

SPORTS TOTO BERHAD
(Formerly known as Berjaya Sports Toto Berhad)
Registration No. 196901000688 (9109-K)
(Incorporated in Malaysia)

An Extract of Minutes of the Annual General Meeting of the Company held on a virtual basis 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 Wednesday, 7 December 2022 at 10.00 a.m.

CHAIRMAN: Dato’ Sri Robin Tan Yeong Ching

PRESENT: As per Appendix “I” attached

IN ATTENDANCE: Tham Lai Heng Michelle } Company Secretaries
Wong Siew Guek }

QUORUM: The Secretary confirmed that a quorum was present for the Meeting.

NOTICE OF MEETING: The Notice of Annual General Meeting (“AGM”) dated 28 October 2022 as contained on Pages 226 to 230 of the Company’s Annual Report was taken as read by the Secretary.

CHAIRMAN WELCOME SPEECH

Before the meeting proceeded, Dato’ Sri Robin Tan Yeong Ching (“Dato’ Sri Robin Tan”), the Chairman, on behalf of the Board of Directors (“Board”) of the Company, welcomed the shareholders and proxies for their participation at the AGM of the Company.

The Chairman informed the shareholders that the AGM is conducted entirely online from the Broadcast Venue, mainly for the well-being of all shareholders, employees and the Board as part of the safety measures to stem the spread of Covid-19.

The Chairman then proceeded to introduce the Board, the Company Secretary, the Chief Financial Officer, Mr John Cheong Tuck Kong, the Management Team and the representative of the Company’s External Auditors, Messrs Ernst & Young PLT (“EY”) who were present at the Broadcast Venue.

PROCEEDINGS OF MEETING AND VOTING MANNER

The Chairman informed the shareholders that in compliance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting for all the resolutions to be considered at the AGM would be conducted by poll electronically.

The Chairman further informed that the Company has appointed SS E Solutions Sdn Bhd (“SS E Solutions”) as the Poll Administrator to conduct the polling process and Messrs Commercial Quest Sdn Bhd (“CQSB”) as the Independent Scrutineer to validate the votes cast for all resolutions put to vote at this Meeting using the Remote Participation and Voting (“RPV”) facilities provided by SS E Solutions.

The Chairman further informed the shareholders that for expediency, the Meeting would proceed according to the sequence of the agenda and the Board would deal with questions from the shareholders during the Questions and Answers (“Q&A”) session only after all the businesses at the AGM have been transacted.

The Chairman reminded the shareholders and proxies to submit their questions or remarks in relation to the agenda items by using the text box below the live stream player within the same e-Portal page.

The Chairman also informed that shareholders and proxies can proceed to vote on the resolutions and submit their votes via the RPV facilities at any time from the start of this Meeting and before the closure of the voting session which would be announced later after the Q&A session. The Independent Scrutineer would then verify and announce the poll results.

For the benefit of the shareholders and proxies participating remotely, SS E Solutions presented a short video clip on the procedure for remote voting via the RPV facilities which was shown on the screen.

After the short presentation by SS E Solutions, the Chairman proceeded with Item 1 on the Agenda which is to receive and adopt the Company's audited financial statements for the financial year ended 30 June 2022 together with the Directors' and Auditors' Report thereon.

AUDITED FINANCIAL STATEMENTS

The Chairman informed that under the provisions of Section 340(1)(a) of the Companies Act 2016, the Company is required to lay before the Meeting the audited financial statements and the reports thereon for the financial year ended 30 June 2022. This agenda do not require the approval of the shareholders and hence, it would not be put forward for voting. However, shareholders present would be able to ask questions and give comments on the Company's audited financial statements during the Q&A session.

The Chairman then invited Mr Desmond Tseu ("Mr Desmond Tseu") of EY, the external auditors of the Company, to present the Independent Auditors' Report on the financial statements for the financial year ended 30 June 2022 to the shareholders.

The Chairman thanked Mr Desmond Tseu on his presentation of the Auditors' Report.

A slide presentation via an audio clip on the Group's financial performance for the financial year ended 30 June 2022 was presented to the shareholders.

After the presentation, it was recorded that the Company's audited financial statements for the financial year ended 30 June 2022 together with the Directors' and Auditors' Reports were duly adopted.

ORDINARY RESOLUTIONS

1. DIRECTORS' FEES

The Chairman proceeded with Ordinary Resolution 1 under item 2 of the Agenda which was to approve the payment of Directors' fees amounting to RM400,000 for the financial year ended 30 June 2022.

Since the voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

2. DIRECTORS' REMUNERATION (EXCLUDING DIRECTORS' FEES) FOR THE PERIOD FROM 8 DECEMBER 2022 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The Chairman then proceeded with Ordinary Resolution 2 under item 3 of the Agenda which was to approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM514,000 for the period from 8 December 2022 until the next Annual General Meeting of the Company to be held in 2023.

The voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting.

3. RE-ELECTION OF DIRECTORS

Pursuant to Clause 117 of the Company's Constitution, 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.

(a) The Chairman proceeded with Ordinary Resolution 3 under item 4(a) of the Agenda in relation to the re-election of Mr Derek Chin Chee Seng, who retires pursuant to Clause 117 of the Company's Constitution and being eligible has offered himself for re-election as a Director of the Company.

(b) The Chairman proceeded with Ordinary Resolution 4 under item 4(b) of the Agenda in relation to the re-election of Dato' Oon Weng Boon, who retires pursuant to Clause 117 of the Company's Constitution and being eligible has offered himself for re-election as a Director of the Company.

(c) The Chairman proceeded with Ordinary Resolution 5 under item 4(c) of the Agenda in relation to the re-election of Datuk Seri Wong Chun Wai, who retires pursuant to Clause 117 of the Company's Constitution and being eligible has offered himself for re-election as a Director of the Company.

Since the voting for the above resolutions would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

4. RE-APPOINTMENT OF AUDITORS

The Chairman moved on and proceeded with Ordinary Resolution 6 under item 5 of the agenda which was to approve the re-appointment of Messrs EY as Auditors of the Company for the ensuing year until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

The Chairman informed that EY has indicated their willingness to continue in office.

Since the voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

5. SPECIAL BUSINESS

5.1 Ordinary Resolution - Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Chairman proceeded with Ordinary Resolution 7 under item 6(i) of the agenda as special business, which was to seek the shareholders' approval on the renewal of a general mandate, which if passed, would empower 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 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 hereby empowered to obtain 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 AGM of the Company.

The Chairman informed that this proposed resolution if passed, will also exclude shareholder's pre-emptive right to be offered such new share and/or convertible securities to be issued by the Company pursuant to the proposed resolution.

The Chairman informed that as at the date of the AGM, the Company did not issue any new shares pursuant to the mandate granted to the Directors at the last AGM held on 8 December 2021.

Since the voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, the Chairman proceeded with the next item on the agenda.

5.2 Ordinary Resolution - Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Chairman informed that he was an interested Director for Resolution 8 in relation to the proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature. Hence, he has to abstain from deliberating and voting on the said resolution. The Chairman then invited Datuk Robert Yong Kuen Loke ("Datuk Robert Yong") to chair the Meeting to consider the said Resolution.

Datuk Robert Yong informed the shareholders that Resolution 8 under item 6(ii) of the agenda in relation to the proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue of trading nature, 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.

Datuk Robert Yong added that the following persons who are interested Directors and major shareholders of the Company as well as the persons connected with them would abstain from voting on Resolution 8, in respect of their direct and/or indirect shareholdings in the Company namely:-

- (a) Dato' Sri Robin Tan Yeong Ching
- (b) Nerine Tan Sheik Ping
- (c) Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT")
- (d) Berjaya Corporation Berhad
- (e) Berjaya Land Berhad

Datuk Robert Yong further informed that the other Director of the Company namely, Mr Derek Chin Chee Seng, is also a Director of certain companies which are under separate listed groups in which TSVT is deemed to have an interest. Although he is not deemed to be interested, he has

however voluntarily abstained from voting on Resolution 8 in respect of his direct and/or indirect shareholdings in the Company.

Since the voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, Datuk Robert Yong then passed the Chair back to the Chairman for the next item on the agenda.

5.3 Ordinary Resolution - Proposed Renewal of Authority for the Company to purchase its own shares

The Chairman proceeded with Ordinary Resolution 9 under item 6(iii) in relation to the proposed renewal of authority for the Company to purchase its own shares.

The Chairman informed the shareholders that the Company has bought back 3.6 million of its own shares from the open market pursuant to the mandate granted to the Company at the last AGM held on 8 December 2021 and a total of 11.1 million treasury shares have been distributed as share dividend on 21 October 2022. The cumulative total number of shares bought back as at to-date is 1.6 million shares.

Since the voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, the Chairman proceeded with the next item on the Agenda.

5.4 Ordinary Resolution - Proposed Retention of Datuk Robert as Independent Non-Executive Director

The Chairman then proceeded with Ordinary Resolution 10 under item 6(iv) of the agenda in relation to the retention of Datuk Robert Yong as an Independent Non-Executive Director of the Company.

The Chairman informed the shareholders that Datuk Robert Yong's tenure as an Independent Non-Executive Director of the Company has reached a cumulative term of more than twelve (12) years. He is also the Chairman of the Nomination Committee, Remuneration Committee, Risk Management Committee and Sustainability Committee of the Company. Both the Nominating Committee and the Board had assessed the independence of Datuk Robert Yong and was satisfied with his contributions and independent judgement that he brings to the Board.

Thus, the Board has recommended Datuk Robert Yong to continue to serve as an Independent Non-Executive Director of the Company based on the justifications as set out in the Corporate Governance Overview Statement of the Company's 2022 Annual Report.

Since the voting for the above resolution would be conducted by way of a poll to be taken upon completion of the remaining business of the Meeting, the Chairman proceeded with the Q&A session.

Q&A SESSION

Following the tabling of all resolutions in the agenda, the Chairman then proceeded with the Q&A session and he began with addressing questions submitted by the remote shareholders or proxies at the AGM via the e-Portal. The Chairman informed that the Board will endeavour to answer as many questions posed which were related to the business of the AGM. The questions with the Company's responses thereto were set out in Appendix "II" attached herewith.

VOTING ON THE RESOLUTIONS AND ANNOUNCEMENT OF POLL RESULTS

Upon the conclusion of the Q&A session, the Chairman advised the shareholders and proxies who have yet to submit their votes to proceed to cast and submit their votes via the RPV facilities, during which time, a short video clip on the procedure for remote voting via the RPV facilities was replayed by SS E Solutions to provide guidance for shareholders and proxies to cast their vote accordingly.

The Chairman informed that another 10 minutes would be allocated to the shareholders to submit their votes. Therefore, the voting session would be closed for the Independent Scrutineer verification and declaration of the Poll results.

The Chairman then declared the meeting adjourned at 10.50 a.m.

After the votes had been counted and verified by the Independent Scrutineer, CQSB, the Chairman called the Meeting to order at 11.08 a.m. and the representative from CQSB, Cik Nurhayati Binti Sopian reported the results of the poll as follows:-

No.	Resolutions	Vote For		Vote Against	
		No. of Shares	%	No. of Shares	%
1.	Payment of Directors' Fees	791,500,681	99.70	2,347,232	0.30
2.	Payment of Directors' Remuneration (excluding Directors' Fees) for the period from 8 December 2022 until the next Annual General Meeting of the Company	786,573,269	99.08	7,281,326	0.92
3.	Re-election of Derek Chin Chee Seng as Director	785,037,960	98.88	8,926,711	1.12
4.	Re-election of Dato' Oon Weng Boon as Director	767,154,756	96.62	26,807,283	3.38
5.	Re-election of Datuk Seri Wong Chun Wai as Director	790,066,122	99.51	3,858,890	0.49
6.	Re-appointment of Ernst & Young PLT as Auditors	791,717,508	99.72	2,212,622	0.28
7.	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016	749,285,692	94.38	44,638,513	5.62
8.	Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	122,340,059	98.23	2,204,748	1.77
9.	Renewal of authority for the Company to purchase its own shares	749,350,038	94.38	44,594,406	5.62
10.	Proposed Retention of Datuk Robert Yong Kuen Loke as an Independent Non-Executive Director	725,471,341	91.37	68,485,920	8.63

The Chairman then declared that all the resolutions, that is Resolution 1 to Resolution 10 were duly carried as follows:-

- (1) “THAT the payment of Directors’ fees amounting to RM400,000 for the financial year ended 30 June 2022 be and is hereby approved.”
- (2) “THAT the payment of Directors’ remuneration (excluding Directors’ fees) to the Non-Executive Directors of the Company up to an amount of RM514,000 for the period from 8 December 2022 until the next Annual General Meeting of the Company to be held in 2023 be and is hereby approved.”
- (3) “THAT Derek Chin Chee Seng, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- (4) “THAT Dato’ Oon Weng Boon, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- (5) “THAT Datuk Seri Wong Chun Wai, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- (6) “THAT Messrs Ernst & Young PLT be and are hereby appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”
- (7) “THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company 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.”

- (8) “THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular to Shareholders 28 October 2022 (“Proposed Mandate”) which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

- (i) 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;
- (ii) 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
- (iii) 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.”

- (9) “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 (“SPToto Shares”) through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;
3. the authority shall commence immediately upon passing of this ordinary resolution until:-
 - (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the SPToto Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any SPToto Shares so purchased by the Company in the following manner:-

- (a) cancel all the SPToto Shares so purchased; or
 - (b) retain all the SPToto 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.”
- (10) “THAT Datuk Robert Yong be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as Independent Non-Executive Director of the Company notwithstanding that he has been an Independent Director on the Board of the Company for a cumulative term of more than twelve years.”

The duly re-elected Directors, namely Mr Derek Chin Chee Seng, Dato’ Oon Weng Boon and Datuk Seri Wong Chun Wai thanked the shareholders present for re-electing them.

Datuk Robert Yong also thanked the shareholders present for their support and confidence in him for his retention as an Independent Non-Executive Director of the Company.

Mr Desmond Tseu, the representative from EY, also thanked the members present for their re-appointment as Auditors of the Company for the ensuring year until the conclusion of the next AGM.

6. CONCLUSION

Before the conclusion of the Meeting, the Chairman announced that the Board of Directors has decided to give an e-vouchers worth RM80.00 to the shareholders who participated at this AGM as a token of appreciation. He further informed that the notification for e-vouchers entitlement would be sent by B-Infinite via email to the shareholders and can be redeemed via B-infinite mobile app.

There being no other business to be transacted, the Chairman closed the meeting at 11.17 a.m. and thanked the shareholders for their presence and participation at the Meeting.

Confirmed,

CHAIRMAN

Dated: 20 December 2022

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ANNUAL GENERAL MEETING HELD ON 7 DECEMBER 2022

Present:

Dato' Sri Robin Tan Yeong Ching	-	Chairman/ Non-Independent Executive Director
Nerine Tan Sheik Ping	-	Chief Executive Officer
Derek Chin Chee Seng	-	Executive Director
Dato' Oon Weng Boon	-	Non-Independent Non-Executive Director
Datuk Robert Yong Kuen Loke	-	Independent Non-Executive Director
Datuk Seri Wong Chun Wai	-	Independent Non-Executive Director
Poh Ying Loo	-	Independent Non-Executive Director
Premshangar A/L Venugopal	-	Independent Non-Executive Director

In Attendance:

Tham Lai Heng Michelle	}	Company Secretaries
Wong Siew Guek		

Management Team and By Invitation:

John Cheong Tuck Kong	-	Chief Financial Officer
Tan Thiam Chai	}	Representatives from Group Accounts and Budgets, Berjaya Corporation Berhad
Hen Jong Ren		
Amy Ng		
Wong Sow Chun		
Desmond Tseu	}	Representatives from Messrs Ernst & Young PLT
Ng Kim Ling		
Andrew Watt Sing Hoe		
Ching Chun Keat	-	Representative from International Lottery & Totalizator Systems, Inc.
Lee Pei Yeng	-	Representative from SS E Solutions Sdn Bhd
Nurhayati Binti Sopian	-	Representative from Commercial Quest Sdn Bhd

Members, Proxies and Corporate Representatives:

As per the attendance sheets.

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Questions received via Securities Services e-Portal

No.	Questions and Answers
Q1.	<p>Is the STM Lottery’s business/sales volume back to pre-covid level?</p> <p>Ms Nerine Tan Sheik Ping (“Ms Nerine Tan”) replied that STM Lottery’s business volume has recovered to between 85% to 90% of pre-Covid.</p>
Q2.	<p>The Minister of Finance has recently announced that the number of special draws allowed for year 2023 has been decreased to eight draws, how will it affect STM Lottery’s revenue?</p> <p>Ms Nerine Tan replied that the decrease in the number of special draws is not expected to have large impact to STM Lottery’s revenue as special draws normally generate lower revenue. Moreover, STM Lottery also required to contribute an additional 10% special contribution to the government. Therefore, there will be minimal impact to STM Lottery’s earnings.</p>
Q3.	<p>What is the Management view that the Number Forecast Operators (“NFOs”) could have lost further market share to illegal gaming operators?</p> <p>Ms Nerine Tan informed that the NFO industry regained its traction at a slower pace after the prolonged lockdown during the pandemic period while illegal gaming operators still continued to operate during the MCO period. Thus, the sales of the NFOs have been impacted. However, the NFO’s and the Company as well is working closely with the authorities to address this illegal gaming operation issue and the Management is glad that it is progressing well with the enforcement stepping up especially PDRM had taken straight and stern actions to curb the illegal operator activities.</p>
Q4.	<p>Referring to page 83 in relation to the Consolidated Statement of Cash Flows for the financial year ended 30 June 2022 whereby the Group has incurred cash outflow amounting to RM131.228 million for the acquisition of property, plant and equipment (“PPE”).</p> <p>(1) Please provide a breakdown on the amount spent for PPE in financial year ended 2022?</p> <p>(2) What are the reasons for spending much higher amount for PPE in financial year ended 2022 as compared to financial year ended 2021?</p> <p>(3) What is the budgeted capital expenditure (“Capex”) for the Group in financial year 2023?</p> <p>Ms Nerine Tan explained that it was mainly the cost incurred for the state-of-the-art multi-marque showrooms and headquarter of H.R. Owen Plc (“H.R. Owen”) located in Hatfield, United Kingdom amounting to RM74.6 million as well as the acquisition cost for an aftersales centre for H.R. Owen of RM36.8 million and the acquisition for fixtures and fittings & showrooms renovation cost of RM10.0 million. There were also other assets acquisition and renovation costs of the Group of about RM9.8 million.</p>

No.	Questions and Answers
	<p>The budgeted Capex for financial year 2023 of the Group as disclosed under capital commitments on page 190 in the Annual Report was amounting to RM51.2 million. It was substantially related to the remaining Capex for Hatfield project.</p>
<p>Q5.</p>	<p>Could the Management update on the status of acceptance of cashless payment ie e-Wallet at STM Lottery sales outlets?</p> <p>Ms Nerine Tan informed that payment via e-Wallet is available at all STM Lottery sales outlets and STM Lottery’s agents are rolling out e-Wallet at their respective outlets.</p>
<p>Q6.</p>	<p>Please send me a printed copy of Sports Toto Berhad’s Annual Report.</p> <p>Ms Nerine Tan informed that printed copy of the Annual Report will be sent out by our share registrar, Berjaya Registration Services Sdn Bhd upon request by the shareholders. Please refer to the Notification to Shareholders for the contact details of our share registrar which was sent via post or email earlier.</p>
<p>Q7.</p>	<p>The total borrowings of the Group has increased by RM180.0 million to RM1.238 billion in financial year ended 2022 as compared to financial year ended 2021.</p> <p>(1) What are the reasons for the increase in borrowings despite recording positive net cash flow from operation and a substantial cash and cash equivalent?</p> <p>(2) How much of the Group’s borrowings are floating rate instruments?</p> <p>(3) What is the expected increase in finance cost due to the numerous increased in interest rates recently?</p> <p>Ms Nerine Tan explained that the reason for increase in borrowings during the financial year was mainly related to the UK motor retailing business under H.R. Owen for the Capex purposes. The Company managed to secure majority of the borrowings at a fixed rate, floating rate borrowings are only approximately of 25% of the Group borrowings. The Management is of the expectation that the increase in interest rate will not have significant impact to the Group as majority of the borrowings are on fixed rate basis.</p>
<p>Q8.</p>	<p>Kindly explain the reason for termination of MyToto Mobile Apps and will the Company plan to relaunch it again and the timeframe?</p> <p>Ms Nerine Tan informed that our MyToto Mobile apps is currently being reviewed by the government and STM Lottery will relaunch it again upon approval being obtained from the Ministry of Finance (“MOF”).</p>
<p>Q9.</p>	<p>When the physical Annual General Meeting (“AGM”) to be resumed?</p> <p>Ms Nerine Tan explained that the Company will review the circumstances and to take into consideration, amongst others, the costs and benefits as well as the well-being and safety measures for all concerned, before deciding whether to conduct the next AGM physically or virtually.</p>
<p>Q10.</p>	<p>Any new business opportunity being identified at this moment?</p> <p>Ms Nerine Tan informed that STM Lottery will continue to grow its gaming market share within Malaysia by constantly reviewing the suitability of games offered by the Company as well as the introduction of new game, moving forward.</p>

No.	Questions and Answers
Q11.	<p>Could the Company update on the status of dividend payment?</p> <p>Ms Nerine Tan informed that the Board has declared a first interim dividend of 2.0 sen per share for the financial year ending 2023, to be payable on 20 January 2023. The entitlement date of the said interim dividend has been fixed on 30 December 2022.</p>
Q12.	<p>Has the Company paid one off tax (i.e. cukai makmur) or additional royalty to the government aside from the standard gambling tax and royalty paid to government?</p> <p>Ms Nerine Tan replied that STM Lottery has paid the prosperity tax/cukai markmur which amounting to RM14.6 million for the financial year ended 30 June 2022 which was disclosed on page 188 of the Annual Report.</p>
Q13.	<p>The Company had declared a first interim dividend of 2.0 sen per share in the first quarter of financial year ending 2023. The dividend payout ratio works out less than 40% as compared to previous year, has there been any changes to the dividend policy?</p> <p>Ms Nerine Tan replied that the Company must review its dividend payout policy in view of current economic challenges. However, the Management will try their best endeavour to normalize the dividend payout policy to be in line with the Company's profitability.</p>
Q14.	<p>The reason why the stock price falls since MCO 2020 although the economy is recovering?</p> <p>Ms Nerine Tan explained that the Company's share price is subject to market sentiments and overall stock market performance of our country. However, the Company is expecting a stronger performance in financial year 2023.</p>
Q15.	<p>Will there be any plan on implementing online betting platform in order to compete with illegal gaming operations?</p> <p>Ms Nerine Tan highlighted that STM Lottery and other NFOs will comply with Malaysia state government directive. Currently, the Management will continue to engage with the new MOF on the future direction for online gaming approval.</p>
Q16.	<p>Referring to note 30 on page 184 of the Annual Report, it was stated that the salaries, bonuses and other emoluments of the Executive Directors was amounted to RM7.384 million despite a 3.4% drop in the Group's PAT. Could the Chairman of the Remuneration Committee ("RC") explain the basis and rationale for the substantial increase in the salaries of the Executive Directors in financial year ended 2022?</p> <p>Datuk Robert Yong, the Chairman of the RC explained to the shareholders that the Directors' remuneration is in line with industry standard as approved by the RC. He further explained that the higher amount recorded in financial year ended 2022 as compared to financial year ended 2021 in the salaries, bonuses and other emoluments was due to classification and re-designation issues.</p> <p>In addition, the remunerations of both Executive Chairman and the Executive Director of the Company, Mr Derek Chin were prorated accordingly upon their newly appointment to the Board in June 2021 whereas their remunerations were recorded a full year cost in financial year ended 2022. The previous Chairman, Tan Sri Dato' Seri Tan Kok Ping was a Non-Independent Non-Executive Director of the Company and thus, his remuneration then was not categorized under the disclosure in Executive Directors' section.</p>

No.	Questions and Answers
	Furthermore, the Company had also implemented austerity drive including pay cut measure during the pandemic period in financial year ended 2021.
Q17.	<p>Referring to note 5 on page 146 in the Annual Report, Berjaya Philippines Inc. (“BPI”) has recorded an increase in profitability in financial year ended 2022 to RM77.688 million as compared to RM45.953 million in financial year ended 2021.</p> <p>(1) Did BPI declare and paid dividend in financial year ended 2022 and if yes, what was the amount received by the Group?</p> <p>(2) Will BPI able to sustain its performance in financial year 2023 similar to financial year 2022?</p> <p>Ms Nerine Tan replied that BPI Group results comprised of the performance results of H.R. Owen, which is its main subsidiary. H.R. Owen needs to retain the cash flow for the expansion of its luxury, prestige and specialist motor retailing business in the UK. Although there were impacts on H.R Owen operating profits due to higher inflation that lead to higher operating costs and disruption in the supply of vehicles from the manufacturers, H.R. Owen still maintain a very healthy order bank for its operations. As such, H.R. Owen remains optimistic on its prospectus in the medium to longer term in view of the unique position of its operations and extensive relationships with the multi-marques it represents.</p>
Q18.	<p>Will the Company venture into football betting to increase its revenue in future?</p> <p>Ms Nerine Tan informed that currently the Malaysia Government has not approved any official sports betting platform.</p>
Q19.	<p>Could the Management update on the upcoming Chinese New Year campaign and care giving activities line up?</p> <p>Ms Nerine Tan informed that STM Lottery will continually support the Chinese New Year events and other charitable events throughout the year. Any updates will be posted on the Company’s social media platforms and websites.</p>
Q20.	<p>Did the minimum wage affect the Company?</p> <p>Ms Nerine Tan explained that the minimum wages announced by the government is not expected to have any significant impact to the Company.</p>
Q21.	<p>Could the Management provide information in relation to the purpose of donation, the amount as well and also the receiver?</p> <p>The Management replied that the Company has contributed RM25.3 million to the National Sports Council to support the nation’s sporting excellence as part of the Company’s corporate social responsibility. In addition, the Company also supported various charitable associations, Chinese New Year Angpow donation, national food bank and the less fortunate.</p>