844	3,574	2,331	2,146

Nature of Relationships

- (a) Related companies/member companies of BCorp Group other than subsidiary companies of the Company.
- (b) Companies in which Tan Sri Dato' Seri Vincent Tan Chee Yioun ("Tan Sri Vincent Tan") is a major shareholder. Tan Sri Vincent Tan is the father of Dato' Sri Robin Tan Yeong Ching, the Deputy Chairman and Chryseis Tan Sheik Ling ("CTSL") and the father-on-law of Tan Tee Ming ("TTM"). Both CTSL and TTM are the Executive Directors of the Company.
- (c) Subsidiary companies of BAssets. BCorp and Tan Sri Vincent Tan are major shareholders of BAssets. CTSL is an Executive Director of BAssets.

As at the reporting date, a foreign subsidiary company had deposit placements amounting to RM167,243,000 (2022 : RM111,088,000) with a foreign asset management firm of which a director of the foreign subsidiary company has an interest.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

45 SIGNIFICANT RELATED PARTY DISCLOSURES (CONT'D)

The compensation of the key management personnel of the Group and of the Company are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short-term benefits	28,040	23,045	2,213	854
Post-employment benefits	4,320	3,355	223	63
	<u>32,360</u>	<u>26,400</u>	<u>2,436</u>	<u>917</u>

46 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, 1967 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 and hire purchase payables.

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

30 JUNE 2023

46 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments:

Revenue	2023			2022		
	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	2,993,209	-	2,993,209	2,203,245	-	2,203,245
Motor vehicle dealership	3,092,735	-	3,092,735	3,012,563	-	3,012,563
Property development and property investment	338,646	10,454	349,100	227,227	22,852	250,079
Hotels and resorts	716,662	9,771	726,433	491,419	3,175	494,594
Club, recreation and others	128,400	14,955	143,355	109,786	14,536	124,322
Inter-segment eliminations	-	(35,180)	(35,180)	-	(40,563)	(40,563)
	<u>7,269,652</u>	<u>-</u>	<u>7,269,652</u>	<u>6,044,240</u>	<u>-</u>	<u>6,044,240</u>

Inter-segment revenue are eliminated on consolidation.

Results

	2023 RM'000	2022 RM'000
Toto betting and related activities	338,304	250,426
Motor vehicle dealership	73,330	106,992
Property development and property investment	81,225	(7,005)
Hotels and resorts	(31,007)	(38,724)
Club, recreation and others	12,568	4,062
Segment results	<u>474,420</u>	<u>315,751</u>
Unallocated corporate expenses	<u>(5,394)</u>	<u>(54,054)</u>
	469,026	261,697
Investment related income (Note 33)		
- toto betting and related activities	29,677	11,740
- property development and property investment	11,967	29,606
- hotels and resorts	301	4,601
- club, recreation and others	4,215	1,035
- unallocated	<u>232,778</u>	<u>29,921</u>
	278,938	76,903
Investment related expenses (Note 34)		
- toto betting and related activities	(314)	(751)
- property development and property investment	(99,808)	(197,824)
- hotels and resorts	(80)	(159)
- club, recreation and others	-	(11,755)
- unallocated	<u>(9,340)</u>	<u>(8,626)</u>
	(109,542)	(219,115)
Finance costs	638,422	119,485
Share of results of associated companies	(249,831)	(205,476)
Share of results of joint ventures	9,375	(8,988)
	<u>(3,960)</u>	<u>(5,317)</u>
Profit/(loss) before tax	394,006	(100,296)
Taxation	(156,748)	(137,219)
Profit/(loss) for the financial year	<u>237,258</u>	<u>(237,515)</u>
Non-controlling interests	<u>(89,961)</u>	<u>(5,449)</u>
Profit/(loss) attributable to owners of the Parent	<u>147,297</u>	<u>(242,964)</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

46 SEGMENTAL INFORMATION (CONT'D)

(a) Business Segments (Cont'd):

Assets and Liabilities	2023		2022	
	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Toto betting and related activities	3,778,821	247,671	3,749,073	210,280
Motor vehicle dealership	1,940,410	799,214	1,462,021	656,458
Property development and property investment	3,758,280	710,909	3,581,569	708,186
Hotels and resorts	3,189,321	1,736,668	2,633,997	1,193,623
Club, recreation and others	690,406	757,481	804,681	824,460
Inter-segment eliminations	(1,079,804)	(918,932)	(970,268)	(925,662)
Segment assets/liabilities	12,277,434	3,333,011	11,261,073	2,667,345
Investment in associated companies	325,189	-	311,872	-
Investment in joint ventures	32,839	-	41,193	-
Assets classified as held for sale	183,726	-	188,968	-
Unallocated corporate assets/liabilities	1,692,462	5,194,948	1,287,908	4,764,345
Consolidated assets/liabilities	14,511,650	8,527,959	13,091,014	7,431,690

Inter-segment assets and liabilities are eliminated on consolidation.

Other Information	2023			2022		
	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	10,541	15,584	160	21,177	14,498	120
Motor vehicle dealership	182,450	53,050	5,989	128,966	53,030	2,308
Property development and property investment	11,492	16,230	1,835	4,273	15,941	43
Hotels and resorts	547,515	122,941	983	28,431	107,241	959
Club, recreation and others	8,416	22,403	5,018	2,629	21,206	811
Unallocated	15,327	1,757	4,859	2,637	1,565	6,290
	775,741	231,965	18,844	188,113	213,481	10,531

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

	2023 RM'000	2022 RM'000
Property development and property investment	99,800	197,808
Club, recreation and others	-	11,755
Unallocated	4,855	6,098
	104,655	215,661

(b) Geographical Locations:

	2023			2022		
	Revenue RM'000	Segment assets RM'000	Capital expenditure RM'000	Revenue RM'000	Segment assets RM'000	Capital expenditure RM'000
Malaysia	3,446,592	7,140,625	40,259	2,528,848	7,034,310	31,340
Outside Malaysia	3,823,060	5,136,809	735,482	3,515,392	4,226,763	156,773
	7,269,652	12,277,434	775,741	6,044,240	11,261,073	188,113

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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

47 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 2023	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Investment properties	-	-	689,575	689,575
2022				
Investment properties	-	-	685,822	685,822

- (ii) Description of valuation techniques used and key inputs to valuation on non financial assets

Comparison method

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

Investment properties valued using the comparison method with significant adjustments made for differences such as location, size, condition, accessibility and design ("adjustment factors") are categorised as Level 3 in the fair value hierarchy. The significant unobservable inputs for this category of investment properties, which are the adjustment factors, range generally between -61% and 35% (2022 : -61% and 15%) of the respective properties' comparables.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

47 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	
	2023 RM'000	2022 RM'000
At beginning of financial year	685,822	704,115
Disposal during the financial year	-	(23,000)
Net fair value adjustments (Notes 33)	2,700	5,475
Exchange differences	1,053	(768)
At end of financial year	689,575	685,822

(b) Financial instruments that are measured at fair value

The table below analyses the financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy:

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2023				
<u>Financial assets</u>				
Investments	231,395	-	55,068	286,463
Short term investments	-	8,251	-	8,251
<hr/>				
2022				
<u>Financial assets</u>				
Investments	120,044	-	48,790	168,834
Short term investments	-	8,727	-	8,727
<hr/>				
<u>Financial liability</u>				
Derivative liability	-	595	-	595
<hr/>				

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

47 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):

Company	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2023				
<u>Financial assets</u>				
Investments	83,361	-	14,182	97,543
2022				
<u>Financial assets</u>				
Investments	57,058	-	5,958	57,058
<u>Financial liability</u>				
Derivative liability	-	595	-	595

The Level 3 investments consist certain equity securities inside and outside Malaysia of which their market values are not quoted in an active market. The fair values of unquoted equity securities inside Malaysia are determined to be the Group's and the Company's share of the net assets or estimated through discounted cashflows analysis of the respective investees.

Fair value reconciliation of financial assets - investments measured at Level 3

2023	Group RM'000	Company RM'000
At beginning of financial year	48,790	5,958
Additions during the financial year	285	-
Net fair value changes through other comprehensive income	3,189	8,224
Exchange differences	2,804	-
At end of financial year	55,068	14,182

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

47 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 (cont'd)

2022	Group RM'000	Company RM'000
At beginning of financial year	58,802	5,958
Additions during the financial year	274	-
Net fair value changes through other comprehensive income	2,871	-
Conversion of non-redeemable convertible loans to ordinary shares	(9,745)	-
Exchange differences	(3,412)	-
At end of financial year	<u>48,790</u>	<u>5,958</u>

48 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:

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Financial assets</u>					
<u>Fair value through other comprehensive income</u>					
Investments	10	286,463	167,186	97,543	62,517
<u>Fair value through profit or loss</u>					
Investments	10	-	1,648	-	499
Short term investments	15	8,251	8,727	-	-
		8,251	10,375	-	499
<u>At amortised cost</u>					
Receivables	13	1,673,875	1,683,695	1,235,236	1,107,472
Deposits	16	486,268	453,081	25,572	36,826
Cash and bank balances	17	577,304	370,983	30,342	6,434
		2,737,447	2,507,759	1,291,150	1,150,732
Total financial assets		<u>3,032,161</u>	<u>2,685,320</u>	<u>1,388,693</u>	<u>1,213,748</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

48 FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Financial liabilities</u>					
<u>Fair value through profit or loss</u>					
Derivative liabilities	26	-	595	-	595
<u>At amortised cost</u>					
Long term borrowings	23	1,996,088	2,434,931	329,662	657,208
Long term liabilities	24	102,364	84,967	1,319,175	1,105,572
Lease liabilities	4	1,462,662	978,258	-	-
Payables	28	1,556,610	1,260,463	96,184	33,796
Short term borrowings	29	1,593,766	923,650	551,123	345,670
		6,711,490	5,682,269	2,296,144	2,142,246
Total financial liabilities		6,711,490	5,682,864	2,296,144	2,142,841

(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 47.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

48 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values (Cont'd)

- (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	28
Short term borrowings	29
Long term borrowings	23
Long term liabilities	24

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.

49 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(i) Interest Rate Risk (Cont'd)

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio to mitigate the impact of interest rate risk. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculation purposes.

All of the Group's and the Company's financial assets and liabilities at floating rates are contractually re-priced at intervals of less than 6 months (2022 : 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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
<u>Fixed rate instruments</u>				
Financial assets	1,005,242	895,573	25,572	36,826
Financial liabilities	1,406,658	1,400,773	150,547	225,568
<u>Floating rate instruments</u>				
Financial assets	242,029	174,315	1,077,631	1,156,050
Financial liabilities	2,183,196	1,957,808	2,048,581	1,842,783

Fair value sensitivity analysis for fixed rate instruments

The Group does not measure any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for floating rate instruments

An increase or a decrease 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 RM4,853,000 (2022 : RM4,459,000), and the profit/(loss) before tax of the Company to be lower/higher by RM2,427,000 (2022 : RM1,717,000) respectively, assuming that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates.

The Group operates internationally and is exposed to various currencies, mainly United States Dollar ("USD"), Euro ("EUR"), Seychelles Rupees ("SCR"), Singapore Dollar ("SGD"), Vietnam Dong ("VND"), Thai Baht ("THB"), Icelandair Króna ("ISK") and Japanese Yen ("JPY").

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located.

The significant unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

Functional Currency of Subsidiaries	Financial Assets/Liabilities Held in Non- Functional Currencies			
	Eur RM'000	USD RM'000	JPY RM'000	Total RM'000
<u>Receivables</u>				
RM	-	257,769	-	257,769
SGD	-	-	1,734	1,734
ISK	53	-	-	53
At 30 June 2023	53	257,769	1,734	259,556
RM	-	236,927	-	236,927
SGD	-	-	1,747	1,747
ISK	52	-	-	52
At 30 June 2022	52	236,927	1,747	238,726
<u>Cash and bank balances and deposits</u>				
SGD	-	763	46,760	47,523
RM	9	5,687	-	5,696
ISK	81	567	5	653
At 30 June 2023	90	7,017	46,765	53,872
SGD	-	47	27,439	27,486
RM	9	6,208	-	6,217
ISK	68	273	5	346
At 30 June 2022	77	6,528	27,444	34,049

NOTES TO THE FINANCIAL STATEMENTS

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49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(ii) Foreign Currency Risk (Cont'd)

Functional Currency of Subsidiaries (cont'd)	Financial Assets/Liabilities Held in Non- Functional Currencies			
	EUR RM'000	USD RM'000	JPY RM'000	Total RM'000
<u>Payables</u>				
RM	-	105,354	-	105,354
SGD	-	-	7,460	7,460
ISK	408	1,018	-	1,426
At 30 June 2023	408	106,372	7,460	114,240
RM	-	101,397	-	101,397
SGD	-	-	6,964	6,964
ISK	395	966	-	1,361
At 30 June 2022	395	102,363	6,964	109,722
<u>Borrowings</u>				
SGD	-	-	124,609	124,609
RM	-	41,586	-	41,586
ISK	258,482	-	-	258,482
At 30 June 2023	258,482	41,586	124,609	424,677
SGD	-	-	119,837	119,837
RM	-	52,029	-	52,029
ISK	244,371	-	-	244,371
At 30 June 2022	244,371	52,029	119,837	416,237

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit/(loss) before tax to a reasonably possible change in the USD, EUR, SGD, JPY and ISK exchange rates against the respective major functional currencies of the Group entities, with all other variables remaining constant:

Group		2023 RM'000	2022 RM'000
<u>Decrease/(increase) to profit/(loss) before tax</u>			
USD/RM	- strengthened 5% (2022 : 5%)	5,826	4,485
	- weakened 5% (2022 : 5%)	(5,826)	(4,485)
JPY/SGD	- strengthened 5% (2022 : 5%)	(4,179)	(4,881)
	- weakened 5% (2022 : 5%)	4,179	4,881
EUR/ISK	- strengthened 5% (2022 : 5%)	(12,938)	(12,235)
	- weakened 5% (2022 : 5%)	12,938	12,235

The impact of sensitivity analysis of the rest of the foreign currencies is not material to the Group.

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49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk (Cont'd)

(iii) Market Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of quoted investments.

The Group is exposed to market price risk arising from its investments in quoted instruments. The quoted instruments in Malaysia are listed on Bursa Malaysia and other foreign stock exchanges. These instruments are designated as fair value through other comprehensive income or fair value through profit or loss financial assets. The Group does not have exposure to commodity price risk. To manage its market price risk arising from investments in quoted instruments, the Group diversifies and manages its portfolio in accordance with established guidelines and policies. As the exposure to market price risk is not expected to be material, the sensitivity analysis has not been presented.

(b) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to the shortage of funds.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funds so as to ensure that refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

NOTES TO THE FINANCIAL STATEMENTS

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49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity Risk (Cont'd)

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
2023				
Trade and other payables	1,556,610	-	-	1,556,610
Hire purchase liabilities	40,085	6,032	-	46,117
Long term liabilities	-	88,345	19,310	107,655
Lease liabilities	113,687	365,807	1,161,956	1,641,450
Loans and borrowings	1,704,880	1,550,386	796,047	4,051,313
	3,415,262	2,010,570	1,977,313	7,403,145
	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2022				
Trade and other payables	1,260,463	-	-	1,260,463
Hire purchase liabilities	11,962	38,461	-	50,423
Long term liabilities	-	68,533	24,471	93,004
Lease liabilities	94,674	308,532	718,572	1,121,778
Derivative liability	595	-	-	595
Loans and borrowings	1,039,844	1,860,795	825,804	3,726,443
	2,407,538	2,276,321	1,568,847	6,252,706

NOTES TO THE FINANCIAL STATEMENTS

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49 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 Company	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2023				
Other payables	96,184	-	-	96,184
Hire purchase liabilities	343	335	-	678
Long term liabilities	-	1,434,252	-	1,434,252
Loans and borrowings	556,685	331,355	-	888,040
	653,212	1,765,942	-	2,419,154
	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
2022				
Other payables	33,796	-	-	33,796
Hire purchase liabilities	345	358	-	703
Derivative liability	595	-	-	595
Long term liabilities	-	1,180,644	-	1,180,644
Loans and borrowings	349,303	647,945	13,704	1,010,952
	384,039	1,828,947	13,704	2,226,690

The Company has granted corporate guarantees to certain financial institutions for credit facilities granted to its subsidiary companies. The maximum amount that is required to be settled in the event of a default is RM825,185,000 (2022: RM916,703,000).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(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.

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 RM825,185,000 (2022: RM916,703,000) 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	2023		2022	
	RM'000	%	RM'000	%
Toto betting and related activities	191,266	48	159,731	48
Motor vehicle dealerships	82,752	21	57,461	17
Property development and property investment	50,589	13	50,325	15
Hotels and resorts	56,559	13	49,250	14
Club, recreation and others	20,075	5	19,053	6
	<u>401,241</u>	<u>100</u>	<u>335,820</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

50 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 2023 and 30 June 2022.

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 and hire purchase liabilities. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

The gearing ratios as at 30 June 2023 and 30 June 2022 were as follows:

		Group	
	Note	2023 RM'000	2022 RM'000
Short term borrowings	29	1,593,766	923,650
Long term borrowings	23	1,996,088	2,434,931
Total debt		<u>3,589,854</u>	<u>3,358,581</u>
Total equity		<u>5,983,691</u>	<u>5,659,324</u>
Gearing ratio (%)		<u>60</u>	<u>59</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

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51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
Subsidiary Companies				
(a) Subsidiaries of Berjaya Land Berhad ("BLand")				
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	51	100
* Agensi Pekerjaan Berjaya HR Sdn Bhd (formerly known as Berjaya HR Sdn Bhd)	Malaysia	Provision of recruitment services of foreign workers being expatriate of professional and skilled workers	100	-
* Bahan Cendana Sdn Bhd	Malaysia	Property investment	100	100
* Berjaya Air Capital (Cayman) Limited	Cayman Islands	Dormant	100	100
* Berjaya Enamelware Sdn Bhd	Malaysia	Under liquidation	100	100
Berjaya Construction Berhad	Malaysia	Building contractors, civil engineering and the development of public works	90	100
* Berjaya Fukuoka Development (S) Pte Ltd	Singapore	Investment holding	100	100
* Berjaya Guard Services Sdn Bhd	Malaysia	Provision of security services	100	100
^a Berjaya Hartanah Berhad	Malaysia	Property development and investment and operator of golf and recreation club	72.65	72.65

^a Additional 27.35% being held by Berjaya Vacation Club Berhad and remains a wholly-owned subsidiary of the Group.

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51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
* Berjaya Holiday Cruise Sdn Bhd	Malaysia	Dormant	86.36	86.36
Berjaya Hotels & Resorts Vietnam Sdn Bhd	Malaysia	Investment holding	100	100
* Berjaya Iceland Sdn Bhd	Malaysia	Investment holding	100	-
Berjaya Jet Charter Sdn Bhd	Malaysia	Provision of jet charter services	100	100
* Berjaya Kawat Industries Sdn Bhd	Malaysia	Property investment and rental of properties	100	100
Berjaya Land (Labuan) Limited	Malaysia	Investment holding	100	100
Berjaya Leasing (Labuan) Limited	Malaysia	Provision of aircraft leasing services and undertaking of offshore financial related business	100	100
* 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	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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
Berjaya Property Management Sdn Bhd	Malaysia	Investment holding	100	100
* Berjaya Property Ireland Limited	Ireland	Investment holding	100	100
<i>b</i> * Berjaya Racing Management Sdn Bhd	Malaysia	Dormant	60	60
* Berjaya Reykjavik Investment Limited	Ireland	Investment holding	100	100
* Berjaya Rail Sdn Bhd (formerly known as Berjaya Theme Park Management Sdn Bhd)	Malaysia	Construction of railways, subways and the development of Transit Oriented Properties	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	Ceased operations	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

b Additional 20% being held by Sports Toto Berhad.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
* Flexiwang Sdn Bhd	Malaysia	Under liquidation	100	100
Gateway Benefit Sdn Bhd	Malaysia	Investment holding	100	100
* Gemilang Cergas Sdn Bhd	Malaysia	Ceased operations	100	100
Immediate Capital Sdn Bhd	Malaysia	Investment holding	100	100
* Junjung Delima Sdn Bhd	Malaysia	Investment holding	100	100
Klasik Mewah Sdn Bhd	Malaysia	Property investment	100	100
Kota Raya Development Sdn Bhd	Malaysia	Investment and rental of property	100	100
* Berjaya Japan Developments Berhad (formerly known as Leisure World Sdn Bhd)	Malaysia	Investment holding	100	100
* Marvel Fresh Sdn Bhd	Malaysia	Trading of goods	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	Under liquidation	100	100
* One Network Hotel Management Sdn Bhd	Malaysia	Resort operator and passenger charter flight services provider	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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(a) Subsidiaries of Berjaya Land Berhad (Cont'd)				
<i>c</i> * Regnis Industries (Malaysia) Sdn Bhd	Malaysia	Investment and rental of property	57.12	57.12
Rumah Mampu Berjaya Sdn Bhd	Malaysia	Struck-off	-	100
Sports Toto Berhad	Malaysia	Investment holding	41.06	40.75
Securiservices Sdn Bhd	Malaysia	Property development	100	100
* Semakin Sinar Sdn Bhd	Malaysia	Struck-off	-	51
* Semangat Cergas Sdn Bhd	Malaysia	Property development	100	100
* Stephens Properties Plantations Sdn Bhd	Malaysia	Investment holding	100	100
* Taaras Spa Sdn Bhd	Malaysia	Ceased operations	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				
* Berjaya Hakkoda Resort Development Godo Kaisha	Japan	Hotel and ski resort operation	100	100
* Berjaya Japan Kabushiki Kaisha	Japan	Operations of real estate	100	100

c Additional 30% being held by B.L. Capital Sdn Bhd.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(c) Subsidiaries of Berjaya Hartanah Berhad				
* Alam Baiduri Sdn Bhd	Malaysia	Property development and investment	100	100
Berjaya Land Development Sdn Bhd	Malaysia	Property development, project management and investment holding	100	100
* Berjaya Okinawa FS Sdn Bhd	Malaysia	Property investment, development, trading and construction.	100	100
Berjaya Tagar Sdn Bhd	Malaysia	Property development, project management and investment holding	100	100
BGRB Venture Sdn Bhd	Malaysia	Investment holding	100	100
* Bukit Jalil Golf Club Sdn Bhd	Malaysia	Operations of golf club and property development	100	100
(i) Subsidiaries of Berjaya Land Development Sdn Bhd				
* Indra Ehsan Sdn Bhd	Malaysia	Property development and inactive	100	100
* Kim Rim Enterprise Sdn Bhd	Malaysia	Property development, ceased operations	100	100
Sri Panglima Sdn Bhd	Malaysia	Property development and provision of property management and maintenance services	100	100
(d) Subsidiaries of Berjaya Leisure (Cayman) Limited				
* Berjaya (China) Great Mall Co Ltd	People's Republic of China	Ceased operations	51	51

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(d) Subsidiaries of Berjaya Leisure (Cayman) Limited (Cont'd)				
# 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 Mount Royal Beach Hotel Limited	Sri Lanka	Owner and operator of hotel	92.60	92.60
* BHR (Cayman) Limited	Cayman Islands	Property investment and investment holding	100	100
* Mahameru Consultancy d.o.o. Visoko	Bosnia and Herzegovina	Property investment	100	100
# Natural Gain Investments Limited	Hong Kong	Dormant, under deregistration process	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. Ceased operations as franchisor and licensors for computer training centres and examination facilitators	89.65	67.42
(i) Subsidiaries of Informatics Education Limited				
# Informatics Academy Pte Ltd	Singapore	Dormant	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(e) Subsidiary of Berjaya Leisure Capital (Cayman) Limited (Cont'd)				
(i) Subsidiaries of Informatics Education Limited (cont'd)				
* Informatics Computer Education Sdn Bhd	Malaysia	Struck-off	-	100
* Informatics Education (HK) Ltd	Hong Kong	Computer education and training	-	100
* Informatics Education UK Ltd	United Kingdom	Investment holding	-	100
# Informatics Global Campus Pte Ltd	Singapore	Struck-off	-	100
d # NCC Education Limited	United Kingdom	Educational and business management consultancy	-	50.7
(ii) Subsidiaries of Informatics Education UK Ltd				
* NCC Education (Beijing) Consulting Co., Ltd	People's Republic of China	Consultancy	-	100
* NCC Education (M) Sdn Bhd	Malaysia	Marketing and consultancy	-	100
(f) Subsidiaries of Berjaya Myanmar Holdings Sdn Bhd				
* Berjaya HT Eco Company Limited	Myanmar	Ceased operations	90	90
* BDS Smart City Co. Ltd	Myanmar	Ceased operations	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 Investment Godo Kaisha	Japan	Investment holding	100	100

d Additional 49.30% being held by Informatics Education UK Ltd.

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51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(h) Subsidiaries of Berjaya Okinawa Investment (S) Pte Ltd (Cont'd)				
* 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				
e * Berjaya Hotels Iceland hf (formerly known as Icelandair Hotels hf)	Iceland	Lease and hotel operator	89.82	89.82
(i) Subsidiaries of Berjaya Hotels Iceland hf (formerly known as Icelandair Hotels hf)				
* Asgardur hf	Iceland	Hotel and real estate assets	80	80
* Hljomalindarreitur ehf	Iceland	Hotel and real estate assets	100	100
* GE11 ehf	Iceland	Leasehold real estate	100	100
(j) 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 operation of parking services for motor vehicles	100	100
(k) Subsidiaries of Sports Toto Berhad				
FEAB Equities Sdn Bhd	Malaysia	Struck-off	-	100
FEAB Land Sdn Bhd	Malaysia	Property development and property investment	100	100

e Additional 10.18% being held by Berjaya Reykjavik Investment Limited.

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51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(k) Subsidiaries of Sports Toto Berhad (Cont'd)				
FEAB Properties Sdn Bhd	Malaysia	Property investment and investment holding	100	100
Magna Mahsuri Sdn Bhd	Malaysia	Property investment and investment holding	100	100
STM Lottery Sdn Bhd	Malaysia	Toto betting operations	100	100
STM Resort Sdn Bhd	Malaysia	Property investment	100	100
* Sports Toto Fitness Sdn Bhd	Malaysia	Dormant	100	100
(i) 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, under liquidation	100	100
Sports Toto Computer Sdn Bhd	Malaysia	Computer consultancy services	100	100
Sports Toto Products Sdn Bhd	Malaysia	Dormant, under liquidation	100	100
(ii) Subsidiary of Berjaya Sports Toto (Cayman) Limited				
# Berjaya Lottery Management (HK) Limited	Hong Kong	Investment holding	100	100
(iii) Subsidiaries of Berjaya Lottery Management (HK) Limited				
<i>f</i> * 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

f Additional 14.06% being held by Berjaya Sports Toto (Cayman) Limited.

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30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(k) Subsidiaries of Sports Toto Berhad (Cont'd)				
(iv) Subsidiaries of Berjaya Philippines Inc. ("BPI")				
* eDoc Holdings Limited	United Kingdom	Dormant	100	100
* Floridablanca Enviro Corporation	Philippines	Service business of protecting and cleaning the environment	100	100
* H.R. Owen Plc	United Kingdom	Investment holding	100	100
* Perdana Hotel Philippines Inc.	Philippines	Operation of a hotel in the Philippines	100	100
(v) Subsidiaries of H.R. Owen Plc				
* Bradshaw Webb (Chelsea) Limited	United Kingdom	Dormant	100	100
* Bodytechnics Limited	United Kingdom	Maintenance and repair of motor vehicles	100	100
* Broughtons of Cheltenham Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
* Heathrow Limited	United Kingdom	Dormant, under striking off process	100	100
* Holland Park Limited	United Kingdom	Dormant	100	100
* H.R. Owen Servicing and Repairs Limited (formerly known as Joe Macari Servicing Limited)	United Kingdom	Provision of aftersales services	100	-
* H.R. Owen Dealerships Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100

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51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(k) Subsidiaries of Sports Toto Berhad (Cont'd)				
(v) Subsidiaries of H.R. Owen Plc (cont'd)				
* HR Owen Insurance Services Limited	United Kingdom	Provision of insurance agent and broker services	95	95
* H.R. Owen Investments Limited	United Kingdom	Dormant, under striking-off process	100	100
* H.R. Owen Leasing Limited	United Kingdom	Dissolved	-	100
* H.R. Owen Motor Dealerships Limited	United Kingdom	Dissolved	-	100
* H.R. Owen Motor Properties Limited	United Kingdom	Dissolved	-	100
* H.R. Owen Vehicle Leasing Company Limited	United Kingdom	Dissolved	-	100
* Hatfield 6939 Limited	United Kingdom	Property investment	100	100
* Jack Barclay Limited	United Kingdom	Motor retailing and provision of aftersales services	100	100
* J M Developments (UK) Limited	United Kingdom	Dormant	100	-
* London Lotus Centre Limited	United Kingdom	Dissolved	-	100
* Malaya Dealerships Limited	United Kingdom	Dormant, under striking-off process	100	100
<i>g</i> * Netprofit.com Limited ("Netprofit")	United Kingdom	Dissolved	-	100

g H.R. Owen Plc and Bradshaw Webb (Chelsea) Limited each holds 50% equity interest in Netprofit in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(k) Subsidiaries of Sports Toto Berhad (Cont'd)				
(v) 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
(vi) 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
(l) Subsidiaries of Berjaya Vacation Club Berhad ("BVC")				
* ANSA Hotels & Resorts Sdn Bhd	Malaysia	Dormant	100	100
* Asia Jet Sdn Bhd	Malaysia	Provision of business aviation charter management services	100	-
Berjaya Air Sdn Bhd	Malaysia	Provision of aviation services	100	100
* Berjaya Beau Vallon Bay (Cayman) Limited	Cayman Islands	Investment holding	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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(I) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)				
* Berjaya Hotel & Resorts A/S	Greenland	Struck-off	-	100
# Berjaya Hotels and Resorts (HK) Limited	Hong Kong	Investment holding	60	60
* Berjaya Hotels & Resorts (M) Sdn Bhd	Malaysia	Provision of management services, booking centre and marketing agent	100	100
# Berjaya International Casino Management (HK) Limited	Hong Kong	Investment holding	100	100
Berjaya Langkawi Beach Resort Sdn Bhd	Malaysia	Resort operator	100	100
* Berjaya Praslin Beach (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Vacation Club (Cayman) Limited	Cayman Islands	Investment holding	100	100
* Berjaya Vacation Club (Philippines) Inc.	Philippines	Dormant	100	100
* Berjaya Vacation Club (S) Pte Ltd	Singapore	Vacation time sharing	100	100
BTS Hotel Sdn Bhd	Malaysia	Owner of hotel	100	100
Bukit Kiara Resort Berhad	Malaysia	Promotion of equine activities and to carry on business as a proprietor of commercial recreation and health resort	100	100
Georgetown City Hotel Sdn Bhd	Malaysia	Hotel operator	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(l) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)				
* Berjaya Pictures Sdn Bhd	Malaysia	Consultancy in hotel related industry and to carry on business as film maker, production house and related activities	100	100
Indah Corporation Berhad	Malaysia	Investment holding, operator of golf resort and property development	100	100
KDE Recreation Berhad	Malaysia	Provide recreation facilities to members	90	90
* Redang Village Resort Sdn Bhd	Malaysia	Dormant	99.99	51
* Redang Development Sdn Bhd	Malaysia	Airport development, property development, hotel and resort operation	100	100
Sinar Merdu Sdn Bhd	Malaysia	Investment and rental of property	100	100
Staffield Country Resort Berhad	Malaysia	Property development, golf and recreation club operator	80	80
The Taaras Beach & Spa Resort (Redang) Sdn Bhd	Malaysia	Hotel and resort operation	99.80	99.80
* The Taaras Luxury Group Sdn Bhd	Malaysia	Dormant	100	100
* Tioman Pearl Sdn Bhd	Malaysia	Hotel and resort operation	70	70
* Tioman Travel & Tours Sdn Bhd	Malaysia	Property investment	100	100
(i) Subsidiary of Berjaya Air Sdn Bhd				
* Berjaya Air Cargo Sdn Bhd	Malaysia	Struck-off	-	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(I) Subsidiaries of Berjaya Vacation Club Berhad (Cont'd)				
(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) Subsidiary of Berjaya Praslin Beach (Cayman) Limited				
* Berjaya Praslin Limited	Republic of Seychelles	Operation of hotel resort in Seychelles	100	100
(iv) Subsidiary of Berjaya Vacation Club (Cayman) Limited				
* Berjaya Vacation Club (UK) Limited	United Kingdom	Hoteliers and hotel management	100	100
(v) 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
(vi) Subsidiary of KDE Recreation Berhad				
* Infinity Worth Creation Sdn Bhd	Malaysia	Dormant	100	100
(vii) Subsidiary of Redang Development Sdn Bhd				
* Redang Infra Sdn Bhd	Malaysia	Airport development and hotel and resort operation	100	100
(viii) Subsidiary of Sinar Merdu Sdn Bhd				
* ANSA Hotel KL Sdn Bhd	Malaysia	Hotel operations and letting of properties	100	100
(ix) Subsidiary of The Taaras Beach & Spa Resort (Redang) Sdn Bhd				
* Redang Island Golf and Country Club Berhad	Malaysia	Dormant	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(m) Subsidiary of Cerah Tropika Sdn Bhd				
* Penstate Corp. Sdn Bhd	Malaysia	Property development	100	100
(n) Subsidiary of Kota Raya Development Sdn Bhd				
* Kota Raya Complex Management Sdn Bhd	Malaysia	Ceased operations	100	100
(o) Subsidiary of Noble Circle (M) Sdn Bhd				
* Noble Circle Management Sdn Bhd	Malaysia	Under liquidation	100	100
(p) Subsidiary of Nural Enterprise Sdn Bhd				
* Aras Klasik Sdn Bhd	Malaysia	Ceased operations	100	100
(q) 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 operator	100	100
(r) Subsidiary of Wisma Stephens Management Co Sdn Bhd				
* Wujud Jaya Sdn Bhd	Malaysia	Dormant	100	100

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
(s) Subsidiaries of Berjaya Construction Berhad				
* Mantra Design Sdn Bhd	Malaysia	Provision of interior design and consultancy services for land and building development projects	51	51
* Seikou Okinawa Construction Co. Ltd	Japan	Provision of civil works and construction services	100	100
Associated Companies				
Aces Property Management Sdn Bhd	Malaysia	Property development and management of real estate	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 vehicles within the territory of the Philippines	28.28	28.28
Berjaya Auto Asia Inc.	Philippines	Selling and distribution of vehicles within the territory of the Philippines	19.98	19.98
<i>h</i> Berjaya Assets Berhad	Malaysia	Investment holding	9.21	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

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 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
Associated Companies (Cont'd)				
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 Qhazanah Sdn Bhd	Malaysia	Real estate	50	-
Berjaya Qhazanah Sabah Sdn Bhd	Malaysia	Real estate	50	-
Berjaya Vietnam Financial Center Limited	Socialist Republic of Vietnam	Property development and investment	32.50	32.50
Cashsystems Asia Technology Sdn Bhd	Malaysia	Dissolved	-	30
Centreplus Sdn Bhd	Malaysia	Property investment	30	30
Chailease Berjaya Finance Corporation	Philippines	Provision of hire purchase and loan financing services	25	25
Cosway Philippines Inc.	Philippines	Dormant, under striking-off process	40	40
Endaya Berjaya Sdn Bhd	Malaysia	Construction of utility and other civil engineering projects	50	-
Inter-Capital Holdings Pte Ltd	Singapore	Investment holding	50	50
Nubaru Tochi Kanri Godo Kaisya	Japan	Investment holding	33	33

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
Associated Companies (Cont'd)				
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
Rafflesia Airways Sdn Bhd	Malaysia	Provision of scheduled and chartered air services, ground handling services and carrier and transportation	50	-
Resort Cruises (S) Pte Ltd	Singapore	Dormant	49	49
Singapore Institute of Advanced Medicine Holdings Pte Ltd	Singapore	Provision of medical laboratory services, clinic and other general medical services, sale of pharmaceuticals, surgical and consumables	22.42	22.42
Ssangyong Berjaya Motor Philippines Inc.	Philippines	Selling and distribution of Ssangyong brand vehicles within the territory of the Philippines	21.67	21.67
Tioman Ferry Services Sdn Bhd	Malaysia	Dormant	20	20
Joint Ventures				
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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023

51 LIST OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONT'D)

Name of Company	Country of Incorporation	Principal Activities	Equity Interest Held	
			2023 %	2022 %
Joint Ventures (Cont'd)				
<i>i</i> Asia Jet Sdn Bhd	Malaysia	Provision of business aviation charter management services	-	68.73
Landasan Lumayan Berjaya Sdn Bhd	Malaysia	River cleaning and property development	55	55
Pasdec Cempaka Sdn Bhd	Malaysia	Property development and investment	51	51

i Asia Jet Sdn Bhd became a wholly owned subsidiary of BVC during the financial year.

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 2023 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 94 to 263.

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 2023, 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD

(Incorporated in Malaysia)

Key audit matters (Cont'd)

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Key audit matters in respect of audit of the financial statements of the Group

1. 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 33% and 24% of the non-current assets and total assets of the Group as at 30 June 2023 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.

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)

1. Impairment assessment of gaming rights with indefinite useful life (Cont'd)

Our procedures to address this area of focus included, amongst others, the following:

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amount of the CGU;
- evaluated, with the involvement of our internal valuation experts, the appropriateness of the methodology and approach applied, and considered whether they are commonly used in the industry;
- evaluated the basis of preparing the cash flow forecasts taking into consideration management's historical budgeting accuracy;
- evaluated whether key assumptions which comprised the revenue growth rate and payout ratio and the terminal growth rate were reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth in which the CGU operates;
- assessed, with the involvement of our internal valuation experts, whether the rate used in discounting the future cash flows to its present value was appropriate. This included an assessment of the specific inputs to the discount rate, including the risk-free rate, equity risk premium and beta, along with gearing and cost of debt. Such inputs were benchmarked against equivalent data of peer companies; and
- analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions to the recoverable amount.

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.

2. 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 43(b) to the financial statements.)

As disclosed in Note 43(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.

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)

2. Recoverability of debts due from the purchaser of the Berjaya (China) Great Mall Co. Ltd. development project (Cont'd)

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 RM626.4 million), liquidated damages on the outstanding balance and arbitration costs. However, the Group has faced certain challenges in recovering the debt amidst the Covid-19 pandemic and has recognised an impairment of RMB165 million (approximately RM99.8 million) for the year ended 30 June 2023 using a weighted probability method. Currently the enforcement proceedings are still ongoing.

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 auditors in performing the procedures included below:

- interviewed the directors and management to understand the basis of their conclusion in respect of the 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 enforcement proceedings and the basis of their opinion on the outcome of this process;
- assessed and considered the reasonableness of the judgements and assumptions applied in the impairment assessment prepared by management; and
- obtained information on the property market in China and from the outcome of the court proceedings to corroborate the estimates made by management.

We have also reviewed and assessed the completeness and accuracy of the Group's disclosures pertaining to the said Arbitration Proceedings as disclosed in Note 2.5(a)(ii) and Note 43(b) to the financial statements.

3. 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 31 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 RM2.83 billion from Toto betting operations, which accounted for 38.9% of the Group's revenue. The related cost of sales from Toto betting operations was RM2.30 billion, which accounted for 42.6% of the Group's 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)

3. Toto betting revenue and related cost of sales (Cont'd)

The amounts recognised for revenue and cost of sales from Toto betting operations is a key audit matter because the amounts recognised are significant to the financial statements, and they involve large volume of transactions which are processed by the Group's information technology system.

In addressing this area of focus, we involved the component auditors in performing the procedures below:

- obtained an understanding of the relevant internal controls over the process of recording of revenue and cost of sales;
- evaluated the operating effectiveness of automated controls over revenue and cost of sales processes by involving our internal experts in testing the operating effectiveness of the automated controls over the revenue and cost of sales processes. We also tested the accuracy of interface between the sales terminal system and the betting operating system, and related calculation of prize payment in the financial information system;
- evaluated the effectiveness of the non-automated controls in place to ensure accuracy of revenue and cost of sales recognised, including the timely posting of revenue and cost of sales to the general ledger in the financial information system;
- evaluated transactions recorded close to the financial year end, including draw sales after financial year end, to establish whether those transactions were recorded in the correct accounting period; and
- performed reconciliation of cash receipts to revenue recorded in the financial statements.

We have also reviewed and assessed the adequacy of the Group's disclosure relating to revenue and cost of sales.

4. 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 47(a) to the financial statements.)

As at 30 June 2023, the carrying amount of investment properties amounted to RM689.6 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.

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)

4. Valuation of investment properties (Cont'd)

Our procedures to address this area of focus include, amongst others, the following:

- assessed the objectivity, independence, reputation, experience and expertise of the independent valuers;
- obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry; and
- evaluated the appropriateness of the data used by the independent valuers as input into their valuations. We interviewed the external valuers, discussed and challenged the significant estimates and assumptions applied in their valuation process.

We have also reviewed and assessed the adequacy of the Group's disclosures relating to investment properties.

Key audit matters in respect of audit of the financial statements of the Company

1. 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 2023, the carrying amount of the investment in subsidiary companies of the Company amounted to RM3.66 billion, representing 86% and 70% 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 either the estimated VIU or the fair value less cost to sell of the respective CGU, whichever is higher.

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:

Recoverable amounts based on VIU

- obtained an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the CGUs;
- 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;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD

(Incorporated in Malaysia)

Key audit matters in respect of audit of the financial statements of the Company (Cont'd)

1. Impairment assessment of investment in subsidiary companies (Cont'd)

Our procedures to address this area of focus included, amongst others, the following (Cont'd):

Recoverable amounts based on VIU (Cont'd)

- evaluated the basis of preparing the cash flow forecasts taking into consideration the assessment of management's historical budgeting accuracy;
- evaluated whether key assumptions which comprise the revenue growth rates, gross margins, payout ratio, terminal growth rates, inflation rates are reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth in the respective country 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 or equivalent data for peer companies;
- analysed the sensitivity of the key assumptions by assessing the impact of changes in the key assumptions to the recoverable amount; and
- reviewed the procedures performed by the component auditors in assessing and challenging the VIU.

Recoverable amounts based on fair value less cost to sell

- 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD

(Incorporated in Malaysia)

Information other than the financial statements and auditors' report thereon (Cont'd)

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.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD

(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

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;
- 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BERJAYA LAND BERHAD

(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

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.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 51 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
25 October 2023

NG KIM LING
No. 03236/04/2024 J
Chartered Accountant

LIST OF MAJOR PROPERTIES

AS AT 30 JUNE 2023

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Lot 28 (GRN 20366) Lot 403 (GRN 20428) Lot 728 (GRN 18054) Seksyen 2, Bandar Georgetown Daerah Timor Laut Pulau Pinang	Freehold	28.14 acres	Land for mixed development	N/A	31.03.2014	362,410
Smidjustigur 4 (Reg.No. 200-4476) Hverfisgata 26 (Reg.No. 200-4428) Hverfisgata 28 (Reg.No. 200-433) Hverfisgata 30 (Reg.No. 200-6423) Hverfisgata 32 (Reg.No. 200-4438) Hverfisgata 34 (Reg.No. 200-4446) Reykjavik, Iceland (Canopy by Hilton Reykjavik City Centre)	Freehold	6,909 sq m	Hotel (112 guest rooms)	7 years 84 years 118 years 7 years 7 years 7 years	03.04.2020	336,661
479 parcels of land at Onna-Son Okinawa Island, Japan	Freehold	129,981 sq m	Land held for development	N/A	Since 15.07.2009	319,647
Lot 352 Seksyen 20 Bandar Kuantan District of Kuantan Pahang Darul Makmur	Freehold	5.46 acres	Shopping mall for rental	25 years	05.02.1991	233,740
Plot 5000A Hatfield Business Park Hatfield AL10 9WN United Kingdom	Freehold	5.4 acres	Headquarter office, multi-brand showrooms, sales and aftersales centres	1 year	23.12.2020	172,127
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	20 years	06.01.1998	166,387
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	20 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	20 years	01.07.2008	166,387
B-35-013, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	624 sq ft	1 unit of service suite	20 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	20 years	10.02.2010	166,387
B44-04, Tower B Berjaya Times Square No. 1 Jalan Imbi Kuala Lumpur	Freehold	3,821 sq ft	Penthouse	20 years	08.05.2012	

LIST OF MAJOR PROPERTIES

AS AT 30 JUNE 2023

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
HS(D) 52466-68 PT 4625-27 HS(D) 52471-75 PT 4630-34 Mukim Sungai Tinggi Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	871.1 acres	Land for mixed development	N/A	31.03.2017	161,672
GM 3 Lot 128, GM 4 Lot 129, GM 126 Lot 3, Lot 213 Geran 6440 Lot 4 Geran 6615 and Lot 558	Freehold	662.21 acres	Beach resort and land for resort development (189 guest rooms and a villa)	>27 years	Since year 1990	111,850
GM PN 1339 Lot 212	Leasehold 60 years expiring on 06.05.2070				25.09.1991	
GM PN 1384 Lot 5	Leasehold 60 years expiring on 16.02.2067				25.09.1991	
Lot 50000 Lot 50001 Lot 50002 Lot 705	} Leasehold } 60 years } expiring in } year 2070				Year 2010	
Lot 239, 240-242 PT 925, 926, 927 PT 928, 929 Teluk Dalam and Teluk Siang Pulau Redang Terengganu Darul Iman	} Leasehold } 60 years } expiring in } year 2051 } }				16.10.1993	
HS(D) 4/94, PT 278	Leasehold expiring on 30.04.2069	85.83 acres	Beach resort (424 guest rooms/ chalets)	30 years	27.05.1994	103,266
HS(D) 1017, PT 140	Leasehold expiring on 29.03.2070				30.03.2010	
HS(D) 1018, PT 141 Mukim Padang Matsirat Daerah Langkawi Pulau Langkawi Kedah Darul Aman	Leasehold expiring on 29.03.2070				30.03.2010	
Geran No. 29726 Lot 1261, Seksyen 67 Daerah Kuala Lumpur (Plaza Berjaya, 12 Jalan Imbi Kuala Lumpur)	Freehold	158,154 sq ft	Land with office, residential block and shopping complex for rental	37 years	27.11.1989	99,635

LIST OF MAJOR PROPERTIES

AS AT 30 JUNE 2023

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
Lot 5001 to 5005, 5006 Lot 5007 to 5020 PN 14706 to 14710 PN 14712 to 14714 PN 14721 to 14731 Daerah Rompin Bandar Tioman Pulau Tioman Pahang Darul Makmur	Leasehold 99 years expiring on 02.05.2107	205.68 acres	Land for hotel and resort operations	36 years	30.12.1985	90,189
GM931 Lot 57 GM841 Lot 58. Geran 26066 Lot 1 Geran 26067 Lot 2 GM 1772 Lot 49 Seksyen 94B Mukim Kuala Lumpur	Freehold	387,920 sq ft	Vacant development land	N/A	03.05.2012	87,806
Lot No. 72 to 78 Persiaran Jesselton Selatan Pulau Pinang	Freehold	51,418 sq ft	7 units of bungalow lots for sale	N/A	31.03.2014	78,913
Lot No. 108, 113, 120 to 127 Leboh Jesselton Selatan 2 Pulau Pinang	Freehold	76,693 sq ft	10 units of bungalow lots for sale	N/A	31.03.2014	77,542
Lot PT 4805, 4806 HS(D) 81319, 81320 Mukim Petaling Kuala Lumpur	Freehold	163.67 acres	Club house and golf course	> 31 years	05.09.1991	77,542
10 parcels of land at Uruma-shi Okinawa Island, Japan	Freehold	57,479 sq m	Land with hotel building (123 guest rooms)	29 years	30.03.2017	75,210
Lot 100080, Geirsgata 11 Reykjavik, Iceland	Leasehold 60 years expiring on 31.12.2037	4,805 sq m	Land with warehouse	N/A	14.11.2019	68,123
Title Reg No 215-1892 Pingvallastraeti 23, Akureyri (Berjaya Akureyri Hotel)	Freehold	3,566 sq m	Hotel (99 guest rooms)	54 years	03.04.2020	67,197
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	20 years	06.01.1998	65,556
HSD 14866, PT 18998 Mukim and Daerah of Bentong Pahang Darul Makmur	Freehold	168.08 acres	Vacant development land	N/A	12.03.2021	64,926
Reykjahlid (Reg.No. 216-3143) Reykjahlid (Reg.No. 216-3499) Reykjahlid (Reg.No. 216-3458) Reykjahlid (Reg.No. 2163161-2) Reykjahlid (Reg.No. 216-3462) Reykjahlid (Reg.No. 216-3466) Reykjahlid (Reg.No. 216-3467) (Berjaya Myvatn Hotel)	Freehold	3,963 sq m	Hotel (59 guest rooms)	75 years 112 years 60 years 81 years 72 years 46 years 46 years	03.04.2020	62,721

LIST OF MAJOR PROPERTIES AS AT 30 JUNE 2023

Location	Tenure	Size	Description	Estimated Age of Building	Date of Acquisition	Net carrying amount RM'000
7835 Makati Avenue Corner Eduque Street Makati City, Philippines 1209	Freehold	586 sq m	Hotel (223 guest rooms)	22 years	04.12.2009	52,463
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	20 years	06.01.1998	50,408
HS(D) 11814, Lot 11527 Lots 1 to 8, Lots 49 to 55 Taman Tun Abdul Razak Ampang, Selangor Darul Ehsan	Freehold	351,903 sq ft	Land held for development	N/A	22.12.1990	50,182

Note:

The Group does not adopt a policy of regular revaluation of its properties except for investment properties which are stated at fair value.

MATERIAL CONTRACTS

Other than as disclosed in Notes 13, 28, 33, 34, 35, 36, 37, 38 and 45 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 2023 amounted to RM1,059,000.

GROUP ADDRESSES

BERJAYA HOTELS & RESORTS

Corporate Office

Level 15 West
Berjaya Times Square Hotel Kuala Lumpur
No. 1, Jalan Imbi
55100 Kuala Lumpur, Malaysia
Tel : +603 2142 9611
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
Email : tioman.rsvn@berjayahotel.com
Website : www.berjayahotel.com/tioman

Berjaya Langkawi Resort

Karong Berkunci 200
Burau Bay
07000 Langkawi
Kedah Darul Aman
Tel : +604 959 1888
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
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
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
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
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
Email : reservation@redangislandresort.com
Website : www.redangislandresort.com

ACES Hotel Kuala Lumpur

Level 5, Kota Raya Complex
10, Jalan Tun Tan Cheng Lock
50050 Kuala Lumpur
Tel : +603 2022 2808
Email : customerservice@aceshotels.com
Website : www.aceshotels.com

OVERSEAS HOTELS & RESORTS

Berjaya Beau Vallon Bay Resort & Casino – Seychelles

P.O. Box 550, Victoria
Mahe, Seychelles
Tel : +248 4 287 287
Email : mahe.inquiry@berjayahotel.com
Website : www.berjayahotel.com/mahe

Berjaya Praslin Resort – Seychelles

Anse Volbert, Praslin, Seychelles
Tel : +248 4 286 286
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
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 9610/4
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
Email : reservations.hanoi@sheraton.com
Website : www.sheratonhanoi.com

Four Seasons Hotel and Hotel Residences Kyoto – Japan

445-3 Myohoin Maekawa-Cho
Higashiyama-Ku
Kyoto 605-0932
Japan
Tel : +81 75 541 8288
Website : www.fourseasons.com/kyoto

Berjaya Hakkoda Ski Resort – Japan

1-58 Kansuizawa Arakawa
Aomori-shi, Aomori
030-0111, Japan
Tel : +81 17 738 2233
Email : hakkouda-resort@adagio.ocn.ne.jp
Website : www.hakkouda-resort.jp

ANSA Okinawa Resort – Japan

1468 Yamashiro, Ishikawa
Uruma, Okinawa, Japan, 904-1113
Tel : +81 098 963 0123
Fax : +81 098 963 0111
Email : aor.rsvn@ansahotels.com
Website : www.ansahotels.com/okinawa

Berjaya Makati Hotel – Philippines

7835, Makati Avenue, Corner Eduque
Street, Makati City, Philippines 1209
Tel : +632 7750 7500
Email : manila.inquiry@berjayahotel.com
Website : www.berjayahotel.com/makati

GROUP ADDRESSES

Iceland Hotel Collection by Berjaya

Berjaya Reykjavík Natura Hotel

Nauthólsvegur 52
102 Reykjavík, Iceland
Tel : +354 444 4500
Email : natura@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/reykjavik-natura

Berjaya Reykjavík Marina Hotel

Mýrargata 2
101 Reykjavík, Iceland
Tel : +354 560 8000
Email : marina@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/reykjavik-marina

Hilton Reykjavík Nordica

Suðurlandsbraut 2
108 Reykjavík, Iceland
Tel : +354 444 5000
Email : hilton.reception@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/hilton-reykjavik-nordica

Canopy by Hilton Reykjavík City Centre

Smiðjustígur 4
101 Reykjavík, Iceland
Tel : +354 528 7000
Email : canopy@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/canopy-reykjavik

Reykjavík Konsúlat Hotel, Curio

Collection by Hilton
Hafnarstraeti 17-19
101 Reykjavík, Iceland
Tel : +354 514 6800
Email : konsul@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/reykjavik-konsulat-hotel

Iceland Parliament Hotel, Curio

Collection by Hilton
Thorvaldsenstraeti 2-6,
101 Reykjavík, Iceland
Tel : +354 513 3000
Email : parliament@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/iceland-parliament-hotel

Alda Hotel Reykjavík

Laugavegur 66-68
101 Reykjavík, Iceland
Tel : +354 553 9366
Email : aldahotel@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/reykjavik/hotel-alda-reykjavik

Berjaya Akureyri Hotel

Pingvallastræti 23
600 Akureyri, Iceland
Tel : +354 518 1000
Email : akureyri@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/north/akureyri-hotel

Hotel Edda Akureyri

Porunnarstræti 90
600 Akureyri, Iceland
Tel : +354 444 4900
Email : reservations@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/north/akureyri

Berjaya Hérað Hotel

Miðvangur 1-7
700 Egilsstaðir, Iceland
Tel : +354 471 1500
Email : herad@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/east/herad-hotel

Hotel Edda Egilsstaðir

Tjarnarbraut 25
700 Egilsstaðir, Iceland
Tel : +354 444 4880
Email : reservations@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/east/egilsstadir

Berjaya Mývatn Hotel

Reynihlíð
660 Mývatn, Iceland
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Email : myvatn@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/north/myvatn-hotel

Berjaya Höfn Hotel

Ránarslóð 3
780 Höfn, Iceland
Tel : +354 444 4850
Email : reservations@icehotels.is
Website : www.icelandhotelcollectionbyberjaya.com/en/hotels/south/hofn

CLUBS & RECREATION

Tioman Island Golf Club, Pahang

P.O. Box 4
86807 Mersing
Johor Darul Takzim
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Email : tioman.golfclub@berjahotel.com

Bukit Banang Golf & Country Club, Johor

No. 1, Persiaran Gemilang
Bandar Banang Jaya
83000 Batu Pahat
Johor Darul Takzim
Website : www.berjayaclubs.com/banang/
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/+6018 222 1919
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, Ampang Jaya
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Selangor Darul Ehsan
Tel : +603 4257 2333
Email : kde@berjayaclubs.com

GROUP ADDRESSES

VACATION TIMESHARE & TRAVEL

Berjaya Vacation Club Berhad – Kuala Lumpur

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179, Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : +603 2116 9999
Fax : +603 2141 9288/2148 6879
Email : bvc@berjaya.com.my

Berjaya Air Sdn Bhd

Berjaya Hangar
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : +603 7847 1338
Fax : +603 7842 2038
Email : enquiry@berjaya-air.com
Website : www.berjaya-air.com

Asia Jet Sdn Bhd

Lot M6 & M7, Mezzanine Floor,
Skypark Terminal
Sultan Abdul Aziz Shah Airport
47200 Subang
Selangor Darul Ehsan, Malaysia
Tel : +603 7845 1888
Email : inquiry@asiajet.com.my
Website : www.asiajet.com.my

PROPERTY INVESTMENT & DEVELOPMENT

Main Office:

Level 12 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : +603 2149 1999/2142 8028
Fax : +603 2143 2028
Email : property@berjaya.com.my

Vietnam Office:

Berjaya – D2D Co., Ltd
6th Floor, Bao Viet Tower
233 Dong Khoi Street
Ben Nghe Ward, District 1
Ho Chi Minh City
Socialist Republic of Vietnam
Tel : +84 28 3521 0038 (General)
+84 28 3521 0001 (Marketing)
Fax : +84 28 3521 0039

Berjaya – Handico12 Co., Ltd.

The Pavilion
Hanoi Garden City
Thach Ban New Urban Area
Thach Ban Ward
Long Bien District, Ha Noi City
Socialist Republic of Vietnam
Tel : +84 24 3652 6666
Fax : +84 24 3652 6668

Property Management:

Level 12 (East Wing)
Berjaya Times Square
No.1, Jalan Imbi
55100 Kuala Lumpur
Tel : +603 2149 1591/92
Fax : +603 2148 8028
Email : propmgmt@berjaya.com.my

Property Addresses:

Indah UPC Shops
3½ Miles, Jalan Klang Lama
58000 Kuala Lumpur

Kelang Lama New Business Centre

Gemilang Indah Apartments
Jalan 2/110A
Batu 3½, Jalan Klang Lama
58200 Kuala Lumpur

Pines Condominiums

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

GROUP ADDRESSES

PROPERTY INVESTMENT & DEVELOPMENT (continued)

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 : +65 6227 3688
Fax : +65 6225 4966

Berjaya Property Gallery (Bukit Jalil)

Lot 36471
Jalan Jalil Perkasa 7, Bukit Jalil,
57100, Kuala Lumpur
Tel : +603 8994 4866

COMPLEXES

Berjaya Megamall, Pahang

Lot 3-18, 3rd Floor
Sri Dagangan Kuantan
Business Centre, Jalan Tun Ismail
25000 Kuantan
Pahang Darul Makmur
Tel : +609 508 8188

Plaza Berjaya, Kuala Lumpur

Lot 2.05, 2nd Floor
Podium Block Plaza Berjaya
No. 12, Jalan Imbi
55100 Kuala Lumpur
Tel : +603 2141 2818

Kota Raya Complex, Kuala Lumpur

Lot 3.16A, Level 3
Kota Raya Complex
Jalan Tun Tan Cheng Lock
50000 Kuala Lumpur
Tel : +603 2072 2562

GAMING & LOTTERY MANAGEMENT

STM Lottery Sdn Bhd

Lot 13-01, Level 13 (East Wing)
Berjaya Times Square
No. 1 Jalan Imbi
55100 Kuala Lumpur
Tel : +603 2148 9888
Fax : +603 2141 9581
Email : webmaster@sportstoto.com.my
Website : www.sportstoto.com.my

International Lottery & Totalizator Systems, Inc.

2310 Cousteau Court
Vista (San Diego)
California 92081 – 8346
U.S.A.
Tel : +1 760 598 1655
Fax : +1 760 598 0219
Email : mktg@ilts.com
Website : www.ilts.com

Berjaya Philippines Inc.

9th Floor, Rufino Pacific Tower
6784 Ayala Ave., cor V.A. Rufino Street
Makati City
Metro Manila, Philippines
Tel : +632 8811 0668
Fax : +632 8811 2293
Website : www.berjaya.com.ph

MOTOR RETAILER

H.R. Owen Plc

Melton Court
25-27 Old Brompton Road
London SW7 3TD
Tel : +44 20 7245 1122
Website : www.hrowen.co.uk

RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature during the financial year ended 30 June 2023

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 2023 (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	49
Berjaya Education Sdn Bhd	Receipt of education and staff training services by BLand Group	–
Berjaya Higher Education Sdn Bhd	Rental income receivable by Tiram Jaya Sdn Bhd for renting of Unit 8-5, 8th Floor, Apartment Block Plaza Berjaya, Jalan Imbi, Kuala Lumpur.	31
	Rental income receivable by NESB for renting of Unit 12.2, 12th Floor, Apartment Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	30
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 4/13, Taman Kinrara 4, Seksyen 4, Puchong, Selangor	43
	Rental income receivable by SPSB for renting of shoplot at No. 3, Jalan Kinrara 4/13, Taman Kinrara 4, Seksyen 4, Puchong, Selangor	19
	Rental income receivable by SPSB for renting of shoplot at No. 11, Jalan Kinrara 4/13, Taman Kinrara 4, Seksyen 4, Puchong, Selangor	19
Inter-Pacific Securities Sdn Bhd	Provision of security guard services by Berjaya Guard Services Sdn Bhd ("BGSSB")	98
	Rental income receivable by Nada Embun Sdn Bhd ("NEmbun") for renting of office at Lot 13-02, Level 13, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	665
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	109
Prime Credit Leasing Sdn Bhd	Receipt of leasing and hire purchase facilities by BLand Group	704
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 Nural Enterprise Sdn Bhd ("NESB") for renting of shoplots at Lots 2.03, 2.04 & 2.11, 2nd Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	85

RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature during the financial year ended 30 June 2023

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 2023 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies:- (Cont'd)		
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the various hotels and resorts in BLand Group	155
BLoyalty Sdn Bhd	Loyalty reward charges payable by BLand Group	63
Stephens Properties Sdn Bhd	Rental payable by: <ol style="list-style-type: none"> 1. BLand for renting of storage space at Lots 19D, E & F, 25B, E & F Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur 2. Berjaya Hotel & Resort (M) Sdn Bhd for renting of storage space at Lot 22F, Wisma Cosway, Jalan Raja Chulan, Kuala Lumpur 	16 3
	Provision of security guard services by BGSSB	198
E.V.A Management Sdn Bhd	Human resources management service fees payable by BLand Group	262
JL Morison (Malaya) Sdn Bhd	Purchase of consumer products by BLand Group	409
Roasters Asia Pacific (M) Sdn Bhd	Rental income receivable by Klasik Mewah Sdn Bhd ("KMSB") for renting of shoplot at Lot 3.30, Podium Block, 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	994
	Rental income or net estate income receivable by Punca Damai Sdn Bhd for renting of land at GM406 Lot 60 and GM54 Lot 61, District of Selangor and GM52 Lot 62, Mukim Batang Berjuntai, District of Batang Berjuntai, Kuala Selangor	16
Total		5,468
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiary companies:-		
Berjaya Times Square Sdn Bhd	Rental payable by: <ol style="list-style-type: none"> 1. Marvel Fresh Sdn Bhd for renting of storage space at G-37, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur 2. 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 	41 98
	Provision of general building and construction work which include site clearing, earthwork, substructure and superstructure work and project as well as construction management services for the development of service apartments and retail lots at Lot 2000, Section 52, Jalan Imbi, Kuala Lumpur by BLand Group	11,357
Berjaya Times Square Theme Park Sdn Bhd	Provision of security guard services by BGSSB	25
BTS Car Park Sdn Bhd	Parking charges paid by BLand Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur	113
Total		11,634

RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature during the financial year ended 30 June 2023

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 2023 (RM'000)
Berjaya Food Berhad and/or its unlisted subsidiary companies		
Berjaya Roasters (M) Sdn Bhd	Rental income receivable by Cempaka Properties Sdn Bhd ("CPSB") for renting of shoplot at Lot G-83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan	97
Berjaya Starbucks Coffee Company Sdn Bhd	<ol style="list-style-type: none"> 1. NESB for renting of shoplots at Lot 1.07 & 1.08, 1st Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 2. CPSB for renting of shoplot at Lot G.15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan 3. CPSB for renting of storage space at Lot S2.B, 2nd Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan 4. ANSA Hotel KL Sdn Bhd ("ANSA") for renting of premise at Lot 03, Ground Floor and storage space at Lot B-05, Basement, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur 	<p>78</p> <p>361</p> <p>4</p> <p>1,142</p>
	Provision of security guard services by BGSSB	456
Berjaya Food Trading Sdn Bhd	Purchase of bottled beverages and consumable products by BLand Group	150
Total		2,288
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, Podium Block, 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, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 6. NESB for renting office at Lots 5A, 5th Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 7. NESB for renting office at Lot 5F, 5th Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur 8. ANSA for renting of shoplot at Lot No. S.1. Sidewalk Island, 101, Jalan Bukit Bintang, Kuala Lumpur 9. Berjaya Hartanah Berhad ("BHB") for renting of shoplot at UG-1, Upper Ground Floor, Jalil Link 2, No.5, Jalan Jalil Perkasa 1, Bukit Jalil, Kuala Lumpur 	<p>156</p> <p>87</p> <p>607</p> <p>91</p> <p>328</p> <p>21</p> <p>23</p> <p>536</p> <p>25</p>
Total		1,874

RECURRENT RELATED PARTY TRANSACTIONS

of a Revenue or Trading Nature during the financial year ended 30 June 2023

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 2023 (RM'000)
Other Related Parties:-		
Sun Media Corporation Sdn Bhd ^(b)	Rental income receivable by Regnis Industries (Malaysia) Sdn Bhd ("Regnis") for renting of office at part of Ground Floor, whole of 4th Floor and store room at basement level, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	399
	Provision of security guard services by Regnis	34
	Receipt of advertising and publishing services by BLand Group	88
Singer (Malaysia) Sdn Bhd ("Singer") ^(c)	Rental income receivable by Regnis for renting of:	
	1. offices at Part of G/F, 1/F and 2/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	404
	2. offices at Part of 3/F, Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	81
	Provision of security guard services by BGSSB	195
	Procurement of electrical appliances together with maintenance and repair services by Bland Group	925
U Mobile Sdn Bhd ^(d)	Rental income receivable by:	
	1. Regnis for renting of rooftop at Lot 6, Jalan 217, Section 51, Petaling Jaya, Selangor	29
	2. BHB for renting of watchtower at Bukit Jalil Golf & Country Resort, Jalan 3/155B, Kuala Lumpur	54
	3. Bukit Kiara Resort Berhad for renting of broadcasting facility at Bukit Kiara Equestrian & Country Resort, Off Jalan Damansara, Kuala Lumpur	52
	4. Georgetown City Hotel Sdn Bhd for renting of rooftop at Berjaya Penang Hotel, Jalan Burmah, Pulau Pinang	92
	5. NESB for renting of office at Lot 2.12, 2nd Floor, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	11
	Parking charges received by NESB for leasing of parking at basement of Plaza Berjaya, Jalan Imbi, Kuala Lumpur	11
Qinetics Solutions Sdn Bhd ^(e)	Purchase of networking equipment by BLand Group	–
Qinetics Services Sdn Bhd ^(e)	Receipt of information technology consultancy and management related services & purchases of equipment by BLand Group	–
Qinetics MSP Sdn Bhd ^(e)	Receipt of information technology consultancy and management related services & purchases of equipment by BLand Group	2,331
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		4,807
Grand Total		26,071

RECURRENT RELATED PARTY TRANSACTIONS of a Revenue or Trading Nature during the financial year ended 30 June 2023

Notes:

- a. A wholly-owned subsidiary of SEM. SEM is deemed a related party by virtue of Tan Sri Dato' Seri Vincent Tan Chee Yioun's ("TSVT") direct and indirect interests in SEM. TSVT is the father of Dato' Sri Robin Tan Yeong Ching ("DSRT"), Deputy Chairman and Chryseis Tan Sheik Ling ("CTSL") and the father-in-law of Tan Tee Ming ("TTM"). Both CTSL and TTM are Executive Directors of BLand.
- b. A wholly-owned subsidiary of Berjaya Media Berhad ("BMedia"). Deemed a related party by virtue of TSVT's and DSRT's direct and indirect interests in BMedia. DSRT is the Chairman of BMedia.
- c. TSVT is a deemed major shareholder of Singer (Malaysia) Sdn Bhd by virtue of his 99.99% interest in HQZ Credit Sdn Bhd ("HQZ"), the ultimate holding company of Singer (Malaysia) Sdn Bhd.
- d. TSVT, the Chairman of U Mobile Sdn Bhd ("UMSB") is a major shareholder of UMSB by virtue of his interest in UMSB.
- e. Qinetics Services Sdn Bhd and Qinetics MSP Sdn Bhd are wholly owned subsidiaries of Qinetics Solution Sdn Bhd, which in turn is an 73% -owned subsidiary of MOL.com. TSVT is a major shareholder of MOL.com.
- f. 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 2 October 2023

THE COMPANY

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	600,000	0.01	13,000,000 [^]	0.26
Chryseis Tan Sheik Ling	5,000,000	0.10	–	–
Tan Tee Ming	–	–	2,000,000 [#]	0.04

ULTIMATE HOLDING COMPANY
BERJAYA CORPORATION BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	5,001,613	0.09	161,474,168 [^] 6,356 [#]	2.89 – [@]
Chryseis Tan Sheik Ling	486,026	0.01	80,000,000 [#]	1.43
Tan Tee Ming	–	–	132,000 [#]	– [@]

RELATED COMPANY
SPORTS TOTO BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	1,025,689	0.08	629,300 [^]	0.05

RELATED COMPANY
BERJAYA FOOD BERHAD

	No. of Ordinary Shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sri Robin Tan Yeong Ching	11,100,000	0.63	1,500,000 [^]	0.09

Notes:

[#] Indirect interests pursuant to Section 59(11)(c) of the Companies Act 2016.[^] Indirect interests pursuant to Section 8 of the Companies Act 2016.[@] Less than 0.01%

Other than as disclosed above, none of the other Directors of the Company had any interests in the shares, warrants and debentures of the Company or its related corporations as at 2 October 2023.

STATISTICS ON SHAREHOLDINGS

As At 2 October 2023

Total Number of Issued Shares : 4,920,500,000 (excluding treasury shares of 79,837,104)

Class of Shares : Ordinary Shares

Voting Rights : One vote per Ordinary Share

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Ordinary Shares	%
less than 100	495	5.99	9,016	— [#]
100 – 1,000	1,497	18.12	693,369	0.01
1,001 – 10,000	2,854	34.54	16,455,834	0.34
10,001 – 100,000	2,802	33.91	98,921,819	2.01
100,001 – 246,024,999	613	7.42	4,083,709,112	82.99
246,025,000* and above	2	0.02	720,710,850	14.65
Total	8,263	100.00	4,920,500,000	100.00

Notes:

[#] Less than 0.01%.

* Denotes 5% of total number of issued shares with voting rights.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Ordinary Shares	%
1	RHB NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD	469,378,096	9.54
2	JUARA SEJATI SDN BHD	251,332,754	5.11
3	MAYBANK INVESTMENT BANK BERHAD IVT (13)	221,422,500	4.50
4	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (MGN - TMS0004M)	165,000,000	3.35
5	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR TERAS MEWAH SDN BHD	155,000,000	3.15
6	BERJAYA CORPORATION BERHAD	150,844,000	3.07
7	BBL NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD	145,000,000	2.95
8	BIZURAI BIJAK (M) SDN BHD	128,300,000	2.61
9	RHB NOMINEES (TEMPATAN) SDN BHD OSK CAPITAL SDN BHD FOR BIZURAI BIJAK (M) SDN BHD	126,000,000	2.56
10	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD IPM FOR JUARA SEJATI SDN BHD	123,000,000	2.50
11	HLIB NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR BERJAYA CORPORATION BERHAD	110,800,000	2.25
12	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR BIZURAI BIJAK (M) SDN BHD	107,500,000	2.18
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51401114879C)	105,000,000	2.13
14	TERAS MEWAH SDN BHD	102,571,414	2.08

STATISTICS ON SHAREHOLDINGS

As At 2 October 2023

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Ordinary Shares	%
15	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BIZURAI BIJAK (M) SDN BHD	92,000,000	1.87
16	RHB NOMINEES (TEMPATAN) SDN BHD OSK CAPITAL SDN BHD FOR JUARA SEJATI SDN BHD	92,000,000	1.87
17	RHB INVESTMENT BANK BERHAD IVT (SW BOOK 1)	90,000,000	1.83
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD (01408432026D)	87,900,000	1.79
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51401172844C)	79,900,000	1.62
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BERJAYA BRIGHT SDN BHD (41408491163A)	78,000,000	1.59
21	RHB NOMINEES (TEMPATAN) SDN BHD BANK OF CHINA (MALAYSIA) BERHAD PLEDGED SECURITES ACCOUNT FOR INTER-PACIFIC CAPITAL SDN BHD	75,000,000	1.52
22	ABB NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (BGROUP OD FACILITY)	67,950,000	1.38
23	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BIZURAI BIJAK (M) SDN BHD (BCB CBM-C2-SBLC)	66,636,220	1.35
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD	65,000,000	1.32
25	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD IPM FOR TECHFLOW DIGITAL SOLUTIONS SDN BHD	60,000,000	1.22
26	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR BERJAYA CORPORATION BERHAD (SMART)	59,600,000	1.21
27	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51435681347A)	56,000,000	1.14
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (51408445822D)	56,000,000	1.14
29	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JUARA SEJATI SDN BHD	53,200,000	1.08
30	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TERAS MEWAH SDN BHD (BERJAYA GROUP)	52,205,000	1.06
		3,492,539,984	70.97

SUBSTANTIAL SHAREHOLDERS

As Per Register of Substantial Shareholders As At 2 October 2023

Names of Substantial Shareholder	No. of Shares				Notes
	Direct	%	Indirect	%	
Teras Mewah Sdn Bhd	927,126,414	18.84	0	0.00	
Juara Sejati Sdn Bhd	1,319,360,850	26.81	287,768,112	5.85	(a)
Bizurai Bijak (M) Sdn Bhd	606,686,220	12.33	285,768,112	5.81	(b)
Berjaya Capital Berhad	0	0.00	285,768,112	5.81	(c)
Berjaya Group Berhad	105,786,400	2.15	3,140,941,596	63.83	(d)
Berjaya Corporation Berhad	418,100,000	8.50	3,246,727,996	65.98	(e)

Notes:

- (a) Deemed interested by virtue of its interests in Berjaya Capital Berhad and REDtone Digital Berhad.
- (b) Deemed interested by virtue of its interest in Berjaya Capital Berhad.
- (c) Deemed interested by virtue of its interests in Berjaya Sompo Insurance Berhad, Prime Credit Leasing Berhad, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd and Rantau Embun Sdn Bhd.
- (d) Deemed interested by virtue of its 100% interests in Teras Mewah Sdn Bhd, Juara Sejati Sdn Bhd, Bizurai Bijak (M) Sdn Bhd and its interests in the related companies, namely Prime Credit Leasing Berhad, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Capital Sdn Bhd, Rantau Embun Sdn Bhd and REDtone Digital Berhad as well as its interests in Berjaya Sompo Insurance Berhad.
- (e) Deemed interested by virtue of its 100% interests in Berjaya Group Berhad.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Third Annual General Meeting (“33rd AGM”) of Berjaya Land Berhad (“the Company”) will be conducted on a virtual basis through live streaming from the broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur (“Broadcast Venue”) on Tuesday, 12 December 2023 at 10.00 a.m. for the following purposes:-

AGENDA

As Ordinary Business:-

1. To receive the Audited Financial Statements for the financial year ended 30 June 2023 and the Directors’ and Auditors’ Reports thereon. **(Please refer to Note 1 of the Explanatory Notes)**
2. To approve the payment of Directors’ fees of RM7,000.00 per month to each Non-Executive Director of the Company for the period from 13 December 2023 until the next Annual General Meeting of the Company to be held in 2024. **Resolution 1**
3. To approve the payment of Directors’ Benefits (excluding Directors’ fees) to the Non-Executive Directors of the Company up to an amount of RM415,500.00 for the period from 13 December 2023 until the next Annual General Meeting of the Company to be held in 2024. **Resolution 2**
4. To re-elect the following Directors who retire pursuant to Clause 117 of the Company’s Constitution:-
 - (a) Tun Richard Malanjum **Resolution 3**
 - (b) Datuk Kee Mustafa **Resolution 4**
5. To re-elect the following Directors who retire pursuant to Clause 107 of the Company’s Constitution:-
 - (a) Dato’ Sri Robin Tan Yeong Ching **Resolution 5**
 - (b) Mr Tan Peng Lam **Resolution 6**
 - (c) Mr Kua Choo Kai **Resolution 7**
 - (d) Encik Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari **Resolution 8**
6. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 9**

As Special Business:-

7. To consider and, if thought fit, to pass the following Ordinary Resolutions:-
 - (i) **Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

“THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company’s Constitution and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 60 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the Company to be offered new shares ranking pari passu in all respects with the existing ordinary shares arising from the issuance and allotment of the shares pursuant to Sections 75 and 76 of the Companies Act 2016.”

Resolution 10

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 Part A of the Circular/Statement to Shareholders dated 27 October 2023 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution."

Resolution 11

(iii) Proposed Renewal of Authority for the Company to Purchase Its Own Shares

"THAT, subject always to the Companies Act 2016 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Exchange") and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company ("Bland Shares") through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

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 ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the BLand Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BLand Shares so purchased by the Company in the following manner:-

- (a) cancel all the BLand Shares so purchased; or
- (b) retain all the BLand Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”

Resolution 12

By Order of the Board

THAM LAI HENG MICHELLE
(SSM Practising Certificate No. 202008001622) (MAICSA 7013702)
Company Secretary

Kuala Lumpur
27 October 2023

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. Audited Financial Statements

The Audited Financial Statements are meant for discussion only as it does not require shareholders' approval pursuant to the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, this item on the Agenda is not put forward for voting.

2. Directors' Fees

The quantum of the Directors' fees for each of the Independent Non-Executive Director is the same as the previous financial year ended 30 June 2022.

3. Directors' Benefits (excluding Directors' Fees)

Section 230(1) of the Companies Act 2016 provides that "fees" of the Directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this Annual General Meeting ("AGM") for the payment of Directors' Benefits (excluding Directors' fees) payable to the Non-Executive Directors of the Company.

Resolution 2 is to seek shareholders' approval at the 33rd AGM for the payment of Directors' Benefits (excluding Directors' fees) payable to the Non-Executive Directors of the Company for the period from 13 December 2023 until the next AGM of the Company to be held in 2024.

The current Directors' Benefits (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises of meeting allowances and other emoluments.

In determining the estimated amount of benefits 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 benefits also caters for unforeseen circumstances, for example, the appointment of additional Directors and additional unscheduled Board meetings and/or Board Committees meetings.

In the event, where the payment of Directors' Benefits (excluding Directors' fees) payable during the above period exceeded the estimated amount sought at the 33rd AGM, a shareholders' approval will be sought at the next AGM for the shortfall.

4. Re-election of Retiring Directors

Pursuant to Clause 117 of the Company's Constitution, one third (1/3) of the Directors shall retire from office at least once in every three (3) years at each AGM of the Company and the retiring Directors can offer themselves for re-election. Clause 107 of the Company's Constitution also provides that a Director who is appointed during the year shall retire and subject to re-election at the next AGM to be held following his/her appointment.

Resolution 3 to Resolution 8 are to seek shareholders' approval at the 33rd AGM for the re-election of Directors who retire by rotation pursuant to Clause 117 and Clause 107 of the Company's Constitution.

The Board through the Nomination Committee ("NC") had undertaken an annual assessment evaluation and fit and proper assessment on the retiring Directors namely, Tun Richard Malanjum, Datuk Kee Mustafa, Dato' Sri Robin Tan Yeong Ching, Mr Tan Peng Lam, Mr Kua Choo Kai and Encik Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari ("Retiring Directors"), who are seeking for re-election as Directors of the Company pursuant to Clause 117 and Clause 107 of the Company's Constitution.

All the Retiring Directors have completed their respective declaration on the fitness and propriety in accordance with the Directors' Fit and Proper Policy of the Company as well as the confirmation of their independence (as the case may be).

Based on the results of the assessment conducted, the NC was satisfied with the favourable evaluation of the overall performance and contributions of the Retiring Directors and the Retiring Directors have fulfilled the fit and proper criteria in accordance with the Directors' Fit and Proper Policy of the Company. Accordingly, NC recommended to the Board for re-election of the Retiring Directors. The Board has deliberated and endorsed the NC's recommendation and supports the re-election of Retiring Directors and recommended the re-election of Retiring Directors for approval by the shareholders at the forthcoming 33rd AGM. The Retiring Directors had abstained from deliberations and decisions on their respective eligibility to stand for re-election at the relevant NC and Board Meetings.

The profiles of all Retiring Directors who are standing for re-election are set out in the Profile of Directors in the Company's 2023 Annual Report.

NOTICE OF ANNUAL GENERAL MEETING

5. Re-appointment of Auditors

Resolution 9 is to seek shareholders' approval at the 33rd AGM for the re-appointment of Messrs Ernst & Young PLT ("EY") as Auditors of the Company, until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.

The Audit Committee has considered and recommended to the Board on the re-appointment of EY as Auditors of the Company based on the results of the External Auditors Evaluation for the financial year ended 30 June 2023 wherein EY had satisfactorily performed their audit and that EY had discharged their professional responsibilities in accordance with its rules on professional conduct and ethics and the By-Laws (on Professional Ethics, Conducts and Practice) issued by the Malaysian Institute of Accountants.

The Board has deliberated and endorsed the Audit Committee's recommendation and had recommended the re-appointment of EY as Auditors of the Company for the ensuing financial year for shareholders' approval at the forthcoming 33rd AGM.

6. Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

Resolution 10 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Resolution 10, if passed, will exclude shareholder's pre-emptive right to be offered such new shares and/or convertible securities to be issued by the Company pursuant to the resolution.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Thirty-Second Annual General Meeting held on 13 December 2022 and which will lapse at the conclusion of the Thirty-Third 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.

7. Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution 11, 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 27 October 2023 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>.

8. Proposed Renewal of Authority for the Company to Purchase its Own Shares

Resolution 12, 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 27 October 2023 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>.

NOTICE OF ANNUAL GENERAL MEETING

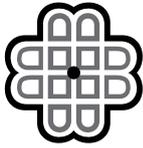
9. Proxy and Entitlement of Attendance

- (i) The Thirty-Third Annual General Meeting (“AGM”) of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting (“RPV”) facilities provided by the poll administrator, SS E Solutions Sdn Bhd, which are available on Securities Services e-Portal at <https://sshbsb.net.my/>. **Please follow the procedures provided in the Administrative Guide for the 33rd AGM of the Company in order to register, participate and vote remotely via RPV facilities.**
- (ii) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the AGM of the Company in Malaysia.
- (iii) Shareholders/proxy/corporate representatives from the public **WILL NOT BE ALLOWED TO BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the AGM of the Company.
- (iv) A member of the Company who is entitled to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM of the Company via RPV facilities is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- (v) A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
- (vi) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 (“SICDA”), may appoint one (1) proxy in respect of each securities account.
- (vii) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account (“Omnibus Account”), may appoint multiple proxies in respect of each of its Omnibus Account.
- (viii) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.
- (ix) The Form of Proxy shall be executed and 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 OR alternatively, the Form of Proxy may be submitted electronically via Securities Services e-Portal at <https://sshbsb.net.my/> not less than forty-eight (48) hours before the time appointed for holding the meeting, **i.e. latest by Sunday, 10 December 2023 at 10.00 a.m.**
- (x) Only members whose names appear in the Record of Depositors as at 5 December 2023 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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BERJAYA
BERJAYA LAND BERHAD
[Registration No. 199001010193 (201765-A)]

FORM OF PROXY

I/We _____
 (Name in full)

I.C. or Company No. _____ CDS Account No. _____
 (New and Old I.C. Nos. or Company No.)

of _____
 (Address)

being a member/members of BERJAYA LAND BERHAD hereby appoint:

_____ I.C. No. _____
 (Name in full) (New and Old I.C. Nos.)

of _____
 (Address)

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf, at the Thirty-Third Annual General Meeting ("AGM") of the Company will be conducted on a virtual basis through live streaming from the broadcast venue held at Manhattan V, Level 14, Berjaya Times Square Hotel, Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur ("Broadcast Venue") on Tuesday, 12 December 2023 at 10.00 a.m. and at 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.

NO.	DESCRIPTION OF RESOLUTION	FOR	AGAINST
RESOLUTION 1	To approve payment of Directors' fees.		
RESOLUTION 2	To approve payment of Directors' Benefits (excluding Directors' fees) for the period from 13 December 2023 until the next Annual General Meeting of the Company in 2024.		
RESOLUTION 3	To re-elect Tun Richard Malanjum as Director.		
RESOLUTION 4	To re-elect Datuk Kee Mustafa as Director.		
RESOLUTION 5	To re-elect Dato' Sri Robin Tan Yeong Ching as Director.		
RESOLUTION 6	To re-elect Mr Tan Peng Lam as Director.		
RESOLUTION 7	To re-elect Mr Kua Choo Kai as Director.		
RESOLUTION 8	To re-elect Encik Abang Abdillah Izzarim Bin Tan Sri Datuk Patinggi Abang Haji Abdul Rahman Zohari as Director.		
RESOLUTION 9	To re-appoint Messrs Ernst & Young PLT as Auditors.		
RESOLUTION 10	To approve authority to issue and allot shares.		
RESOLUTION 11	To renew and to seek shareholders' mandate for Recurrent Related Party Transactions.		
RESOLUTION 12	To renew authority for the Company to purchase its own shares.		

No. of shares held

Signature(s)/Common Seal of Member(s)

Dated this day of, 2023.

Notes:

- The Thirty-Third Annual General Meeting ("AGM") of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by the poll administrator, SS E Solutions Sdn Bhd, which are available on Securities Services e-Portal at <https://sshsb.net.my/>. Please follow the procedures provided in the Administrative Guide for the 33rd AGM of the Company in order to register, participate and vote remotely via RPV facilities.
- The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the AGM of the Company in Malaysia.
- Shareholders/proxy/corporate representatives from the public **WILL NOT BE ALLOWED TO BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the AGM of the Company.
- A member of the Company who is entitled to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM of the Company via RPV facilities is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
- An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint one (1) proxy in respect of each securities account.
- An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), may appoint multiple proxies in respect of each of its Omnibus Account.
- An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.
- The Form of Proxy shall be executed and 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 OR alternatively, the Form of Proxy may be submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/> not less than forty-eight (48) hours before the time appointed for holding the meeting, i.e. latest by Sunday, 10 December 2023 at 10.00 a.m.
- Only members whose names appear in the Record of Depositors as at 5 December 2023 shall be entitled to participate and/or vote at the AGM or appoint a proxy to participate and/or vote in his/her stead via RPV facilities.
- Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.92A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this Notice will be put to vote by way of poll. The Company has appointed Poll Administrator and Independent Scrutineers to conduct the polling process and verify the results of the poll respectively.

Fold this flap for sealing

Affix
Stamp

THE COMPANY SECRETARY
BERJAYA LAND BERHAD
LOT 13-01A, LEVEL 13 (EAST WING)
BERJAYA TIMES SQUARE
NO. 1 JALAN IMBI
55100 KUALA LUMPUR

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1st fold here

