



KHAZANAH  
NASIONAL

# DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS



31 DECEMBER 2020

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**Khazanah Nasional Berhad  
(Incorporated in Malaysia)****Directors' report**

The Directors hereby presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

**Principal activities**

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries, associates and joint ventures of the Company and of the Group are described in Note 77 and Note 78 to the financial statements, respectively.

**Results**

	<b>Group RM'000</b>	<b>Company RM'000</b>
(Loss)/profit for the financial year, net of tax	<u>(2,856,924)</u>	<u>3,250,047</u>
(Loss)/profit attributable to:		
Owners of the Company	(2,675,399)	3,250,047
Non-controlling interests	<u>(181,525)</u>	<u>-</u>
	<u>(2,856,924)</u>	<u>3,250,047</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 operations 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 the notes to the financial statements.

**Dividends**

The amounts of dividends declared or paid by the Company were as follows:

In respect of the financial year ended 31 December 2019:	<b>RM'000</b>
Interim single-tier dividend on 5,443,953,229 ordinary shares, declared on 17 December 2019 and paid on 19 December 2019	<u>1,000,000</u>

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**Dividends (cont'd.)**

In respect of the financial year ended 31 December 2020:	<b>RM'000</b>
Interim single-tier dividend on 5,443,953,229 ordinary shares, declared on 8 December 2020 and paid on 11 December 2020	1,000,000
Special single-tier dividend on 5,443,953,229 ordinary shares, declared on 8 December 2020 and paid on 20 January 2021	1,000,000
	<u>2,000,000</u>

The Directors do not recommend the payment of any final dividend for the financial year ended 31 December 2020.

**Directors**

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Y.A.B. Tan Sri Muhyiddin Mohd Yassin  
Y.B. Dato' Seri Mohamed Azmin bin Ali  
Y.B. Senator Tengku Datuk Seri Utama Zafrul bin Tengku Abdul Aziz  
Y. Bhg. Dato' Mohammed Azlan bin Hashim  
Y. Bhg. To' Puan Azian binti Mohd Aziz  
Mr. Goh Ching Yin  
Mr. Lau Seng Yee  
Y. Bhg. Datuk Shahril Ridza bin Ridzuan  
Y. Bhg. Dato' Zainal Abidin Putih (Appointed on 16 November 2020)

The names of the directors of the Group's subsidiaries who served on the respective boards of the subsidiaries since the beginning of the current financial year to the date of this report are disclosed in Note 79 to the financial statements.

**Directors benefits**

Neither at the end of the financial year, nor at any time during the 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 shown in Note 9 and Note 38 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 he is a member, or with a company in which he has a substantial financial interest.

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**Directors' interests**

According to the register of Directors' shareholdings, none of the Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

**Indemnity and insurance costs**

During the financial year, the total insurance premium paid for Directors and Officers of the Group and the Company were RM1,249,562 and RM593,600 respectively.

**Holding company**

The holding and ultimate holding body is the Minister of Finance Incorporated ("MoF Inc."), a body corporate, incorporated pursuant to the Minister of Finance (Incorporation) Act, 1957.

**Other statutory information**

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
  - (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.



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**Other statutory information (cont'd.)**

- (c) At the date of this report, the Directors are aware of the COVID-19 pandemic, which, may have an impact on certain values attributed to current assets and valuation methods adopted by the Group and the Company.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the 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 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.

**Significant events during the financial year**

In addition to the significant events disclosed elsewhere in this report, details of other significant events during the financial year are described in Note 74 to the financial statements.

**Subsequent events after the reporting date**

Details of significant subsequent events after the reporting date are as disclosed in Note 34 and Note 75 to the financial statements.

**199301020767 (275505-K)**

**Khazanah Nasional Berhad  
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**Auditors**

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

Auditors' remuneration are disclosed in Note 7 and 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 (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT during the financial year.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 10 April 2021.

**\*Signed\***

Goh Ching Yin

**\*Signed\***

Shahril Ridza bin Ridzuan

**199301020767 (275505-K)**

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**Statement by directors**

**Pursuant to Section 251(2) of the Companies Act, 2016**

We, Goh Ching Yin and Shahril Ridza bin Ridzuan, being two of the Directors of Khazanah Nasional Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 11 to 363 are drawn up in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia and so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 10 April 2021.

**\*Signed\***

Goh Ching Yin

**\*Signed\***

Shahril Ridza bin Ridzuan

**Statutory declaration**

**Pursuant to Section 251(1)(b) of the Companies Act, 2016**

I, Faridah Bakar Ali, being the officer primarily responsible for the financial management of Khazanah Nasional Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 11 to 363 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 Faridah Bakar Ali  
at Kuala Lumpur in the Federal Territory  
on

**\*Signed\***

Faridah Bakar Ali  
MIA 20744  
Chartered Accountant



199301020767 (275505-K)

Independent auditors' report to the members of  
Khazanah Nasional Berhad  
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Report on the audit of the financial statements

*Opinion*

We have audited the financial statements of Khazanah Nasional Berhad, which comprise the statements of financial position as at 31 December 2020 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 363.

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 31 December 2020, and of their financial performance and their cash flows for the 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.

*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 Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

199301020767 (275505-K)

Independent auditors' report to the members of  
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*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.

*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.

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Independent auditors' report to the members of  
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*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 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.
- 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.

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Independent auditors' report to the members of  
Khazanah Nasional Berhad (cont'd.)  
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*Auditors' responsibilities for the audit of the financial statements (cont'd.)*

- 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.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 77 and Note 78 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.

**\*Signed\***

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
10 April 2021

**\*Signed\***

Ahmad Zahirudin bin Abdul Rahim  
No. 02607/12/2022 J  
Chartered Accountant

**Khazanah Nasional Berhad  
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**1. Corporate information**

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries, associates and joint ventures of the Company and of the Group are described in Note 77 and Note 78 to the financial statements, respectively.

There have been no significant changes in the nature of the principal activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 22, Mercu UEM, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Wilayah Persekutuan Kuala Lumpur.

The Company's holding and ultimate holding body is the Minister of Finance Incorporated ("MoF Inc."), a body corporate, incorporated pursuant to the Minister of Finance (Incorporation) Act, 1957.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 10 April 2021.

**2. Summary of significant accounting policies**

**2.1 Basis of preparation**

The financial statements of the Group and of the Company are prepared in accordance with the provisions of the Companies Act, 2016 and comply with the Malaysian Financial Reporting Standards ("MFRS"), which is in compliance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared under the historical cost basis unless otherwise disclosed in the respective significant accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") which is also the Company's functional currency and all values are rounded to the nearest thousand (RM'000), except when otherwise indicated.

The Company presents its statement of financial position in order of liquidity.

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**2. Summary of significant accounting policies (cont'd.)**

**2.2 Changes in accounting policies**

On 1 January 2020, the Group and the Company adopted the new and amended MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2020.

**Effective for financial periods beginning on or after 1 January 2020**

Amendments to MFRS 3	Business Combinations (on Definition of a Business)
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 16	Leases (COVID 19 - Related Rent Concessions)
Amendments to MFRS 101	Presentation of Financial Statements (on Definition of Material)
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors (on Definition of Material)
Interpretation to MFRS 123	Borrowing Cost Relating to Over Time Transfer of Constructed Goods
The Conceptual Framework	Revised Conceptual Framework for Financial Reporting

The adoption of the above amendments did not have any material impact on the financial performance or position of the Group except as disclosed below:

**(a) COVID-19-Related Rent Concessions (Amendments to MFRS 16)**

The amendments allow lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions.

These amendments are to be applied retrospectively. As the amendments do not apply to rent concessions due on or before 1 January 2020, no adjustments were made to the opening balance of retained profits.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.2 Changes in accounting policies (cont'd.)**

#### **(a) COVID-19-Related Rent Concessions (Amendments to MFRS 16) (cont'd.)**

As a practical expedient, the Group is not required to assess whether a COVID-19-related rent concession that meets all of the following conditions is a lease modification:

- (i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (ii) Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (iii) There is no substantive change to other terms and conditions of lease.

The Group has applied practical expedient to all of its commercial leases that meet the above-mentioned conditions.

### **2.3 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date.

A subsidiary is an entity over which 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 involvement with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement(s) with the other vote holders of the investee;
- (ii) Rights arising from other contractual arrangements; and
- (iii) The Group's voting rights and potential voting rights.



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**2. Summary of significant accounting policies (cont'd.)**

**2.3 Basis of consolidation (cont'd.)**

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

**2.4 Interests in Subsidiaries, Associates and Joint Ventures**

Interests in subsidiaries, associates and joint ventures at the individual company level are stated at cost less accumulated impairment losses. Policy for the recognition and measurement of impairment losses is in accordance with Note 2.28.

On disposal of such interests, the difference between net disposal proceeds and their carrying amounts is charged or credited to profit or loss.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.5 Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments ("MFRS 9"), is measured at fair value with the changes in fair value recognised in the statements of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is remeasured at fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

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**2. Summary of significant accounting policies (cont'd.)**

**2.5 Business combinations and goodwill (cont'd.)**

After the initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

**2.6 Investments in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power 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 type of 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.

The Group as a joint operator recognises in relation to its interest in a joint operation:

- (i) its assets, including its share of any assets held jointly;
- (ii) its liabilities, including its share of any liabilities incurred jointly;
- (iii) its revenue from the sale of its share of the output arising from the joint operation;
- (iv) its share of the revenue from the sale of the output by the joint operation; and
- (v) its expenses, including its share of any expenses incurred jointly.

The consideration made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.6 Investments in associates and joint ventures (cont'd.)**

The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount is adjusted to recognise the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statements of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income ("OCI") of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statements of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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**2. Summary of significant accounting policies (cont'd.)**

**2.6 Investments in associates and joint ventures (cont'd.)**

After application of the equity method, the Group applies MFRS 136 Impairment of Assets ("MFRS 136") to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate or joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of significant influence over the associate or 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 associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

**2.7 Intangible assets**

**(a) Research and development costs**

Research and development costs are recognised as an expense except that costs incurred on individual development projects are recognised as development asset to the extent that such expenditure is expected to generate future economic benefits. Development costs are only recognised as an asset when it is probable that future economic benefits will be realised as a result of the specific expenditure and the costs can be measured reliably.

Following the initial recognition of the development expenditure, the asset is carried at cost less any accumulated amortisation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.28. These costs are derecognised upon disposal or when no future economic benefits are expected from its use.

Development costs that have been capitalised are amortised over the period of expected future sales from the related project.

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**2. Summary of significant accounting policies (cont'd.)**

**2.7 Intangible assets (cont'd.)**

**(b) Other intangible assets**

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. 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 assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each reporting date.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the CGU level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Other intangible assets comprise the following, and are amortised over the following useful lives:

<b>Intangible asset</b>	<b>Nature</b>	<b>Useful life</b>
Aircraft landing slots	Landing rights for aircraft	Indefinite
Computer software	Computer software and licenses	3 - 15 years
Brands	Brand name	Indefinite
Licenses	License to operate Themed parks	15 - 20 years
Value of business acquired ("VOBA")	In-force contracts for insurance and takaful businesses acquired	5 years
Bancassurance	Bancassurance agreement entered into with an associate company	20 years

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**2. Summary of significant accounting policies (cont'd.)**

**2.8 Aircraft, property, plant and equipment**

All items of aircraft, property, plant and equipment are initially recorded at cost. The cost of an item of aircraft, property, plant and equipment is recognised as an asset if, and only if, 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, aircraft, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

When significant parts of aircraft, property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land, which is stated at cost less impairment loss, has an unlimited useful life and therefore is not depreciated except for land held for scheduled waste treatment plant and disposal site in Port Dickson, Negeri Sembilan by a subsidiary of the Group, Kualiti Alam Sdn. Bhd. ("KASB").

Depreciation of other aircraft, property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value based on the following:

Freehold land held for scheduled waste treatment and disposal site	6.25%
Leasehold land	15 - 99 years
Hotel properties	37 years
Buildings	5 - 50 years
Roads, bridges, renovation, restoration costs and capital improvements	3 - 50 years
Plant and machinery	2 - 25 years
Furniture and fittings, motor vehicles and other equipments	3 - 30 years
Aircraft (from the age at the time of purchase)	18 - 20 years
Aircraft modifications/retrofits and spare engines	<u>7 - 20 years</u>



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**2. Summary of significant accounting policies (cont'd.)**

**2.8 Aircraft, property, plant and equipment (cont'd.)**

Capital work-in-progress consist of, amongst others, progress payments on aircraft, simulators and properties under construction. These capital work-in-progress are stated at cost and are not depreciated until the respective assets are ready for their intended use.

The carrying values of aircraft, property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of aircraft, 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 derecognition of the asset is included in profit or loss in the year the asset is derecognised.

**2.9 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 classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's and Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company and Group have applied the practical expedient, the Company and Group initially measure 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 for which the Company and Group applied the practical expedient are measured at the transaction price determined under MFRS 15. Refer to the accounting policies in Note 2.25 (e) Construction contracts, contracts for sale of land and property development costs.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.9 Financial instruments (cont'd.)**

#### **(i) Financial assets (cont'd.)**

##### **Initial recognition and measurement (cont'd.)**

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company and Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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 Company and Group commits to purchase or sell the asset.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

##### ***Financial assets at amortised cost (debt instruments)***

The Company and Group measure financial assets at amortised cost if both of the following conditions are met:

- The financial assets is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(i) Financial assets (cont'd.)**

**Subsequent measurement (cont'd.)**

***Financial assets at amortised cost (debt instruments) (cont'd.)***

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

***Financial assets at fair value through OCI (debt instruments)***

The Company and Group measure debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statements of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company and Group's debt instruments at fair value through OCI include investments in quoted debt instruments included under other non-current financial assets.

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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(i) Financial assets (cont'd.)**

**Subsequent measurement (cont'd.)**

***Financial assets designated at fair value through OCI (equity instruments)***

Upon initial recognition, the Company and Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132: Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statements of profit or loss when the right of payment has been established, except when the Company and Group benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company and Group elected to classify irrevocably its not held for trading instruments under this category.

***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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 the statements of profit or loss.

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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(i) Financial assets (cont'd.)**

**Subsequent measurement (cont'd.)**

***Financial assets at fair value through profit or loss (cont'd.)***

This category includes derivative instruments and listed equity investments which the Company and Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as dividend income in the statements of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(i) Financial assets (cont'd.)**

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company and Group have transferred its rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full to a third party under a 'pass-through' arrangement; and either (a) the Company and Group have transferred substantially all the risks and rewards of the asset, or (b) the Company and Group have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company and Group have transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company and Group continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company and Group also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company and Group have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company and Group could be required to repay.

**Impairment of financial assets**

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions
- Debt instruments at fair value through OCI
- Trade receivables, including contract assets

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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(i) Financial assets (cont'd.)**

**Impairment of financial assets (cont'd.)**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on 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 original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has 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 ECLs). For those credit exposures for which there has 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 ECLs).

For trade receivables and contract assets, the Company and Group apply a simplified approach in calculating ECLs. Therefore, the Company and Group do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company and Group have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company and Group apply the low credit risk simplification. At every reporting date, the Company and Group evaluate 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 Company and Group reassess the internal credit rating of the debt instrument. In addition, the Company and Group consider that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company and Group consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company and Group may also consider a financial asset to be in default when internal or external information indicates that the Company and 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.



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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(ii) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company and Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

***Financial liabilities at fair value through profit or loss***

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company and Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Company and Group have not designated any financial liability as at fair value through profit or loss.

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**2. Summary of significant accounting policies (cont'd.)**

**2.9 Financial instruments (cont'd.)**

**(ii) Financial liabilities (cont'd.)**

**Subsequent measurement (cont'd.)**

***Loans and borrowings***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 25 and Note 61 to the financial statements.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 an exchange 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 the statement of profit or loss.

**(iii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement 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, to realise the assets and settle the liabilities simultaneously.

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**2. Summary of significant accounting policies (cont'd.)**

**2.10 Hedge accounting**

The Group uses derivatives to manage its exposure to foreign currency risk, interest rate risk, liquidity risk and fuel hedging contracts. The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting.

For the purpose of hedge accounting, hedging relationship are classified as:

- Fair value hedges, when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment (except for foreign currency risk); or
- Cash flow hedges, when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probably forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Hedges are expected to be highly effective and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the strict criteria for hedge accounting are accounted for as follows:

**(a) Fair value hedges**

The changes in the fair value of a derivative hedging instrument is recognised in profit or loss, together with any gain or loss on the hedged item attributable to the hedged risk, which is adjusted to the carrying amount of the hedged item.

For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through profit or loss over the remaining term to maturity. Effective interest rate amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

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**2. Summary of significant accounting policies (cont'd.)**

**2.10 Hedge accounting (cont'd.)**

**(a) Fair value hedges (cont'd.)**

If the hedge item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss.

The Group discontinues fair value hedge accounting if the hedging instrument expires or is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting or the Group revokes the designation.

**(b) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while any ineffective portion is recognised in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised directly in equity are reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the Group removes the associated gains and losses that were recognised directly in other comprehensive income, and includes them in the initial cost or other carrying amount of the asset or liability.

For other cash flow hedges, amounts recognised directly in other comprehensive income are recognised in profit or loss in the same period or periods during which the forecast transaction affects profit or loss.

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**2. Summary of significant accounting policies (cont'd.)**

**2.10 Hedge accounting (cont'd.)**

**(b) Cash flow hedges (cont'd.)**

Cash flow hedge accounting shall be discontinued prospectively if the hedging instrument is sold, terminated or exercised or the hedge no longer meets the criteria for hedge accounting. The cumulative gain or loss on the hedging instrument remains separately recognised in equity until the forecast transaction occurs at which stage it is accounted for in accordance with the guidance given above depending on whether or not the forecast transaction results in the recognition of a financial or non-financial asset or liability. If the forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that remains in equity is recognised immediately in profit or loss.

If the Group revokes the designation for a hedge of a forecast transaction, the cumulative gain or loss recognised in equity remains separately recognised in equity until the forecast transaction occurs or is no longer expected to occur. If the transaction occurs, the cumulative gain is accounted for in accordance with the guidance given above depending on whether or not the forecast transaction results in the recognition of a financial or non-financial asset or liability. If the forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that remains in equity is recognised immediately in profit or loss.

**(c) Hedges of a net investment**

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in profit or loss.

On disposal of the foreign operation, the cumulative gain or loss on the hedging instrument relating to the effective portion of the hedge which was recognised in other comprehensive income is reclassified from equity to profit or loss.

**2.11 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank and deposits with financial institutions that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

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**2. Summary of significant accounting policies (cont'd.)**

**2.12 Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**(a) As 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 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, and lease payments made at or before the commencement date less any lease incentive received. Right-of-use assets are depreciated on a straight-line basis over the lease term of the assets. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Aircraft	1 - 41 years
Land	2 - 81 years
Building	3 - 5 years
Other office equipment	3 years

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.28.

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**2. Summary of significant accounting policies (cont'd.)**

**2.12 Leases (cont'd.)**

**(a) As lessee (cont'd.)**

**Right-of-use assets (cont'd.)**

**Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities 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 also include exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses 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 or the interest rate implicit if it is determine in the contract. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Note 67.

**Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e, those leases have a lease term of 12 months or less). The Group also applies the leases of low-value-assets recognition exemption to office equipments and IT equipments 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.



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**2. Summary of significant accounting policies (cont'd.)**

**2.12 Leases (cont'd.)**

**(b) As lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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 rental income.

**2.13 Concession assets**

**(a) Concession intangible assets**

In order to fall within the scope of concession contract, a contract must satisfy the following two criteria:

- the grantor controls or regulates what services the operator must provide with the infrastructure/assets, to whom it must provide them, and at what price; and
- the grantor controls the significant residual interest in the infrastructure/assets at the end of the term of the arrangement.

Concession intangible assets comprise Expressway Development Expenditure ("EDE"), Capital Work-In-Progress, Concession rights and Other Concession Assets.

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**2. Summary of significant accounting policies (cont'd.)**

**2.13 Concession assets (cont'd.)**

**(a) Concession intangible assets (cont'd.)**

Such assets are not recognised by the Group as property, plant and equipment but as concession intangible assets. The intangible asset model applies where the operator is paid by the users or where the concession grantor has not provided a contractual guarantee in respect of the amount recoverable. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service. Under the intangible asset model, revenue includes revenue from the construction of the infrastructure/assets and operating revenue of the infrastructure.

**(i) Expressway Development Expenditure ("EDE")**

EDE, comprises construction development and upgrading expenditure (including borrowing costs relating to the financing of the development) incurred in connection with the concession intangible assets.

EDE is stated at cost less accumulated amortisation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.28.

EDE is amortised over its concession period. The amortisation formula applied in the preparation of the financial statements to arrive at the annual amortisation charge for each financial year is as follows:

$$\frac{\text{Traffic volume for the year}}{\text{(Actual traffic volume for the year + Projected total traffic volume for the subsequent years to end of concession period)}} \times \text{(Net book value of EDE brought forward + net additions for the year)}$$

The projected total traffic volume is based on the latest available traffic volume projections prepared by independent traffic consultants. The traffic volume projections are independently reviewed on a periodic basis.

**(ii) Capital work-in-progress**

Capital work-in-progress is not depreciated until the asset is fully completed and brought into use.

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**2. Summary of significant accounting policies (cont'd.)**

**2.13 Concession assets (cont'd.)**

**(a) Concession intangible assets (cont'd.)**

**(iii) Concession rights**

Concession rights relate to the rights to build, own and operate the asset for solar panel and biogas activities in accordance with the Renewable Energy Power Purchase Agreements ("REPPA") entered with Tenaga Nasional Berhad ("TNB").

These concession rights, with finite useful lives, are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there are indications that the concession rights may be impaired.

**(iv) Other concession assets**

Other concession assets comprise toll equipment, video surveillance equipment, telecommunication networks, centralised lighting, and toll operation computer hardware and software, and are stated at cost less accumulated amortisation and impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 2.28. The annual amortisation in respect of these assets is computed on a straight-line basis over their estimated useful lives at the following rates:

Software and computers	12.5% to 14.3%
Others	10%

**2.14 Investment properties**

Investment properties consist of land, completed properties and properties under construction ("IPUC") which are held for capital appreciation or rental purpose or both, and generally are not occupied for use or in the operations of the Group. Investment properties are treated as long term investments and are measured initially at cost, including transaction costs.

Following initial recognition, investment properties are carried at cost less any accumulated depreciation and accumulated impairment losses, except for freehold land which has an unlimited useful life and therefore is not depreciated. Other investment properties are depreciated over the estimated economic useful lives of 10 - 80 years. IPUC are not depreciated as they are not ready for their intended use. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.28.

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**2. Summary of significant accounting policies (cont'd.)**

**2.14 Investment properties (cont'd.)**

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.8 up to the date of change in use.

**2.15 Land held for property development and property development costs**

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

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at lower of cost and net realisable value. Cost consists of land and development expenditure (including borrowing costs relating to the financing of active development).

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

**(b) Property development costs**

Property development costs are those assets on which significant works have been undertaken and are expected to be completed within the normal operating cycle.

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**2. Summary of significant accounting policies (cont'd.)**

**2.15 Land held for property development and property development costs (cont'd.)**

**(b) Property development costs (cont'd.)**

Property development costs are initially stated at cost. Cost includes:

- Freehold and leasehold rights for land;
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs; and
- Non-refundable commission cost.

Property development cost is recognised as an expense when the corresponding revenue is recognised as per accounting policy in Notes 2.25(e)(iii) and 2.25(e)(iv).

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development cost not recognised as an expense is recognised as an asset, which is measured at the lower of cost or net realisable value.

Property development cost of unsold units or units pending transfer of control is transferred to inventories held for sale or inventories under contract of sale once the development is completed.

**2.16 Inventories**

**(a) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost of inventories are assigned on a weighted average cost basis, except for trading inventories which are determined on a First-In-First-Out ("FIFO") basis and are valued on the basis of lower of cost and net realisable value after making allowance for obsolete and slow-moving inventories.

The cost of raw materials comprise costs of purchase. The cost of finished goods comprise costs of direct materials, direct labour, a proportion of overhead expenses and all incidental costs incurred in bringing the inventories into store. Net realisable value is the estimated selling price in the ordinary course of business less all estimated costs of completion and the estimated costs to make the sale.

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**2. Summary of significant accounting policies (cont'd.)**

**2.16 Inventories (cont'd.)**

**(a) Inventories (cont'd.)**

The amount of any write down of inventories to net realisable value and subsequent reversals of any write down, if any, is recognised in profit or loss.

Developed properties held for sale are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes cost of land, construction and appropriate development overheads.

**(b) Work-in-progress**

Work-in-progress and manufactured finished goods are stated at lower of cost and net realisable value. Cost is made up of direct materials, labour and a proportion of overhead expenses. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. Allowance is made for all anticipated losses on work-in-progress.

**2.17 Contract assets and contract liabilities**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are subject to impairment assessment based on ECL model. The amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

A contract asset becomes a receivable when the Group's and the Company's right to consideration is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 under the contract.

Contract liability is recognised as revenue when the Group and the Company perform the obligations under the contract.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.18 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 relating to income shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to an asset are amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments or presented in the statements of financial position by deducting the grants in arriving at the carrying amount of the asset.

### **2.19 Customer loyalty programme**

Award credits/points granted by certain subsidiaries of the Group are a separately identifiable component of the sales transaction and represent rights granted to the customer. The consideration allocated to the points is measured at the fair value of the points. It is recognised as a deferred revenue in the consolidated statement of financial position and recognised as revenue when the points are redeemed, have expired or are no longer expected to be redeemed.

### **2.20 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### **2.21 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. Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee.

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**2. Summary of significant accounting policies (cont'd.)**

**2.21 Financial guarantee contracts (cont'd.)**

If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

**2.22 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.

When the carrying amount of an asset inclusive of capitalised borrowing costs exceeds its recoverable amount, capitalisation is discontinued and such excess is written down or adjusted for an allowance for impairment, through an appropriate charge to profit or loss.

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.

**2.23 Employee benefits**

**(a) Short term benefits**

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year 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, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.



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**2. Summary of significant accounting policies (cont'd.)**

**2.23 Employee benefits (cont'd.)**

**(b) 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 and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

**(c) Termination benefits**

Employees of a subsidiary of the Group, Malaysia Aviation Group Berhad ("MAGB") receive termination benefits which are payable when employment is terminated by MAGB before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. MAGB recognises termination benefits at the earlier of the following dates: (a) when MAGB can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of MFRS 137: Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

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**2. Summary of significant accounting policies (cont'd.)**

**2.23 Employee benefits (cont'd.)**

**(d) Defined benefit plans**

Certain subsidiaries of the Group operate a funded and unfunded defined benefit, Retirement Benefit Scheme ("the Scheme"), for their eligible employees. The Group's obligations under the Scheme are determined based on actuarial valuation where the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted using the Projected Unit Credit Method in order to determine its present value. The fair value of plan assets for a funded scheme is determined by discounting expected future cash flows. The discount rate is the market yield at the reporting date on high quality corporate bonds or government bonds. Actuarial gains and losses for the defined benefit plans are recognised in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognised in retained earnings and are not reclassified to profit or loss in subsequent periods. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

The amount recognised in the statements of financial position represents the present value of the defined benefit obligations less unrecognised past service costs, reduced by the fair value of the plan assets. The value of any defined benefit asset recognised is restricted to the sum of any unrecognised past service costs and the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.

**(e) Employee entitlements**

An indirect subsidiary makes provision for retirement leave entitlements of eligible employees and relate to rights which have been vested and unvested. These have been recognised based on independent actuarial valuations. The timing of such payments depends on when vesting occurs and the subsequent retirement date of the eligible employees.

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**2. Summary of significant accounting policies (cont'd.)**

**2.24 Share-based compensation**

**(a) Equity-settled**

**(i) UEM Group Berhad**

Certain companies in the Group grant employee share option schemes to their employees, which allow them to acquire ordinary shares of their respective companies.

The cost of equity-settled transactions with employees is measured by reference to the fair value of the options at the date at which they are granted. This cost is recognised in profit or loss, with a corresponding increase in share option reserve in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which is treated as vested irrespective of whether or not the market or non vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.25 Revenue and income recognition**

Revenue and income are recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue and income can be reliably measured. Revenue and income are measured at the fair value of consideration received or receivable.

#### **(a) Dividend income**

Dividend income is recognised when the shareholders' right to receive payment is established and no significant uncertainty exist with regard to its receipts.

#### **(b) Interest income**

Interest income is recognised on an accrual basis using the effective interest method.

#### **(c) Gain or loss on disposal of investment**

Gain or loss on disposal of investment is recognised upon satisfaction of all terms of the agreement leading to sale of the investment.

#### **(d) Sales of goods and rendering of services**

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customers.

Revenue from sale of services is recognised at the point in time or over time as the services are provided.

#### **(e) Construction contracts, contracts for sale of land and property development costs**

##### **(i) Construction contracts**

Revenue is recognised over time by reference to the progress towards completion, which is determined based on input method, i.e. cost incurred to date against the expected total construction costs. Revenue from construction contracts is recognised net of Liquidated Ascertained Damages ("LAD").

**2. Summary of significant accounting policies (cont'd.)**

**2.25 Revenue and income recognition (cont'd.)**

**(e) Construction contracts, contracts for sale of land and property development costs (cont'd.)**

**(i) Construction contracts (cont'd.)**

For those construction contracts that contain significant financing component, the amount of consideration is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, to take into consideration the significant financing component.

**(ii) Sale of land**

Revenue from sale of land is recognised as a point in time when control is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer.

**(iii) Sale of development properties**

Revenue from sale of development properties is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance 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.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer in substance obtains control of the asset.

Revenue from sale of development properties is recognised net of consideration payable to the customers and variable considerations.

**2. Summary of significant accounting policies (cont'd.)**

**2.25 Revenue and income recognition (cont'd.)**

**(e) Construction contracts, contracts for sale of land and property development costs (cont'd.)**

**(iv) Multiple promises from sale of development properties and land**

Multiple promises from sale of development properties and land are accounted for as separate performance obligations. The transaction price is allocated to each performance obligation based on the stand-alone selling prices, and if not directly observable, based on expected cost plus margin.

**(f) Rental income**

Rental income is recognised on a straight-line basis over the terms of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

**(g) Toll collection and toll compensation**

Toll collection revenue is recognised based on the net collection from tolls designated under the Concession and Novation Agreement between the expressway companies and the Government.

Toll compensation for any concession year is recognised in the financial statements as revenue when receipt is probable and the amount that is receivable can be reliably measured.

**(h) Airlines services**

Passenger ticket and cargo space sales or airway bill sales (belly and freighter) including the related administration fees and various surcharges are recognised as revenue, net of discount, in profit or loss at the point in time upon satisfaction of the performance obligation, which generally coincides with passenger uplift. The value of unutilised tickets is included in current liabilities as sales in advance of carriage. The revenue from reissuance fees are recognised upon passenger uplift.

Passenger tickets, other service fees and surcharges that remain unutilised after 12 months subsequent to the date of issue are recognised in the profit or loss as unavailed credits on sales in advance of carriage.

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**2. Summary of significant accounting policies (cont'd.)**

**2.25 Revenue and income recognition (cont'd.)**

**(h) Airlines services (cont'd.)**

Revenue from other services such as charter revenue, catering, warehousing services, passenger handling services, provision of computerised reservation services, trucking and retailing of goods are recognised in profit or loss at the point in time upon satisfaction of the performance obligation, except for leases of aircraft.

**(i) Airport handling and engineering services**

Airport handling and engineering services are recognised based on the number of man-hours incurred and the cost of materials and spare parts supplied.

Power-by-the-hour ("PBTH") revenue is recognised based on the percentage of completion of the projects. The percentage of completion of the projects is determined based on the number of man-hours incurred to-date against the estimated man-hours needed to complete the projects.

Revenue from Maintenance Repair and Overhaul ("MRO") training and consultancy services are recognised over-time as the services are rendered based on the contract value with intercompanies and third parties.

**(j) Frequent flyer programme**

The Group operates a frequent flyer programme where points are purchased by partners or awarded to programme members based on accumulated miles travelled.

The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of sale, such that the award miles are recognised at fair value. The points sold to partners and a portion of passenger revenue attributable to the award of frequent flyer benefits is accounted as a current liability ("deferred revenue") in the consolidated statement of financial position until they are utilised. Revenue from the award points is recognised when the points are redeemed or expired. The amount of revenue recognised when the points are redeemed is based on the number of points redeemed relative to the total number expected to be redeemed.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.25 Revenue and income recognition (cont'd.)**

#### **(k) Hotel, themed parks and golf operations**

Revenue from hotel, themed parks and golf operations are recognised in profit or loss when services are rendered.

#### **(l) Revenue on public-private service arrangements**

Revenue on public-to-private service arrangements is recognised and measured based on the services performed/provided during the period.

The consideration received/receivable shall be allocated by reference to the relative fair values of the services delivered, if more than one service (ie. construction of/or upgrade services and operation services) are performed under a single contract or arrangement.

##### **(i) Construction or upgrade service**

Revenue is recognised in accordance with Note 2.25(e)(i).

The consideration receivable shall be recognised as:

- (i) a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset; or
- (ii) an intangible asset to the extent that it receives a right (a licence) to charge users of the public service.

##### **(ii) Operation services**

Revenue is recognised in accordance with Note 2.25(d).

### **2.26 Income tax**

#### **(a) 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, either in other comprehensive income or directly in equity.



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**2. Summary of significant accounting policies (cont'd.)**

**2.26 Income tax (cont'd.)**

**(b) 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 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 or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates 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.

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**2. Summary of significant accounting policies (cont'd.)**

**2.26 Income tax (cont'd.)**

**(b) Deferred tax (cont'd.)**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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.

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 taxes relate to the same taxable entity and the same taxation authority.

**2.27 Foreign currencies**

**(a) Functional and presentation currency**

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 Ringgit Malaysia ("RM"), which is also the Company's functional currency.

**(b) Foreign currency transaction**

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

## **2. Summary of significant accounting policies (cont'd.)**

### **2.27 Foreign currencies (cont'd.)**

#### **(b) Foreign currency transaction (cont'd.)**

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

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.

#### **(c) Foreign operations**

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and 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.

### **2.28 Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

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**2. Summary of significant accounting policies (cont'd.)**

**2.28 Impairment of non-financial assets (cont'd.)**

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments 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 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.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

**2.29 Share capital and share issuance expenses**

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities.

**(a) Ordinary shares**

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

**(b) Redeemable cumulative convertible preference shares ("RCCPS")**

RCCPS are recorded at the proceeds received, net of directly attributable incremental transaction costs. RCCPS are classified as equity.

**(c) Dividends**

Dividends on ordinary shares and RCCPS are recognised in equity in the period in which they are declared.

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**2. Summary of significant accounting policies (cont'd.)**

**2.29 Share capital and share issuance expenses (cont'd.)**

**(d) Capital contribution from shareholders**

The capital contribution relates to contribution from the holding company, where no repayment is expected.

**2.30 Insurance business**

**(a) Product classification**

The insurance and takaful subsidiaries of the Group issue contracts that contain insurance/takaful risk or both insurance/takaful underwriting risk and financial risk.

Financial risk is the risk of a possible future change in one or more of a specified interest/profit rate, financial instrument price, commodity price, foreign exchange rate, index of price or rate, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Insurance/takaful underwriting risk is risk other than financial risk.

Insurance/takaful contracts are those contracts that transfer significant insurance/takaful risks.

An insurance/takaful contract is a contract under which the Group (the insurer) has accepted significant insurance/takaful risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the insurance and takaful subsidiaries of the Group define whether significant insurance/takaful risk has been accepted by comparing benefits paid or payable on the occurrence of an insured event against benefits paid or payable if the insured event does not occur.

A takaful contract is a contract under which the takaful operator (the provider) has agreed to administer takaful risk faced by participants by agreeing to compensate the participants from the Tabarru' Fund if a specified uncertain future event (the insured event) adversely affects the participants. As a general guideline, the Group's takaful subsidiary defines significant takaful risk to be the possibility of having to pay benefits on the occurrence of a takaful event that are at least 5% more than the benefits payable if the takaful event did not occur.

Investment contracts are those contracts that do not transfer significant insurance/takaful risks.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(a) Product classification (cont'd.)**

Once a contract has been classified as insurance/takaful contract, it remains an insurance/takaful contract for the remainder of its life-time, even if the insurance/takaful risks reduce significantly during this period, unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance/takaful contracts after inception if insurance/takaful risks thereon becomes significant.

Insurance/takaful contracts are further classified as being either with or without discretionary participation features ("DPF"). DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that are:

- (a) likely to be a significant portion of the total contractual benefits;
- (b) whose amount or timing is contractually at the discretion of the issuer; and
- (c) that are contractually based on the:
  - performance of a specified pool of contracts or a specified type of contract;
  - realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or
  - the profit or loss of the Group, fund or other entity that issues the contract.

Surpluses in the DPF fund are distributable to policy holders/participants and shareholders/the Group's subsidiaries in accordance with the relevant terms under the insurance/takaful contracts. The Group's insurance and takaful subsidiaries however have the discretion over the amount and timing of the distribution of these surpluses to policyholders and shareholders and subject to the advice of the subsidiaries' Appointed Actuaries.

Surpluses in the non-DPF fund arising during the year are recognised in the statement of comprehensive income and the unallocated surplus where the amount of surplus allocation to shareholders has yet to be determined by the end of the financial period is held in equity.

Unallocated surpluses of the DPF funds where the amount of surplus allocation to either policyholders or shareholders has yet to be determined by the end of the financial period are held within insurance contract liabilities.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(a) Product classification (cont'd.)**

For financial options and guarantees which are not closely related to the host insurance/takaful contract, bifurcation is required to measure these embedded derivatives separately at fair value through profit or loss. However, bifurcation is not required if the embedded derivative is itself an insurance/takaful contract, or if the host insurance/takaful contract is measured at fair value through profit or loss.

An investment-linked insurance/takaful contract is an insurance/takaful contract with an embedded derivative linking payments on the contract to units of an internal investment fund setup by the Group's insurance/takaful subsidiary with the consideration received from the contract holders. This embedded derivative meets the definition of an insurance/takaful contract and is therefore not accounted for separately from the host insurance/takaful contract. The liability for such contracts is adjusted for all changes in the fair value of the underlying assets.

When insurance/takaful contracts contain both financial risk component and significant insurance/takaful risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premium/contributions relating to the insurance/takaful risk component are accounted for on the same basis as insurance/takaful contracts and the remaining element is accounted for as a deposit through the statement of financial position similar to investment contracts.

**(b) Reinsurance/Retakaful assets**

The insurance and takaful subsidiaries of the Group cedes insurance/takaful risk in the normal course of business for their businesses. Reinsurance/retakaful assets represent balances due from reinsurance/retakaful operators respectively. Amounts recoverable from reinsurers/retakaful operators are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's/retakaful's policies and are in accordance with the related reinsurance/retakaful contracts.

Reinsurance/retakaful arrangements, entered into by the insurance and takaful subsidiaries of the Group, that meet the classification requirements of insurance/takaful contracts are accounted for as above. Arrangements that do not meet these classification requirements are accounted for as financial assets.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(b) Reinsurance/Retakaful assets (cont'd.)**

Reinsurance/retakaful assets represent amounts recoverable from reinsurers or retakaful operators for insurance/takaful contract liabilities which have yet to be settled at the reporting date. Amounts recoverable from reinsurers and retakaful operators are measured consistently with the amounts associated with the underlying insurance/takaful contracts and the terms of the relevant reinsurance/retakaful arrangements.

At each reporting date, or more frequently, the insurance and takaful subsidiaries of the Group assess whether objective evidence exists that reinsurance/retakaful assets are impaired. Objective evidence of impairment for reinsurance/retakaful assets are similar to those noted for insurance/takaful receivables as above.

If any such evidence exists, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Reinsurance assets and retakaful assets or liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

**(c) Insurance/Takaful receivables**

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration received or receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the effective yield method.

If there is objective evidence that the insurance and takaful receivables are impaired, the Group reduces the carrying amount as described in Note 2.30(b).

Insurance/takaful receivables are derecognised when the derecognition criteria for financial assets are met.



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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(d) Life insurance contract liabilities**

The life insurance contract liabilities of the Group comprise actuarial liabilities, unallocated surplus and net asset value attributable to unit holders.

**(i) Actuarial liabilities**

Actuarial liabilities are recognised when contracts are entered into and premiums are charged.

These liabilities are measured by using a prospective actuarial valuation method. The liability is determined as the sum of the present value of future guaranteed benefits and, in the case of a participating life policy, appropriate level of non-guaranteed benefits, and the expected future management and distribution expenses, less the present value of future gross considerations arising from the policy discounted at the appropriate risk discount rate.

The liability is based on best estimate assumptions and with due regard to significant recent experience. An appropriate allowance for provision of risk margin for adverse deviation from expected experience is made in the valuation of non-participating life policies, the guaranteed benefits liabilities of participating life policies, and the non-unit liabilities of investment-linked policies. The valuation basis, including the determination of the appropriate risk discount rate, is in accordance with Part D of the Risk-Based Capital Framework ("RBC Framework") and Appendix VII: Valuation Basis for Life Insurance Liabilities of the RBC Framework, and any related Circulars issued by BNM relevant to the guidelines.

The liability in respect of policies of a participating insurance contract is taken as the higher of the guaranteed benefit liabilities or the total benefit liabilities at the contract level derived as stated above.

In the case of a life policy where a part of, or the whole of the premiums are accumulated in a fund, the accumulated amount, as declared to the policy owners, are set as the liabilities if the accumulated amount is higher than the figure as calculated using the prospective actuarial valuation method.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(d) Life insurance contract liabilities (cont'd.)**

**(i) Actuarial liabilities (cont'd.)**

Where policies or extensions of a policy are collectively treated as an asset at the fund level under the valuation method adopted, the value of such asset is eliminated through zeroisation.

In the case of a 1-year life policy or a 1-year extension to a life policy covering contingencies other than death or survival, the liability for such life insurance contracts comprises the provision for unearned premiums and unexpired risks, as well as for claims outstanding, which includes an estimate of the incurred claims that have not yet been reported to the insurance and takaful subsidiaries of the Group.

Adjustments to the liabilities at each reporting date are recorded in the Life fund. Profits originated from margins of adverse deviations on run-off contracts, are recognised in the Life fund over the life of the contract, whereas losses are fully recognised in the Life fund during the first year of run-off.

The liability is derecognised when the contract expires, is discharged or is cancelled.

As the valuation methods used to value liabilities are in accordance with the RBC Framework for insurers, the insurance and takaful subsidiaries of the Group is deemed to have complied with the requirements of a liability adequacy test under MFRS 4: Insurance Contracts.

**(ii) Unallocated surplus**

Surpluses of contracts under the Participating Life fund are attributable to policyholders and shareholders and the amount and timing of distribution to both the policyholders and shareholders are determined by an actuarial valuation of the long term liabilities to policyholders at the reporting date and is made in accordance with the provision of the Financial Services Act, 2013 and related regulation by the insurance and takaful subsidiaries of the Group's Appointed Actuary.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(d) Life insurance contract liabilities (cont'd.)**

**(ii) Unallocated surplus (cont'd.)**

Surpluses in the non-DPF fund arising during the year are recognised in the statement of comprehensive income and the unallocated surplus where the amount of surplus allocation to shareholders has yet to be determined by the end of the financial year is held in equity.

Unallocated surpluses of the DPF funds where the amount of surplus allocation to either policyholders or shareholders has yet to be determined by the end of the financial year are held within insurance contract liabilities.

For financial options and guarantees which are not closely related to the host insurance contract and/or investment contract with DPF, bifurcation is required to measure these embedded derivatives separately at fair value through profit or loss. However, bifurcation is not required if the embedded derivative is itself an insurance contract and/or investment contract with DPF, or if the host insurance contract and/or investment contract itself is measured at fair value through profit or loss.

**(iii) Net asset value attributable to unit holders**

The unit liability of investment-linked policy is equal to the net asset value of the Investment-linked funds, which represents net premium received and investment returns credited to the policy less deduction for mortality, morbidity costs and expense charges.

**(e) Family takaful contract liabilities**

Family takaful contract liabilities comprise liabilities attributable to the certificate holders, claims liabilities and FVOCI reserve.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(e) Family takaful contract liabilities (cont'd.)**

**(i) Liabilities attributable to the certificate holders**

Actuarial liabilities are recognised when contracts are entered into and contributions are charged as determined by the annual actuarial valuation are based on the Islamic Financial Services Act, 2013 as well as the relevant statutory requirements stated in the Guidelines on Valuation Basis for Liabilities of Family Takaful Business. The actuarial liabilities are derecognised when the takaful contract expires, is discharged or is cancelled. The liabilities are based on best estimate assumptions and with due regard to significant recent experience. An appropriate allowance for provision of risk margin for adverse deviation from expected experience is made in the valuation of these liabilities.

**(ii) Claims liabilities**

The amounts payable under a family takaful certificate in respect of benefits and claims, including settlement costs, are accounted for using the case-by-case method as further set out in the accounting policy for benefits and claims expenses for family takaful contracts.

**(iii) Fair value adjustment on fair value through other comprehensive income ("FVOCI") financial assets**

Where unrealised gains or losses arise on FVOCI financial assets of the non-surplus sharing family takaful fund, the adjustment to the takaful contract liabilities equal to the effect that the realisation of those gains or losses at the end of the reporting period would have on those liabilities is recognised directly in the other comprehensive income.

**(iv) Net asset value attributable to certificate holders**

The unit liability of an investment-linked certificate is equal to the net asset value of the investment-linked funds, which represents the net contributions received and investment returns credited to the certificate less deduction for mortality, morbidity costs, and expense charges.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(e) Family takaful contract liabilities (cont'd.)**

**(v) Unallocated surpluses**

Surpluses of contracts under the surplus sharing Family Takaful fund are attributable to certificate holders and shareholders, and the amount and timing of distribution to both the certificate holders and shareholders are determined by an actuarial valuation of the long-term liabilities to certificate holders as of the date of the statement of financial position and is made in accordance with the provisions of the Islamic Financial Services Act 2013 and the related regulations by the Company's Appointed Actuary.

Surpluses in the non-surplus sharing fund arising during the financial year are recognised in the statement of comprehensive income, and the unallocated surplus at the end of the financial year are held in the Takaful contract liabilities.

Unallocated surpluses of the surplus sharing funds where the amount of surplus allocation to the certificate holders has yet to be determined by the end of the financial year are held within the Takaful contract liabilities.

**(f) Expense liabilities**

Expense liabilities are maintained in the Shareholders' fund in accordance with the requirements stated in the Guidelines on Valuation Basis for Liabilities of General Takaful and Family Takaful Business issued by BNM. The expense liabilities with respect to General Takaful business are calculated at the higher of aggregate of the provision for unearned wakalah fee or the unexpired expense risk and for family takaful business, the expense liabilities are determined by taking the present value of projected future deficits, discounted at appropriate spot rates. Future deficits are defined as the excess of future expense stream over future income cash flows, in aggregate basis. An appropriate allowance for provision of risk margin for adverse deviation is made in the valuation of these liabilities.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(g) Liability adequacy test**

At each financial year end, the insurance and takaful subsidiaries of the Group reviews the expense liabilities of the Shareholders' fund to ensure that the carrying amount is sufficient or adequate to cover the obligations of the shareholder's fund for all managed takaful certificates. In performing this review, the insurance and takaful subsidiaries of the Group considers all contractual cash flows and compares this against the carrying value of expense liabilities. Any deficiency is recognised in profit or loss.

**(h) Measurement and impairment of Qard**

In the event where the assets of the takaful funds are insufficient to meet the liabilities, the shareholder is required to rectify the deficit of the takaful funds via a Qard, which is a profit free loan. The Qard shall be repaid from future surpluses of the affected takaful funds. In the Shareholders' fund, the Qard is stated at cost less impairment losses, if any, whereas in the takaful funds, the Qard is stated at cost.

At each reporting date, the Qard position and the ability of the affected fund to generate sufficient surplus to repay the shareholder is monitored and measured. The likelihood that the Qard will be repaid and the duration of time that will be required to repay the Qard is determined and ascertained via projected cash flows which take into account past experience of the affected fund. The projected cash flows are then discounted to determine the recoverable value of the Qard.

If the Qard is impaired, an amount comprising the difference between its cost and its recoverable amount, less any impairment loss previously recognised is recognised in profit or loss. Impairment losses are subsequently reversed in the income statement if objective evidence exists that the Qard is no longer impaired.

**(i) Insurance/takaful payables**

Insurance/takaful payables are recognised when due and measured on initial recognition at fair value of the consideration payable less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective yield method.

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(j) Premium/contribution income**

Premiums/contributions represent consideration paid for an insurance contract/takaful certificate and is accounted for as follows:

**(i) Life insurance/family takaful business**

Premium or contribution income includes premiums recognised in the life/family takaful funds and the Investment-linked funds. Premiums or contributions of the life/family takaful fund are recognised as soon as the amount of the premiums or contributions can be reliably measured. First premium or initial contribution is recognised from inception date and subsequent premium or contribution is recognised when it is due.

Premium/contribution of the Investment-linked fund is in respect of the net creation of units, which represents premiums/contributions paid by policyholders/participants as payment for a new contract or subsequent payments to increase the amount of that contract. Net creation of units is recognised on a receipt basis.

At the end of the financial year, all due premiums are accounted for to the extent that they can be reliably measured and it is still within the grace period allowed for payment or covered by the cash surrender value of the policies.

**(k) Benefits and claims expenses**

**(i) Life insurance/family takaful business**

Benefits and claims that are incurred during the financial year are recognised when a claimable event occurs and/or the insurer/takaful operator is notified.

Benefits and claims including settlement costs, are accounted for using the case-by-case method and for this purpose, the amounts payable under a life insurance policy/family takaful certificates are recognised as follows:

- maturity and other policy/certificate benefit payments due on specified dates are treated as claims payable on the due dates; and

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**2. Summary of significant accounting policies (cont'd.)**

**2.30 Insurance business (cont'd.)**

**(k) Benefits and claims expenses (cont'd.)**

**(i) Life insurance/family takaful business (cont'd.)**

Benefits and claims including settlement costs, are accounted for using the case-by-case method and for this purpose, the amounts payable under a life insurance policy/family takaful certificates are recognised as follows: (cont'd.)

- death, surrender and other benefits without due dates are treated as claims payable on the date of receipt of intimation of death of the assured or occurrence of contingency covered;
- benefits payable under the Investment-linked funds are in respect of net cancellation of units and are recognised as surrender;
- bonus on DPF policy upon its declaration; and
- profit sharing of takaful certificates at maturity and in the financial year the profit arises.

**(l) Commission expenses and acquisition costs**

**(i) Life insurance business**

Gross commission and agency expenses, which are costs directly incurred in securing premiums on insurance policies, and income derived from reinsurers in the course of ceding of premiums to reinsurers, are charged/credited to profit or loss in the financial year in which they are incurred.

**(ii) Family takaful business**

Acquisition costs, commissions and management expenses are borne by the general/family takaful fund in the profit or loss at an agreed percentage of the gross contribution, in accordance with the principles of "Wakalah" as approved by the insurance and takaful subsidiaries of the Group's Shariah Committee and agreed between the participants and the insurance and takaful subsidiaries of the Group. These expenses are transferred to the Shareholders' fund via Wakalah fee and are recognised as incurred and properly allocated to the period in which it is probable that give rise to income.



## **2. Summary of significant accounting policies (cont'd.)**

### **2.31 Deferred liabilities**

Fees received from third parties as advance payments of future maintenance expenditure, in consideration for right-of-way access were classified as deferred liabilities. Deferred liabilities were amortised over the period of the individual contracts.

### **2.32 Fair value measurement**

The Group measures financial instruments, such as, derivatives, and financial investments, at fair value at each reporting date. Fair values of financial instruments measured at amortised cost are disclosed in Note 29 and Note 69 to the financial statements.

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:

- (a) In the principal market for the asset or liability; or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

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 uses 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.

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**2. Summary of significant accounting policies (cont'd.)**

**2.32 Fair value measurement (cont'd.)**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines 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 date.

**2.33 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 events not wholly within the control of the Group. Contingent liabilities and assets are not recognised in the statements of financial position.

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**3. Standards issued but not yet effective**

At the date of authorisation of the financial statements, the following were issued but not yet effective and have not been adopted by the Group and the Company.

<b>Description</b>	<b>Effective for financial periods beginning on or after</b>
Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 3: Business Combination - Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Costs of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between and Investor and its Associates or Joint Venture	Deferred

Adoption of the above MFRSs, Amendments to MFRSs and IC Interpretation will not have any material impact on the financial performance or position of the Company.

**(a) Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139: Interest Rate Benchmark Reform – Phase 2**

The amendments provide a practical expedient whereby an entity would not derecognise or adjust the carrying amount of financial instruments for modifications required by interest/profit rate benchmark reform, but would instead update the effective interest/profit rate to reflect the change in the interest/profit rate benchmark. On hedging relationship, entities would be required to amend the formal designation of a hedging relationship to reflect the modifications and/or changes made to the hedged item and/or hedging instruments as a result of the reform. However, the modification does not constitute discontinuation of the hedging relationship nor the designation of a new hedging relationship.

The amendments are effective for annual reporting periods beginning on or after 1 January 2021, retrospectively in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors, without the need to restate comparative information. Restatement of prior periods is permitted if, and only if, it is possible without the use of hindsight. Earlier application is permitted.

**3. Standards issued but not yet effective (cont'd.)**

**(b) Amendments to MFRS 3: Business Combination - Reference to the Conceptual Framework**

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements with reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirement.

The amendments explain the exception to the recognition principle of MFRS 3 to avoid the issue of potential gains or losses arising for liabilities and contingent liabilities that would be within the scope of MFRS 137 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately.

The existing guidance in MFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are to be applied prospectively in annual periods beginning on or after 1 January 2022, earlier application is permitted.

**(c) Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use**

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

**3. Standards issued but not yet effective (cont'd.)**

**(d) Amendments to MFRS 137: Onerous Contracts – Costs of Fulfilling a Contract**

The amendments clarify that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has incurred on assets used in fulfilling the contract.

The amendments are to be applied prospectively in annual periods beginning on or after 1 January 2022, earlier application is permitted.

**(e) Amendments to MFRS 101: Classification of Liabilities as Current or Non-**

The amendments clarify the following:

- (i) What is meant by a right to defer settlement;
- (ii) That a right to defer must exist at the end of the reporting period;
- (iii) That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- (iv) That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

**(f) MFRS 17: Insurance Contracts**

MFRS 17 will replace MFRS 4 Insurance Contracts. MFRS 17 applies to all types of insurance contracts, regardless of the type of entities that issue them, as well as certain guarantees and financial instruments with discretionary participation features.

The main features of the new accounting model for insurance contracts are, as follows:

- (i) The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, remeasured every reporting period (the fulfilment cash flows);
- (ii) A Contractual Service Margin ("CSM") that is equal and opposite to any day one gain in the fulfilment cash flows of a group of contracts, representing the unearned profitability of the insurance contracts to be recognised in profit or loss over the service period (i.e. coverage period);

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**3. Standards issued but not yet effective (cont'd.)**

**(f) MFRS 17: Insurance Contracts (cont'd.)**

The main features of the new accounting model for insurance contracts are, as follows: (cont'd.)

- (iii) Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognised in profit or loss over the remaining contractual service period;
- (iv) The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice;
- (v) The presentation of insurance revenue and insurance service expenses in the statements of comprehensive income based on the concept of services provided during the period;
- (vi) Amounts that the policyholder will always receive, regardless of whether an insured event happens (non-distinct investment components) are not presented in the statements of profit or loss, but are recognised directly on the statements of financial position;
- (vii) Insurance services results (earned revenue less incurred claims) are presented separately from the insurance finance income or expense; and
- (viii) Extensive disclosures to provide information on the recognised amounts from insurance contracts and the nature and extent of risks arising from these contracts.

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**3. Standards issued but not yet effective (cont'd.)**

**(f) MFRS 17: Insurance Contracts (cont'd.)**

The standard is effective for annual periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies MFRS 9 and MFRS 15 on or before the date it first applies MFRS 17. Retrospective approach for estimating the CSM on the transition date is required. However, if full retrospective application for estimating the CSM, as defined by MFRS 108 for a group of insurance contracts, is impracticable, an entity is required to choose one of the following two alternatives:

**(i) Modified retrospective approach**

Based on reasonable and supportable information available without undue cost and effort to the entity, certain modifications are applied to the extent full retrospective application is not possible, but still with the objective to achieve the closest possible outcome to retrospective application.

**(ii) Fair value approach**

The CSM is determined as the positive difference between the fair value determined in accordance with MFRS 13 Fair Value Measurement and the fulfilment cash flows (any negative difference would be recognised in retained earnings at the transition date).

Both the modified retrospective approach and the fair value approach provide transitional reliefs for determining the grouping of contracts. If an entity cannot obtain reasonable and supportable information necessary to apply the modified retrospective approach, it is required to apply the fair value approach.

**(g) Amendments to MFRS 17: Insurance Contracts**

The amendments are to address the concerns raised by stakeholders and ease transition by providing the additional relief to reduce the effort required when adopting MFRS 17 for the first time. The amendments are to be applied prospectively in annual periods beginning on or after 1 January 2023. The amendment will be assessed together with other MFRS 17 requirements as mentioned above.

**(h) Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The effective date for the amendment to Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128) has been deferred to a date to be determined by MASB.

#### **4. Significant accounting judgements**

The preparation of the Group's financial statements requires management to make judgements that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date are disclosed as below:

##### **(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 effect on the amounts recognised in the financial statements.

##### **(i) Impairment of investments**

The Group determines whether its investments are impaired following certain indications of impairment such as, amongst others, prolonged shortfall between market value and carrying amount, significant changes with adverse effects on the investment and deteriorating financial performance of the investment.

Depending on their nature and the industries in which the investments relate to, judgements are made by management to select suitable methods of valuation such as, amongst others, discounted cash flow, realisable net asset value and sector average price-earning ratio method.

##### **(ii) Recognition of expected losses on construction contracts**

Any expected loss on construction contract is recognised by the Group as an expense immediately when it is probable that the total contract costs will exceed the total contract revenue, even though the project had yet to be completed. In determining the expected loss, the Group takes into account the total contract costs to be incurred to the completion of the project and the probability of claims to be approved by clients for specific items of cost escalation and variation order.

##### **(iii) Contingent liabilities**

As disclosed in Note 33 and Note 73 to the financial statements, a contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group. Contingent liabilities are not recognised in the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.



**4. Significant accounting judgements (cont'd.)**

**(a) Critical judgements made in applying accounting policies (cont'd.)**

**(iv) Contingent liabilities - litigation**

As disclosed in Note 73 to the financial statements, the Group has several pending litigations with various parties as at current financial year end. The Group, after due consultation with the Group's solicitors, assesses the merit of each case, and makes the necessary provision for liabilities in the financial statements if their crystallisation are deemed as probable.

**(v) Income taxes**

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Deferred tax assets are recognised for unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine and assume the ability of each subsidiary to generate future taxable profit to utilise the relevant deferred tax assets by the respective subsidiary.

**(vi) Significant influence over investment in associates**

The Group considers that it has significant influence over certain associates of the Group even though that it holds less than 20% of the voting rights. This is evidenced by, amongst others, the Group having representation on the board, having the ability to participate in the financial and operating policy decisions of the associates and others.

## **5. Significant accounting estimates**

### **(a) 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 discussed below;

#### **(i) Impairment on investments and receivables**

##### **(1) Impairment on investments**

Once a suitable method of valuation is selected, management makes certain assumptions concerning the future to estimate the recoverable amount of the investment. Depending on the specific individual investment, assumptions made by management may include, amongst others, assumptions on expected future cash flows, revenue growth, discount rate used for purposes of discounting future cash flows which incorporates the relevant risks, and expected future outcome of certain past events.

##### Sensitivity to changes in assumptions

Management believes that no reasonably possible change in the key assumptions described above would cause the carrying amounts of the investments to materially exceed their recoverable amounts.

##### **(2) Impairment on receivables**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on 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 original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has 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 ECLs). For those credit exposures for which there has 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 ECLs).

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**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(i) Impairment on investments and receivables (cont'd.)**

**(2) Impairment on receivables (cont'd.)**

For trade receivables and contract assets, the Group applies a 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 a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment review

The impairment review of those investments and receivables with indications of impairment carried out by management during the year led to the recognition of impairment losses on investments and receivables of approximately RM1,066 million (2019: RM5,255 million) and RM5,220 million (2019: RM4,030 million) for the Group and the Company, respectively.

**(ii) Impairment of goodwill**

The Group determines whether goodwill is impaired at least once annually. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's goodwill as at 31 December 2020 is RM1,410 million (2019: RM2,045 million). Further details are disclosed in Note 46 to the financial statements.

**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(iii) Impairment of aircraft included in property, plant and equipment**

The Group assesses whether there are any indicators of impairment for aircraft included in property, plant and equipment at each reporting date. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

Management performed a review of the recoverable amounts based on a variety of estimations including the value in use of the cash-generating unit ("CGU") to which the aircraft included in property, plant and equipment is allocated and fair value less cost to sell. Value-in-use was determined by an estimate of the expected future cash flows from the CGU using a suitable discount rate in order to calculate the present value of those cash flows.

**(iv) Deferred tax assets**

Deferred tax assets of the Group are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The details are as disclosed in Note 55 to the financial statements.

**(v) Provision for aircraft related direct operating expenses**

The operation of air transportation services inevitably involve the making of various provisions on direct expenses, such as fuel, ground handling charges, landing and parking charges, in-flight meals, computer reservation systems booking fees and information technology related expenses. The estimates and associated assumptions used are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the provisions about carrying values of liabilities as at the financial year end.

**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(vi) Provision for aircraft maintenance and overhaul costs**

The Group is obligated to carry out heavy duty maintenance checks on the airframe, engines, landing gears and auxiliary power units, being part of the return conditions of its leased aircraft under contract. Provision for heavy duty maintenance cost is made progressively in the financial statements based on the number of flight hours or cycles. In arriving at the provision, assumptions are made on the estimated condition of the asset at the time of check, the material and overhead costs to be incurred, and the timing of when the check is to be carried out. These assumptions are formed based on past experience, and are regularly reviewed to ensure they approximate to the actual. Any revision in assumptions and estimations that causes a material effect to the provision would be adjusted prospectively in the financial statements.

**(vii) Unutilised tickets**

Unutilised tickets are subsequently recognised as revenue using estimates regarding the timing of recognition based on the terms and conditions of the tickets and historical trends. Changes in travel patterns, economic environment, variables and estimations used have an impact on the financial statements of the Group.

**(viii) Frequent flyer programme**

The consideration allocated to the mileage awards issued is measured at their fair value. In determining the fair value of the mileage awards, estimation techniques were used and reflect the weighted average of the contractual price with partners adjusted by the miles not expected to be redeemed by members.

**(ix) Estimates on brokerage on customers' unexercised rights**

The sales in advance of carriage ("SIAC") arise from the liabilities of the unutilised tickets are initially recognised similar to the contract liabilities in accordance with MFRS 15. Depending on the terms and conditions of the selected fare basis, the contract liabilities consist of a range of possibilities for refunding services that have not yet been provided. Liabilities include both the deferred income for future flight and ancillary services that are recognised as revenue when the tickets are utilised, and the liabilities for Enrich credited to the passenger when the tickets are utilised.

**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(ix) Estimates on brokerage on customers' unexercised rights (cont'd.)**

A customer's non-refundable prepayment to an entity gives the customer a right to receive a good or service in the future (and obliges the entity to stand ready to transfer a good or service). However, customers may not exercise all of their contractual rights. Those unexercised rights are often referred to as breakage.

If the Group expects to be entitled to a breakage amount in a contract liability, the Group shall recognise the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. If the Group does not expect to be entitled to a breakage amount, the entity shall recognise the expected breakage amount as revenue when the likelihood of the customer exercising its remaining rights becomes remote.

The expected amount of tickets that are not used is only recognised as revenue if the probability that the passengers (in accordance with the respective fare basis) exercise their remaining rights is low, and no later than when the expiry of flight documents is certain and known. Generally, passenger tickets, other service fees and surcharges are recognised in the profit or loss as unavailed credits on sales in advance of carriage if these tickets remain unutilised after 12 months subsequent to the date of issue or 12 months from the date the passengers first travelled with the ticket if the ticket consists of multiple coupons.

**(x) Construction and consultancy contracts and property development**

The Group recognises construction contracts and certain property development revenue and costs in the income statement over time by reference to the progress towards completion of the performance obligation based on input method.

Significant judgement is required in determining the percentage of completion, the extent of the costs incurred and the estimated total revenue and costs, as well as recoverability of the construction, consultancy and property development projects. In making the judgement, the Group evaluates based on past experience, external economic factors and by relying on the work of specialists.

The construction, consultancy and property development revenue and costs recognised in the current and prior years are disclosed in Note 52(iii) and Note 56 to the financial statements, respectively.

**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(xi) Amortisation of concession intangible assets**

Concession intangibles assets is amortised over the concession period by applying the formula in Note 2.13 (a)(i). The denominator of the formula includes projected toll traffic volume for subsequent years to the end of the concession period that is based on the latest available traffic volume projections prepared by independent traffic consultants. The assumptions to arrive at the traffic volume projections take into consideration the growth rate based on the current assessment of market and economical conditions.

Changes in the expected traffic volume could impact future amortisation charges.

**(xii) Depreciation of aircraft, property, plant and equipment**

The cost of aircraft, aircraft modifications/retrofits, spare engines, property, plant and equipment are depreciated on a straight-line basis over the assets' useful lives up to its residual value. Management reviews the residual values, useful lives and depreciation method at the end of each financial year and ensures consistency with previous estimates and patterns of consumption of the economic benefits that embodies the items in these assets. Changes in useful lives and residual values of these assets may result in a revision of future depreciation charges.

**(xiii) Provision for liquidated ascertained damages ("LAD")**

LAD is a possible obligation that arise from the late delivery of construction and development projects.

In assessing the probability that an outflow of resources will be required to settle the obligation, management considers the outcome of the extension of time application based on circumstances of the projects, past experiences and expert advice for construction projects; and the estimated date of completion for development projects.

**(xiv) Provision for construction costs**

The Group recognises a provision for construction costs relating to estimated final claims by contractors which have not been finalised.

Significant judgement is required in determining the extent of the costs to be incurred and in making the judgement, the Group evaluates based on past experience, external economic factors and by relying on the work of specialists.

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**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(xv) Provision for foreseeable losses for affordable housing**

Significant judgement is required in estimating the amount of foreseeable losses for affordable housing, as the construction of low cost housing is typically over the life of township development of spanning more than few financial years. Regulatory, technological and economics changes may result in significant changes to the provision amount which will subsequently affect the profitability of premium housing.

**(xvi) Deferred consideration payable**

Deferred consideration payable arose from the acquisition of investment completed by the end of reporting date with consideration payable in future periods which is contingent upon meeting certain criteria and performance target. At each reporting date, the Group assesses the fair value of the deferred consideration payable based on the projected probability of the investee company meeting the criteria and performance target after considering the current and projected market conditions.

The amount recognised as deferred consideration payable is the net present value of the assessed fair value, using a discount rate appropriate to the cash flow risks associated with the liability.

**(xvii) Valuation of embedded derivatives**

As the fair value of the embedded derivatives cannot be derived from active markets, fair value is determined using valuation techniques including the binomial model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(xviii) Fair value of financial instruments**

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 in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

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.

For financial instruments where there is no active market, fair value is determined using 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.

**(xix) Impairment of intangible assets - landing slots for air transportation**

The Group determines whether the landing slots which have indefinite useful lives, are tested for impairment either annually or on a more frequent interval, depending on events or changes in circumstances that indicate the carrying value may be impaired. This requires an estimation of the “value in use” of the CGU to which the landing slots belong.

In assessing value in use, the management is required 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.

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**5. Significant accounting estimates (cont'd.)**

**(a) Key sources of estimation uncertainty (cont'd.)**

**(xx) Insurance business**

**(i) Life insurance and family takaful businesses**

Life insurance contract liabilities are determined in accordance with regulatory framework. All life insurance liabilities are valued using a prospective actuarial valuation based on the sum of the present value of future benefits and expenses less future gross considerations arising from the policies discounted at the appropriate risk discount rate.

The main assumptions used for life insurance/family takaful business relate to mortality, morbidity, investment returns, expenses, lapse and surrender rates and discount rates. The Group's life insurance subsidiaries base mortality and morbidity on established industry and Malaysian table which reflect historical experiences, adjusted when appropriate to reflect the Group's unique risk exposure, product characteristics, target markets and own claims severity and frequency experiences.

There may be significant reporting lags between the occurrence of an insured event and the time it is actually reported. Following the identification and notification of an insured loss, there may still be uncertainty as to the magnitude of the claim. There are many factors that will determine the level of uncertainty such as inflation, judicial interpretations, legislative changes and claims handling procedures.

Estimates are also made as to future investment income arising from the assets backing the life insurance contracts. These estimates are based on current market returns as well as expectations about future economic and financial developments.

Assumptions on future expenses are based on current expense levels, adjusted for expected expense inflation adjustments, if appropriate.

Lapse and surrender rates are based on the Group's life and family takaful businesses' historical experience of lapses and surrenders.

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**Statement of comprehensive income**  
**For the year ended 31 December 2020**

		<b>Company</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Income	6	9,307,027	14,856,383
Dividend income		6,816,015	13,554,009
Gain from divestments		1,932,612	1,182,409
Other operating income		558,400	119,965
Operating expenses		(528,163)	(483,346)
Net unrealised gain on financial assets designated as fair value through profit or loss		1,114,372	561,753
Net gain/(loss) on revaluation of derivatives		46,510	(3,363)
Foreign exchange effect gain, net		442,575	282,788
Allowance for impairment losses on investments and receivables, net of writebacks		(5,219,589)	(4,029,712)
Operating profit	7	5,162,732	11,184,503
Finance costs	11	(1,891,152)	(2,201,914)
Profit before taxation		3,271,580	8,982,589
Taxation	12	(21,533)	(10,212)
Net profit for the year		3,250,047	8,972,377
<b>Other comprehensive income ("OCI")</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net profit/(loss) on fair value through other comprehensive income			
- Profit/(loss) on fair value changes, net of tax representing other comprehensive income/(loss) for the year		21,000	(1,500)
<b>Total comprehensive income for the year</b>		<b>3,271,047</b>	<b>8,970,877</b>

The accompanying notes form an integral part of the financial statements.

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**Statement of financial position**  
**As at 31 December 2020**

		<b>Company</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>			
Cash and bank balances	14	3,388,329	1,208,891
Investment in money market instruments	15	64,921	-
Other financial assets	16	3,756,473	4,632,211
Other receivables	17	871,802	868,932
Tax recoverable	18	26,634	25,097
Interest in subsidiaries	19	40,273,004	43,747,396
Interest in associates	20	25,713,966	25,928,295
Property and equipment	21	10,225	24,263
Investment property	22	352,569	-
Computer software	23	372	549
<b>Total assets</b>		<b>74,458,295</b>	<b>76,435,634</b>
<b>Liabilities</b>			
Other payables	24	3,544,768	3,587,882
Borrowings	25	42,610,496	45,769,258
Derivative liabilities	26	128,409	174,919
<b>Total liabilities</b>		<b>46,283,673</b>	<b>49,532,059</b>
<b>Equity attributable to Owners of the Company</b>			
Share capital	27	12,284,201	12,284,201
Capital contribution from shareholders		2,324,423	2,324,423
Fair value adjustment reserve		30,000	9,000
Retained profits		13,535,998	12,285,951
<b>Total equity</b>		<b>28,174,622</b>	<b>26,903,575</b>
<b>Total equity and liabilities</b>		<b>74,458,295</b>	<b>76,435,634</b>

The accompanying notes form an integral part of the financial statements.

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**Statement of changes in equity**  
**For the year ended 31 December 2020**

	<b>Share capital (Note 27) RM'000</b>	<b>Capital contribution from shareholders RM'000</b>	<b>Fair value adjustment reserve RM'000</b>	<b>Distributable retained profits RM'000</b>	<b>Total equity RM'000</b>
<b>At 1 January 2019</b>	12,284,201	2,324,423	10,500	4,313,574	18,932,698
Total comprehensive income for the year	-	-	(1,500)	8,972,377	8,970,877
Dividends (Note 13)	-	-	-	(1,000,000)	(1,000,000)
<b>At 31 December 2019</b>	<u>12,284,201</u>	<u>2,324,423</u>	<u>9,000</u>	<u>12,285,951</u>	<u>26,903,575</u>
<b>At 1 January 2020</b>	12,284,201	2,324,423	9,000	12,285,951	26,903,575
Total comprehensive income for the year	-	-	21,000	3,250,047	3,271,047
Dividends (Note 13)	-	-	-	(2,000,000)	(2,000,000)
<b>At 31 December 2020</b>	<u>12,284,201</u>	<u>2,324,423</u>	<u>30,000</u>	<u>13,535,998</u>	<u>28,174,622</u>

The accompanying notes form an integral part of the financial statements.

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**Statement of cash flows**  
**For the year ended 31 December 2020**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	3,271,580	8,982,589
Adjustments for:		
Gain from divestments	(1,932,612)	(1,182,409)
Dividend income	(6,816,015)	(13,554,009)
Interest income	(127,938)	(90,530)
Unrealised gain on foreign exchange, net	(442,575)	(282,788)
Depreciation on property and equipment	7,133	4,920
Depreciation on investment property	2,691	-
Amortisation of computer software	355	1,162
Allowance for impairment losses in investments and receivables, net of writebacks	5,219,589	4,029,712
Loss/(gain) on disposal of property and equipment	48	(285)
Amortisation of discounts on Khazanah bonds	438,883	513,244
Amortisation of discounts on Exchangeable Trust Certificates	55,919	203,246
Interest expense on Term Loans, Medium Term Notes ("MTN") and others	1,396,350	1,485,424
Net gain on financial assets designated as fair value through profit or loss	(1,114,372)	(561,753)
Net (gain)/loss on revaluation of derivatives	(46,510)	3,363
Operating loss before working capital changes	(87,474)	(448,114)
Changes in receivables	(1,407,200)	(1,231,004)
Changes in payables	1,138,693	1,278,959
Income tax paid	(20,000)	(29,820)
Net cash used in operating activities	(375,981)	(429,979)
<b>Cash flows from investing activities</b>		
Proceeds from sale/(purchase) of investments, net	1,528,680	(10,237,299)
Purchase of property and equipment	(11,462)	(19,361)
Purchase of computer software	(178)	(132)
Proceeds from sale of property and equipment	18,319	408
Dividend received	6,816,015	13,554,009
Interest received	127,938	90,530
Net cash generated from investing activities	8,479,312	3,388,155

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**Statement of cash flows**  
**For the year ended 31 December 2020 (cont'd.)**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Redemption of Exchangeable Trust Certificates	-	(1,874,695)
Redemption of Khazanah Bonds	(1,200,000)	(2,500,000)
Repayment of Islamic MTN	(5,752,233)	(1,500,000)
Repayment of revolving credit facilities	(5,500,000)	(3,725,074)
Proceeds from issuance of Exchangeable Trust Certificates	-	2,068,365
Proceeds from issuance of Islamic MTN	4,500,000	3,500,000
Drawdown of MTN	2,551,251	-
Drawdown of term loan	852,200	-
Drawdown of revolving credit facilities	1,000,000	3,900,000
Dividends paid	(1,000,000)	(1,000,000)
Interest paid	(1,375,111)	(1,485,425)
Net cash used in financing activities	<u>(5,923,893)</u>	<u>(2,616,829)</u>
<b>Net changes in cash and cash equivalents</b>	<b>2,179,438</b>	<b>341,347</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>1,208,891</b>	<b>867,544</b>
<b>Cash and cash equivalents at the end of year</b>	<b><u>3,388,329</u></b>	<b><u>1,208,891</u></b>
<b>Cash and cash equivalents comprise (Note 14):</b>		
Cash and bank balances	196,564	155,169
Deposits with licensed banks	3,191,765	1,053,722
	<u>3,388,329</u>	<u>1,208,891</u>

The accompanying notes form an integral part of the financial statements.

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**Notes to the Company financial statements**

**6. Income**

		<b>Company</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Dividend income:			
- from subsidiaries		4,557,500	11,483,224
- from associates		2,225,470	1,957,975
- from financial assets designated as fair value through other comprehensive income		1,810	43,600
- financial assets designated as fair value through profit or loss		31,235	69,210
Gain from divestments:			
- gain from divestments of subsidiaries and associates		1,932,612	1,155,808
- net fair value gain on financial assets designated as fair value through profit or loss		-	26,601
Interest income on:			
- loans and receivable		-	32,043
- financial assets designated as fair value through profit or loss		127,938	58,487
Directors' fees	(i)	6,249	7,955
Others		424,213	21,480
		<u>9,307,027</u>	<u>14,856,383</u>

- (i) Directors' fees relate to income receivable from related companies for the services rendered by the Company's employees as nominee directors of the related companies.



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**7. Operating profit**

Included in operating profit are the following:

		<b>Company</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Staff costs	8	174,423	145,504
Auditors' remuneration			
- statutory audit		380	380
- other assurance services		666	724
- others		64	94
Expenses relating to short-term leases		22,006	32,288
Repair and maintenance		14,246	13,023
Depreciation of property and equipment	21	7,133	4,920
Depreciation of investment property	22	2,691	-
Amortisation of computer software	23	355	1,162
Unrealised gain on foreign exchange		(442,575)	(282,788)
Loss/(gain) on disposal of property and equipment		48	(285)

**8. Staff costs**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Wages and salaries	147,317	120,995
Statutory contributions to EPF and social security	24,322	21,644
Others	2,784	2,865
	<u>174,423</u>	<u>145,504</u>

Included in staff costs are executive directors' and key management personnel's remuneration as disclosed in Notes 9 and 10, respectively.

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**9. Directors' remuneration**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Executive Directors of the Company:		
Wages and salaries	3,797	1,860
Statutory contribution to EPF	722	353
	<u>4,519</u>	<u>2,213</u>
Non-Executive Directors of the Company:		
Fees and allowances	299	355
	<u>4,818</u>	<u>2,568</u>

**10. Key management personnel remuneration**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Wages and salaries	38,127	21,727
Statutory contribution to EPF	7,190	3,890
	<u>45,317</u>	<u>25,617</u>

Key management personnel are staff who are involved in decision making and management of the Company.

**11. Finance costs**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest expense on term loans	136,588	133,960
Interest expense on revolving credit facility	43,080	250,414
Interest expense on Medium and Islamic Medium Term Notes ("MTN and IMTN")	1,216,682	1,101,050
Amortisation of discounts on Khazanah Bonds (Note 25(a))	438,883	513,244
Amortisation of discounts on Exchangeable Trust Certificates	55,919	203,246
	<u>1,891,152</u>	<u>2,201,914</u>

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**12. Taxation**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysian income tax	20,373	8,230
Foreign income tax	2,734	3,726
Overprovision in prior years	(1,574)	(1,744)
<b>Total income tax expense</b>	<b>21,533</b>	<b>10,212</b>

The tax treatment of the Company has fallen under the ambit of Section 60F Investment Holding Company ("Section 60F") of the Income Tax Act, 1967 for the current and prior financial years.

Under Section 60F, Investment Holding Company is defined as a company whose activities consist mainly of the holding of investment and not less than 80% of its gross income (whether exempt or not) is derived therefrom. Income from the holding of investment is not to be treated as business income whilst income other than income from holding of investment is to be treated as other non-business gains or profits under Section 4(f) of the Income Tax Act, 1967.

The Malaysian tax rate is calculated at the statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the year.

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2020 and 2019 are as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before taxation	3,271,580	8,982,589
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	785,179	2,155,821
Effect of income not subject to tax	(1,907,251)	(3,471,928)
Effect of expenses not deductible for tax purposes	1,145,179	1,328,063
Overprovision in prior years	(1,574)	(1,744)
<b>Tax expense for the year</b>	<b>21,533</b>	<b>10,212</b>

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**13. Dividends**

	<b>Company</b>	
	<b>Dividends in respect of year/</b>	
	<b>Dividends recognised in year</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Dividends on ordinary shares:		
Interim single-tier dividend on 5,443,953,229 ordinary shares	1,000,000	1,000,000
Special single-tier dividend on 5,443,953,229 ordinary shares	1,000,000	-
	<u>2,000,000</u>	<u>1,000,000</u>

**14. Cash and bank balances**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash on hand and at bank	196,564	155,169
Deposits with licensed banks	3,191,765	1,053,722
	<u>3,388,329</u>	<u>1,208,891</u>

**15. Investment in money market instruments**

Investment in money market instruments relates to short term commercial papers.

**16. Other financial assets**

<b>Company</b>	<b>Current</b>	<b>Non-current</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>2020</b>			
<b>Financial assets designated as fair value through profit or loss</b>			
<b>At fair value:</b>			
Quoted shares outside Malaysia	1,792,203	-	1,792,203
Quoted equity funds outside Malaysia	1,550,092	-	1,550,092
Unquoted money market funds outside Malaysia	-	117,424	117,424
Unquoted bonds in Malaysia	25,231	141,523	166,754
	<u>3,367,526</u>	<u>258,947</u>	<u>3,626,473</u>

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**16. Other financial assets (cont'd.)**

<b>Company (cont'd.)</b>	<b>Current RM'000</b>	<b>Non-current RM'000</b>	<b>Total RM'000</b>
<b>2020 (cont'd.)</b>			
<b>Financial assets designated as fair value through other comprehensive income</b>			
<b>At fair value:</b>			
Quoted shares in Malaysia	-	130,000	130,000
<b>Loans receivable</b>			
<b>At amortised cost:</b>			
Loans receivable	-	718,869	718,869
Less: Allowance for impairment losses (ii)	-	(718,869)	(718,869)
	-	-	-
	<u>3,367,526</u>	<u>388,947</u>	<u>3,756,473</u>
<b>2019</b>			
<b>Financial assets designated as fair value through profit or loss</b>			
<b>At fair value:</b>			
Quoted shares outside Malaysia	1,507,714	-	1,507,714
Quoted equity funds outside Malaysia	1,033,452	-	1,033,452
Unquoted money market funds outside Malaysia	-	428,492	428,492
Unquoted bonds in Malaysia	30,065	80,842	110,907
	<u>2,571,231</u>	<u>509,334</u>	<u>3,080,565</u>
<b>Financial assets designated as fair value through other comprehensive income</b>			
<b>At fair value:</b>			
Quoted shares in Malaysia	-	112,000	112,000
<b>Loans receivable</b>			
<b>At amortised cost:</b>			
Loans receivable (i)	-	2,571,091	2,571,091
Less: Allowance for impairment losses (ii)	-	(1,131,445)	(1,131,445)
	-	1,439,646	1,439,646
	<u>2,571,231</u>	<u>2,060,980</u>	<u>4,632,211</u>

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**16. Other financial assets (cont'd.)**

- (i) The loans receivable consist of amount due from an associate which is unsecured, interest free and has no fixed terms of repayment.
- (ii) A reconciliation of the allowance for impairment losses on loans receivable is as follows:

	<b>Individually impaired</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	1,131,445	1,031,445
(Writeback)/charge for the year	(412,576)	100,000
At 31 December	<u>718,869</u>	<u>1,131,445</u>

Other than the loans receivable, the other financial assets above are neither past due nor impaired.

**17. Other receivables**

	<b>Note</b>	<b>Company</b>	
		<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Interest income receivable		9,103	2,961
Deposits		2,759	3,971
Amount due from related companies	(i)	7,315	2,422
Amount due from MoF Inc.	(ii)	851,580	851,580
Others		1,045	7,998
		<u>871,802</u>	<u>868,932</u>

- (i) The amount due from related companies is unsecured, bears interest ranging between 4% to 5% (2019: ranging between 4% to 5%) per annum and is repayable on demand.
- (ii) The amount due from MoF Inc. is unsecured, interest free and is repayable on demand.

During the year, the other receivables are neither past due nor impaired.

**18. Tax recoverable**

The tax recoverable relates to tax over-payment of tax based on the Company's tax submissions, which are still subject to Inland Revenue ("IRB") agreement.

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**19. Interest in subsidiaries**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Unquoted shares in Malaysia		
- at cost	43,495,391	43,482,728
- at FVTPL	350,000	-
Unquoted shares outside Malaysia	2,683,610	5,831,889
	<u>46,529,001</u>	<u>49,314,617</u>
Less: Accumulated allowance for impairment losses	(25,730,536)	(23,151,063)
	<u>20,798,465</u>	<u>26,163,554</u>
Amount due from subsidiaries *	19,474,539	17,583,842
	<u>40,273,004</u>	<u>43,747,396</u>

\* As the amount due from subsidiaries is, in substance, a part of the Company's net investments in the subsidiaries, it is stated at cost less accumulated impairment losses.

Details of the subsidiaries are shown in Note 77.

During the current financial year:

**(a) Additional acquisition/subscription in existing subsidiaries**

- (i) The Company subscribed to 700,000,000 ordinary shares in Beyond Flying Sdn. Bhd. ("BFSB"), for a total consideration of RM700.0 million, resulting in the Company acquiring equity interest of 100%. BFSB, an unlisted company incorporated in Malaysia, is an investment holding company.
- (ii) The Company subscribed to an additional 350,000,000 redeemable convertible cumulative secured loan stocks in Themed Attractions Resorts & Hotels Sdn. Bhd. ("TAR&H"), for a total cash consideration of RM350.0 million, resulting in the Company maintaining its equity interest of 100%. TAR&H, an unlisted company incorporated in Malaysia, is an investment holding company.
- (iii) The Company subscribed to 199,768,752 ordinary shares in Impeccable Vintage Properties Sdn. Bhd. ("IVP"), for a total consideration of RM310.8 million, resulting in the Company acquiring equity interest of 100%. IVP, an unlisted company incorporated in Malaysia, is an investment holding company.
- (iv) The Company subscribed to an additional 197,500,000 preference shares in Tanjung Bidara Ventures Sdn. Bhd. ("Tanjung Bidara"), for a total consideration of RM197.5 million, resulting in the Company maintaining its equity interest of 100%. Tanjung Bidara, an unlisted company incorporated in Malaysia, is an investment holding company.

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**19. Interest in subsidiaries (cont'd.)**

**(a) Additional acquisition/subscription in existing subsidiaries (cont'd.)**

- (v) The Company subscribed to an additional 40,280,839 preference shares in Pulau Manukan Ventures Sdn. Bhd. ("PMVSB"), for a total consideration of RM40.3 million, resulting in the Company maintaining its equity interest of 100%. PMVSB, an unlisted company incorporated in Malaysia, is an investment holding company.
- (vi) The Company subscribed to an additional 22,000,000 preference shares in Mount Gading Ventures Sdn. Bhd. ("Mount Gading"), for a total cash consideration of RM22.0 million, resulting in the Company maintaining its equity interest of 100%. Mount Gading, an unlisted company incorporated in Malaysia, is an investment holding company.
- (vii) The Company subscribed to an additional 3,801,364 ordinary shares in Payar Investment Limited ("Payar"), for a total cash consideration of RM15.6 million, resulting in the Company maintaining its equity interest of 100%. Payar, an unlisted company incorporated in Malaysia, is an investment holding company.
- (viii) The Company subscribed to an additional 14,200,000 preference shares in Pulau Sibü Ventures Sdn. Bhd. ("Pulau Sibü"), for a total consideration of RM14.2 million, resulting in the Company maintaining its equity interest of 100%. Pulau Sibü, an unlisted company incorporated in Malaysia, is an investment holding company.
- (ix) The Company subscribed to an additional 12,548,800 preference shares in Iskandar Ventures Sdn. Bhd. ("IVSB"), for a total consideration of RM12.5 million, resulting in the Company maintaining its equity interest of 100%. IVSB, an unlisted company incorporated in Malaysia, is an investment holding company.
- (x) The Company subscribed to an additional 10,300,000 preference shares in Teluk Rubiah Ventures Sdn. Bhd. ("TRVSB"), for a total consideration of RM10.3 million, resulting in the Company maintaining its equity interest of 100%. TRVSB, an unlisted company incorporated in Malaysia, is an investment holding company.



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**19. Interest in subsidiaries (cont'd.)**

**(b) Special Purpose Vehicles ("SPVs")**

Special purpose vehicles ("SPVs") are wholly-owned subsidiaries of the Company that have been set up to actively hold investments or as funding vehicles of the Company. The SPVs are disclosed in Note 77.

Certain financial statements' captions of the Company after including the assets and liabilities held through the SPVs as at 31 December are as follows:

	<b>Extended Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue #	8,364,466	14,289,630
Profit from operations*	<u>2,896,651</u>	<u>7,360,011</u>
Cash, bank balances and investment in money market	7,518,143	7,192,765
Other financial assets	28,923,875	25,896,897
Interest in subsidiaries	10,427,085	13,348,459
Interest in associates	32,560,607	34,322,992
Interest in joint ventures	440,790	427,313
Borrowings	43,066,017	45,769,258
Retained profits	16,675,194	15,866,009
Currency translation reserve	1,862,329	2,570,865
Fair value adjustment reserve	3,267,338	3,436,769
Capital contribution from shareholders	<u>2,324,423</u>	<u>2,324,423</u>
Total assets	81,887,709	83,066,350
Total liabilities	<u>45,474,224</u>	<u>46,584,084</u>

# Revenue includes realised divestment gains from investments classified as fair value through other comprehensive income that was recycled to retained earnings upon divestment.

\* Profit from operations consist of profit before tax, realised divestment gains and permanent reduction in value of assets classified as fair value through other comprehensive income that was recycled to retained earnings.

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**20. Interest in associates**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Shares at cost,		
Quoted shares in Malaysia	24,926,224	25,140,553
Unquoted shares in Malaysia	932,407	932,407
	25,858,631	26,072,960
Less: Accumulated allowance for impairment losses	(144,665)	(144,665)
	<u>25,713,966</u>	<u>25,928,295</u>
Market values of quoted shares in Malaysia	<u>48,032,400</u>	<u>56,997,058</u>

Details of the associates are shown in Note 77.

During the current financial year:

- (i) The Company disposed 172,300,000 ordinary shares of Telekom Malaysia Berhad ("TM"), for a total cash consideration of RM734.7 million. Pursuant to the disposal, the Company's equity interest in TM reduced to 21.53%. TM, a company incorporated in Malaysia, is listed on Bursa Malaysia Main Market and is involved in telecommunication and related services.
- (ii) The Company disposed 85,000,000 ordinary shares of Tenaga Nasional Berhad ("TNB"), for a total cash consideration of RM1.0 billion. Pursuant to the disposal, the Company's equity interest in TNB reduced to 25.69%. TNB, a company incorporated in Malaysia, is listed on Bursa Malaysia Main Market and is involved in generation, transmission, distribution and sale of electricity.

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**21. Property and equipment**

<b>Company</b>	<b>Office equipment, furniture and fittings and computer equipment RM'000</b>	<b>Motor vehicles RM'000</b>	<b>Renovation RM'000</b>	<b>Total RM'000</b>
<b>2020</b>				
<b>Cost</b>				
At 1 January	49,578	1,463	31,977	83,018
Additions	4,120	-	7,342	11,462
Disposal	(20,242)	-	(10,908)	(31,150)
At 31 December	<u>33,456</u>	<u>1,463</u>	<u>28,411</u>	<u>63,330</u>
<b>Accumulated depreciation</b>				
At 1 January	25,364	1,414	31,977	58,755
Charge for the year	3,404	49	3,680	7,133
Disposal	(1,875)	-	(10,908)	(12,783)
At 31 December	<u>26,893</u>	<u>1,463</u>	<u>24,749</u>	<u>53,105</u>
<b>Net carrying amount</b>				
At 31 December	<u>6,563</u>	<u>-</u>	<u>3,662</u>	<u>10,225</u>
<b>2019</b>				
<b>Cost</b>				
At 1 January	30,621	2,720	31,977	65,318
Additions	19,361	-	-	19,361
Disposal	(404)	(1,257)	-	(1,661)
At 31 December	<u>49,578</u>	<u>1,463</u>	<u>31,977</u>	<u>83,018</u>
<b>Accumulated depreciation</b>				
At 1 January	21,404	2,112	31,857	55,373
Charge for the year	4,364	436	120	4,920
Disposal	(404)	(1,134)	-	(1,538)
At 31 December	<u>25,364</u>	<u>1,414</u>	<u>31,977</u>	<u>58,755</u>
<b>Net carrying amount</b>				
At 31 December	<u>24,214</u>	<u>49</u>	<u>-</u>	<u>24,263</u>

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**22. Investment property**

<b>Company</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>Leasehold land</b>		
<b>Cost</b>		
At 1 January	-	-
Additions	355,260	-
At 31 December	<u>355,260</u>	<u>-</u>
<b>Accumulated depreciation</b>		
At 1 January	-	-
Charge for the year	2,691	-
At 31 December	<u>2,691</u>	<u>-</u>
<b>Net carrying amount</b>	<u>352,569</u>	<u>-</u>
Fair value	<u>417,110</u>	<u>-</u>

The purchase consideration was offset against the inter-company amount due from Malaysia Aviation Group Berhad ("MAGB") to Khazanah.

The fair value of the investment property is determined by reference to the valuations provided by accredited independent valuers. As at the reporting date, the Company's investment property has a remaining lease tenure of 99 years.

The fair value of investment property is categorised as Level 3 under the fair value hierarchy, as the fair value is measured using inputs that are not based on observable data.

**23. Computer software**

<b>Company</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>Cost</b>		
At 1 January	12,434	12,302
Additions	178	132
At 31 December	<u>12,612</u>	<u>12,434</u>
<b>Accumulated amortisation</b>		
At 1 January	11,885	10,723
Charge for the year	355	1,162
At 31 December	<u>12,240</u>	<u>11,885</u>
<b>Net carrying amount</b>		
At 31 December	<u>372</u>	<u>549</u>

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**23. Computer software (cont'd.)**

Computer software relates to licence fees, professional fees and other directly attributable costs of preparing the asset for its intended use or for bringing the asset to its working condition.

**24. Other payables**

		<b>Company</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Interest payable	(i)	404,183	382,944
Dividend payable		1,000,000	-
Amount due to related companies	(ii)	1,950,842	3,037,589
Other payables and accruals	(iii)	189,743	167,349
		<u>3,544,768</u>	<u>3,587,882</u>

The terms and conditions of the above liabilities are as follows:

- (i) Interest payable is normally settled quarterly, semi-annually or annually throughout the financial year, depending on the terms of the respective borrowings of the Company.
- (ii) The amount due to related companies is unsecured, interest free and is repayable on demand.
- (iii) Other payables and accruals are interest free and have an average term of 60 to 90 days (2019: average term of 60 to 90 days).

**25. Borrowings**

	<b>Note</b>	<b>Short term</b>	<b>Company</b>	<b>Total</b>
		<b>RM'000</b>	<b>Long term</b>	<b>RM'000</b>
			<b>RM'000</b>	
<b>2020</b>				
Khazanah Bonds - secured	(a)	2,284,364	7,593,551	9,877,915
Exchangeable Trust				
Certificates	(b)	-	3,134,699	3,134,699
Danga Capital Berhad	(c)	2,983,568	8,000,000	10,983,568
Danum Capital Berhad	(d)	500,000	7,500,000	8,000,000
Rantau Abang Capital				
Berhad	(e)	-	4,500,000	4,500,000
Medium term notes	(f)	-	2,562,114	2,562,114
Term loans - unsecured	(g)	852,200	2,500,000	3,352,200
Ihsan Sukuk Berhad	(i)	-	200,000	200,000
		<u>6,620,132</u>	<u>35,990,364</u>	<u>42,610,496</u>

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**25. Borrowings (cont'd.)**

	<b>Note</b>	<b>Short term RM'000</b>	<b>Company Long term RM'000</b>	<b>Total RM'000</b>
<b>2019</b>				
Khazanah Bonds - secured	(a)	1,187,252	9,451,780	10,639,032
Exchangeable Trust				
Certificates	(b)	-	3,132,955	3,132,955
Danga Capital Berhad	(c)	4,735,830	11,061,441	15,797,271
Danum Capital Berhad	(d)	-	3,500,000	3,500,000
Rantau Abang Capital				
Berhad	(e)	1,000,000	4,500,000	5,500,000
Term loans - unsecured	(g)	-	2,500,000	2,500,000
Revolving credit facilities	(h)	4,500,000	-	4,500,000
Ihsan Sukuk Berhad	(i)	-	200,000	200,000
		<u>11,423,082</u>	<u>34,346,176</u>	<u>45,769,258</u>

**(a) Khazanah Bonds - secured**

	<b>Company</b>	
	<b>2020 RM'000</b>	<b>2019 RM'000</b>
At 1 January	10,639,032	12,625,788
Amortisation of discounts for the year (Note 11)	438,883	513,244
Less: Redeemed during the year	<u>(1,200,000)</u>	<u>(2,500,000)</u>
At 31 December	<u>9,877,915</u>	<u>10,639,032</u>

On 29 May 2006, the Company launched a Government Guaranteed Bond programme of up to a total of RM20 billion in nominal value.

The details of the Khazanah Bonds are as follows:

- Issued under the Shariah principle of Musyarakah;
- Bear no coupon and shall be redeemed by the Company in full at their face value on the maturity dates;
- Subject to any written law, the Khazanah Bonds rank pari passu among themselves and equal with all other unsecured obligations (other than subordinated obligations and priorities created by law, if any) of the Company; and
- Are irrevocably guaranteed by the Government of Malaysia.

Khazanah Bonds of RM1.2 billion (2019: RM2.5 billion) was fully redeemed during the year.

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**25. Borrowings (cont'd.)**

**(a) Khazanah Bonds - secured (cont'd.)**

The maturity structure of Khazanah Bonds is as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Due within one year</b>		
Zero coupon Khazanah bonds, at nominal value	2,300,000	1,200,000
Less: Unamortised discount *	(15,636)	(12,748)
	<u>2,284,364</u>	<u>1,187,252</u>
<b>Due after one year, and within five years</b>		
Zero coupon Khazanah bonds, at nominal value	7,000,000	9,300,000
Less: Unamortised discount *	(781,517)	(1,167,728)
	<u>6,218,483</u>	<u>8,132,272</u>
<b>Due after five years</b>		
Zero coupon Khazanah bonds, at nominal value	2,000,000	2,000,000
Less: Unamortised discount *	(624,932)	(680,492)
	<u>1,375,068</u>	<u>1,319,508</u>
	<u>9,877,915</u>	<u>10,639,032</u>
* The total unamortised discount is derived as follows:		
Total discount upon issuance	(7,819,164)	(7,819,164)
Total amortisation to date	6,397,079	5,958,196
Total unamortised discount at 31 December	<u>(1,422,085)</u>	<u>(1,860,968)</u>

**(b) Exchangeable Trust Certificates ("ETC")**

		<b>Company</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
USD320.8 million 5-year ETC	(i)	1,229,987	1,223,635
USD500 million 5-year ETC	(ii)	1,904,712	1,909,320
		<u>3,134,699</u>	<u>3,132,955</u>

The maturity structure of the ETCs is as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Due after one year, and within five years	<u>3,134,699</u>	<u>3,132,955</u>

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**25. Borrowings (cont'd.)**

**(b) Exchangeable Trust Certificates ("ETC") (cont'd.)**

**(i) USD320.8 million 5-year Exchangeable Trust Certificates**

On 8 February 2018, the Company via an independent special purpose company, Cindai Capital Limited (the "Issuer"), issued a Shariah-compliant exchangeable trust certificates (the "Certificates").

The issuance comprise USD320.8 million 5-year Certificates with a put option on Year 3 and is exchangeable into ordinary shares of RMB1.00 each of CITIC Securities Co. Ltd. ("CITIC"), the Exchange Property, currently held by a subsidiary of the Company. The Certificates were priced at 100% of the principal amount at zero periodic payments and yield to optional/scheduled dissolution. Unless previously exchanged, redeemed, purchased or cancelled, the Certificates will be redeemed at 100.00% of their nominal amount on 8 February 2023 ("the Scheduled Dissolution Date").

**Exchange Right**

The Certificates are exchangeable for a pro-rata share of CITIC ordinary shares with par value of RMB1.00 each during the Exchange Period. Notwithstanding the Exchange Right, at any time when the delivery of Exchange Property is required to satisfy the Exchange Right, the Company has the option to purchase the Exchange Property for an amount equal to the Cash Settlement Amount.

The Exchange Property shall initially comprise 94,494,683 CITIC shares and include all Relevant Securities and other property arising out of or derived or resulting therefrom and such other property, in each case as may be deemed or required to comprise all or part of the Exchange Property pursuant to the Conditions, but excluding any such property as may or may be deemed to have ceased to form part of the Exchange Property.



**25. Borrowings (cont'd.)**

**(b) Exchangeable Trust Certificates ("ETC") (cont'd.)**

**(i) USD320.8 million 5-year Exchangeable Trust Certificates (cont'd.)**

**Exchange Right (cont'd.)**

Following the dividends declared by CITIC during the Exchange Period which exceeded the reference amount as defined in the Conditions of the Certificates, further adjustments to the Exchange Property were made resulting in the Certificates holders being entitled to receive 294.5594 shares and HKD421.45 cash as capital distribution for each USD1,000 nominal value of Certificates effective 21 August 2020.

Each Certificateholder has the right ("Exchange Right") to exchange a Certificate at any time during the Exchange Period, beginning on and including 21 March 2018 and ending on and including the earlier to occur of:

- (a) the close of business on the date which falls 10 Business Days prior to the Scheduled Dissolution Date; or
- (b) if the Certificates shall have been called for dissolution prior to the Scheduled Dissolution Date, the close of business on the day which falls 10 Business Days prior to the date fixed for dissolution.

**Redemption**

There were no redemptions made during the year.

This note to the financial statements should be read in conjunction with the conditions set out in the offering circular dated 5 February 2018 relating to the Certificates.

**(ii) USD500 million 5-year Exchangeable Trust Certificates**

On 8 August 2019, the Company via an independent special purpose company, Cerah Capital Limited (the "Issuer"), issued a Shariah-compliant exchangeable trust certificates (the "Certificates").

The issuance comprise USD500 million 5-year Certificates with a put option on Year 3 and is exchangeable into ordinary shares of RM1.00 each of CIMB Group Holdings Berhad ("CIMB"), the Exchange Property, currently held by Khazanah. The Certificates were priced at 100% of the principal amount at zero periodic payments and yield to optional/scheduled dissolution. Unless previously exchanged, redeemed, purchased or cancelled, the Certificates will be redeemed at 100.00% of their nominal amount on 8 August 2024 ("the Scheduled Dissolution Date").

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**25. Borrowings (cont'd.)**

**(b) Exchangeable Trust Certificates ("ETC") (cont'd.)**

**(ii) USD500 million 5-year Exchangeable Trust Certificates (cont'd.)**

**Exchange Right**

The Certificates are exchangeable for a pro-rata share of CIMB ordinary shares with par value of RM1.00 each during the Exchange Period. Notwithstanding the Exchange Right, at any time when the delivery of Exchange Property is required to satisfy the Exchange Right, the Company has the option to purchase the Exchange Property for an amount equal to the Cash Settlement Amount.

The Exchange Property initially comprise 335,702,654 CIMB shares and include all Relevant Securities and other property arising out of or derived or resulting therefrom and such other property, in each case as may be deemed or required to comprise all or part of the Exchange Property pursuant to the Conditions, but excluding any such property as may or may be deemed to have ceased to form part of the Exchange Property.

Following the dividends declared by CIMB during the Exchange Period which exceeded the reference amount as defined in the Conditions of the Certificates, further adjustments to the Exchange Property were made resulting in the Certificates holders being entitled to receive 691.7070 shares and RM83.00 cash as capital distribution for each USD1,000 nominal value of Certificates effective 13 April 2020.

Each Certificateholder has the right ("Exchange Right") to exchange a Certificate at any time during the Exchange Period, beginning on and including 18 September 2019 and:

- (a) up to a close of business on 25 July 2024; or
- (b) if the Certificates shall have been called for redemption prior to the Scheduled Dissolution Date, the close of business on the day which falls 10 Business Days prior to the date fixed for redemption.

**Redemption**

There were no redemptions made during the year.

This note to the financial statements should be read in conjunction with the conditions set out in the offering circular dated 5 August 2019 relating to the Certificates.

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**25. Borrowings (cont'd.)**

**(c) Danga Capital Berhad ("Danga")**

	Note	Company	
		2020 RM'000	2019 RM'000
Islamic Medium Term Note 1 ("IMTN 1")	(i)	1,500,000	1,500,000
Islamic Medium Term Note 2 ("IMTN 2")	(i)	-	2,000,000
Islamic Medium Term Note 3 ("IMTN 3")	(i)	1,500,000	1,500,000
Islamic Medium Term Note 4 ("IMTN 4")	(i)	1,500,000	1,500,000
Islamic Medium Term Note 5 ("IMTN 5")	(i)	1,500,000	1,500,000
Islamic Medium Term Note 6 ("IMTN 6")	(i)	2,000,000	2,000,000
Multicurrency Islamic Medium Term Note 1 ("MIMTN 1")	(ii)	-	2,735,830
Multicurrency Islamic Medium Term Note 2 ("MIMTN 2")	(ii)	2,983,568	3,061,441
		<u>10,983,568</u>	<u>15,797,271</u>

On 19 November 2008, the Securities Commission of Malaysia ("SC") approved a RM10 billion IMTN and MIMTN programme to be issued by the Company, via a special purpose vehicle, Danga Capital Berhad. The programme has a tenure of 35 years from the date of the first drawdown.

On 12 October 2015, the SC approved for the programme to be increased to RM20 billion.

The Company uses the proceeds for financing of general investments, refinancing of borrowings and working capital requirements.

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**25. Borrowings (cont'd.)**

**(c) Danga Capital Berhad ("Danga") (cont'd.)**

**(i) Islamic Medium Term Notes ("IMTN")**

The details of the IMTNs are as follows:

	<b>IMTN 1</b>	<b>IMTN 2</b>	<b>IMTN 3</b>	<b>IMTN 4</b>	<b>IMTN 5</b>	<b>IMTN 6</b>
Issuance date	29-Jan-15	9-Apr-15	23-Feb-16	6-Sep-17	26-Jan-18	21-Mar-18
Maturity date	29-Jan-30	9-Apr-20	23-Feb-26	6-Sep-27	26-Jan-33	21-Sep-33
Tenure	15 years	5 years	10 years	10 years	15 years	15.5 years
Yield to maturity	4.88%	4.10%	4.60%	4.52%	4.94%	5.02%
Nominal amount	RM1.5 billion	RM2.0 billion	RM1.5 billion	RM1.5 billion	RM1.5 billion	RM2.0 billion

The IMTNs are unsecured and were issued at par.

The IMTNs will make periodic distribution at the profit rate every six months from the issuance to maturity.

The maturity structure of the IMTNs is as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within one year	-	2,000,000
Due after five years	8,000,000	8,000,000
	<u>8,000,000</u>	<u>10,000,000</u>

**(ii) Multicurrency Islamic Medium Term Notes ("MIMTN")**

The details of the MIMTNs are as follows:

	<b>MIMTN 1</b>	<b>MIMTN 2</b>
Issuance date	11-Aug-10	1-Mar-16
Maturity date	11-Aug-20	1-Mar-21
Tenure	10 years	5 years
Profit rate	3.725%	3.035%
Nominal amount	SGD900 million	USD750 million

The MIMTNs are unsecured and were issued at par.

The MIMTNs will make periodic distribution at the profit rate every six months from the issuance to maturity.

No new issuance during the year.

Danga IMTN2 and MIMTN1 of RM2 billion and SGD900 million respectively were fully redeemed during the year.

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**25. Borrowings (cont'd.)**

**(c) Danga Capital Berhad ("Danga") (cont'd.)**

**(ii) Multicurrency Islamic Medium Term Notes ("MIMTN") (cont'd.)**

The maturity structure of the MIMTNs are as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within one year	2,983,568	2,735,830
Due after one year, and within five years	-	3,061,441
	<u>2,983,568</u>	<u>5,797,271</u>

**(d) Danum Capital Berhad ("Danum")**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Islamic Medium Term Note 1 ("IMTN 1")	500,000	500,000
Islamic Medium Term Note 2 ("IMTN 2")	1,000,000	1,000,000
Islamic Medium Term Note 3 ("IMTN 3")	2,000,000	2,000,000
Islamic Medium Term Note 4 ("IMTN 4")	500,000	-
Islamic Medium Term Note 5 ("IMTN 5")	1,500,000	-
Islamic Medium Term Note 6 ("IMTN 6")	500,000	-
Islamic Medium Term Note 7 ("IMTN 7")	500,000	-
Islamic Medium Term Note 8 ("IMTN 8")	500,000	-
Islamic Medium Term Note 9 ("IMTN 9")	1,000,000	-
	<u>8,000,000</u>	<u>3,500,000</u>

On 14 February 2019, the SC approved a RM10 billion Sukuk financing to be issued by the Company, via a special purpose vehicle, Danum Capital Berhad. The programme has a tenure of 15 years from the date of the first drawdown.

The Company uses the proceeds for financing of general investments, refinancing of borrowings and working capital requirements.

The details of the Sukuk financing are as follows:

	<b>IMTN 1</b>	<b>IMTN 2</b>	<b>IMTN 3</b>	<b>IMTN 4</b>	<b>IMTN 5</b>	<b>IMTN 6</b>	<b>IMTN 7</b>	<b>IMTN 8</b>	<b>IMTN 9</b>
Issuance date	14-Feb-19	14-Feb-19	9-May-19	21-Feb-20	21-Feb-20	15-Apr-20	13-May-20	13-May-20	13-May-20
Maturity date	13-Feb-26	14-Feb-34	9-May-23	21-Feb-25	21-Feb-35	16-Apr-21	13-May-25	13-May-27	13-May-30
Tenure	7 years	15 years	4 years	5 years	15 years	1 year	5 years	7 years	10 years
Yield to maturity	4.30%	4.68%	3.96%	3.07%	3.42%	2.64%	2.97%	3.14%	3.29%
Nominal amount	RM0.5 billion	RM1.0 billion	RM2.0 billion	RM0.5 billion	RM1.5 billion	RM0.5 billion	RM0.5 billion	RM0.5 billion	RM1.0 billion

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**25. Borrowings (cont'd.)**

**(d) Danum Capital Berhad ("Danum") (cont'd.)**

The Sukuk financing are unsecured and were issued at par.

The Sukuk financing will make periodic distribution at the profit rate every six months from the issuance to maturity.

During the year, the Company issued IMTN 4, IMTN 5, IMTN 6, IMTN 7, IMTN 8 and IMTN 9 for investment, refinancing of borrowings and general working capital requirements.

The maturity structure of the IMTNs is as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within one year	500,000	-
Due after one year, and within five years	3,000,000	2,000,000
Due after five years	4,500,000	1,500,000
	<u>8,000,000</u>	<u>3,500,000</u>

**(e) Rantau Abang Capital Berhad ("RACB")**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Medium Term Note 1 ("MTN 1")	1,000,000	1,000,000
Medium Term Note 2 ("MTN 2")	1,000,000	1,000,000
Medium Term Note 4 ("MTN 4")	1,500,000	1,500,000
Medium Term Note 5 ("MTN 5")	-	1,000,000
Medium Term Note 6 ("MTN 6")	1,000,000	1,000,000
	<u>4,500,000</u>	<u>5,500,000</u>

On 24 February 2006, the SC approved a RM7 billion Sukuk financing to be issued by the Company, via a special purpose vehicle, Rantau Abang Capital Berhad. The programme has a tenure of 35 years from the date of the first drawdown.

The Company will use the proceeds for financing of general investments, refinancing of borrowings and working capital requirements.

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**25. Borrowings (cont'd.)**

**(e) Rantau Abang Capital Berhad ("RACB") (cont'd.)**

The details of the Sukuk financing are as follows:

	<b>MTN 1</b>	<b>MTN 2</b>	<b>MTN 4</b>	<b>MTN 5</b>	<b>MTN 6</b>
Issuance date	12-May-11	26-Mar-14	19-Oct-15	3-Dec-15	17-Jan-17
Maturity date	12-May-31	26-Mar-29	19-Oct-22	3-Dec-20	17-Jan-32
Tenure	20 years	15 years	7 years	5 years	15 years
Yield to maturity	5.05%	5.20%	4.57%	4.30%	5.00%
Nominal amount	RM1.0 billion	RM1.0 billion	RM1.5 billion	RM1.0 billion	RM1.0 billion

The Sukuk financing are unsecured and were issued at par.

The Sukuk financing will make periodic distribution at the profit rate every six months from the issuance to maturity.

No new issuance during the year.

During the year, MTN 5 amounting to RM1.0 billion was redeemed in full at maturity on 3 December 2020.

The maturity structure of the Sukuk financing is as follows:

	<b>2020 RM'000</b>	<b>2019 RM'000</b>
Due within one year	-	1,000,000
Due after one year, and within five years	1,500,000	1,500,000
Due after five years	3,000,000	3,000,000
	<b>4,500,000</b>	<b>5,500,000</b>

**(f) Medium term notes ("MTN")**

On 30 January 2020, the Company has issued a medium term notes ("MTN") with nominal value of RM 2.9 billion. The MTN has a tenure of 20 years.

The details of the MTN is as follows:

Issuance date	30-Jan-20
Maturity date	30-Jan-40
Tenure	20 years
Profit rate	4.137%
Nominal amount	RM2,901 million

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**25. Borrowings (cont'd.)**

**(f) Medium term notes ("MTN") (cont'd.)**

The maturity structure of the MTN is as follows:

	<b>2020</b> <b>RM'000</b>
<b>Due after five years</b>	
MTN at nominal value	2,901,000
Less: Unamortised discount	(338,886)
	<u>2,562,114</u>

**(g) Term loans - unsecured**

	<b>Short term</b> <b>RM'000</b>	<b>Company</b> <b>Long term</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>2020</b>			
Unsecured fixed term loans	<u>852,200</u>	<u>2,500,000</u>	<u>3,352,200</u>
<b>2019</b>			
Unsecured fixed term loans	<u>-</u>	<u>2,500,000</u>	<u>2,500,000</u>

The unsecured fixed term loans bear interest ranging between 2.99% to 4.641% (2019: 3.0171% to 3.2650%) per annum.

The maturity structure of the term loans are as follows:

	<b>Company</b> <b>2020</b> <b>RM'000</b>	<b>2019</b> <b>RM'000</b>
Due within one year	852,200	-
Due after five years	<u>2,500,000</u>	<u>2,500,000</u>
	<u>3,352,200</u>	<u>2,500,000</u>



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**25. Borrowings (cont'd.)**

**(h) Revolving credit facility**

The Company utilised RM1.0 billion in nominal value under the existing banking facilities of RM4.5 billion for a period of one month during the year.

The Company used the proceeds for Khazanah's investment and general working capital requirements.

In 2019, the revolving credit bears interest ranging from 3.73% to 4.21% per annum.

The maturity structure of the revolving credit is as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within one year	-	4,500,000

**(i) Ihsan Sukuk Berhad**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Medium Term Note 1 ("MTN 1")	100,000	100,000
Medium Term Note 2 ("MTN 2")	100,000	100,000
	<u>200,000</u>	<u>200,000</u>

On 11 March 2015, the SC approved a RM1 billion in nominal value, Sukuk Programme to be established under the Sustainable and Responsible Investment Sukuk framework ("Sukuk Programme") to be issued by the Company, via a special purpose vehicle, Ihsan Sukuk Berhad. The programme has a tenure of 25 years from the date of the first issuance under the Sukuk Programme.

The Company will use the proceeds for the purpose of funding Shariah-compliant Eligible Sustainable and Responsible Investment.

The details of the Ihsan Sukuk are as follows:

	<b>MTN 1</b>	<b>MTN 2</b>
Issuance date	18-Jun-15	8-Aug-17
Maturity date	18-Jun-22	8-Aug-24
Tenure	7 years	7 years
Profit rate	4.30%	4.60%
Nominal amount	RM100 million	RM100 million

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**25. Borrowings (cont'd.)**

**(i) Ihsan Sukuk Berhad (cont'd.)**

The Ihsan Sukuk are unsecured and issued at par. The proceeds were utilised to fund Yayasan Amir Trust Schools Programme ("Yayasan Amir"). Yayasan Amir is a not-for-profit foundation established on 26 October 2010 to improve accessibility to quality education in government schools through a Public-Private-Partnership with the Ministry of Education of Malaysia.

**MTN 1**

The Ihsan Sukuk will make annual distribution at the profit rate from the issuance to maturity. In relation to the repayment of the Principal, the Company shall reduce the amount to be repaid by 6.22% (by redeeming the Ihsan Sukuk at 93.78%) in the event Yayasan Amir meets its key performance indicators ("KPIs") pursuant to the conditions of the Ihsan Sukuk.

This note to the financial statements should be read in conjunction with the conditions set out in the information memorandum dated 11 June 2015 relating to the Ihsan Sukuk.

**MTN 2**

The Ihsan Sukuk will make annual distribution at the profit rate from the issuance to maturity. In relation to the repayment of the Principal, the Company shall reduce the amount to be repaid by 3.18% (by redeeming the Ihsan Sukuk at 96.82%) in the event Yayasan Amir meets its key performance indicators ("KPIs") pursuant to the conditions of the Ihsan Sukuk.

This note to the financial statements should be read in conjunction with the conditions set out in the prospectus dated 13 July 2017 relating to the Ihsan Sukuk.

The First and Second Sukuk Ihsan Sukukholders may exercise their option to waive the repayment of the principal and profit of the IMTNs at any time during the tenure of the First and Second Sukuk Ihsan.

The potential reduction to the dissolution distribution amount and the potential waiver above give rise to embedded derivative. The embedded derivative cannot be reliably measured thus bifurcated and carried at RMNil due to the uncertainty in determining the ability of Yayasan Amir to meet the KPIs.

The maturity structure of the Ihsan Sukuk financing is as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Due after one year, and within five years	<u>200,000</u>	<u>200,000</u>

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**25. Borrowings (cont'd.)**

The movement in the borrowings are as follows:

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	45,769,258	45,353,588
Drawdown	8,903,451	9,468,365
Repayment	(12,452,233)	(9,599,769)
Unrealised (gain)/ loss on foreign exchange	(48,863)	33,830
Amortisation of discounts on Khazanah Bonds (Note 25(a))	438,883	513,244
	<u>42,610,496</u>	<u>45,769,258</u>

**26. Derivative financial instruments**

	<b>Company</b>	
	<b>Nominal</b>	<b>Liability</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>2020</b>		
<b>Non-hedging derivative:</b>		
<b>Embedded derivatives</b>		
Long term	<u>3,134,699</u>	<u>128,409</u>
<b>2019</b>		
<b>Non-hedging derivative:</b>		
<b>Embedded derivatives</b>		
Long term	<u>3,132,955</u>	<u>174,919</u>

Embedded derivative liabilities

The Company, via special purpose vehicles, issued Exchangeable Trust Certificates, as described in Note 25(b). The embedded derivatives represent the fair value of:

- (i) the option provided to certificate holders to convert into ordinary shares of the underlying assets ("Exchange Property"); and
- (ii) the cash settlement option that the Company has to redeem the Exchangeable Trust Certificates.

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**27. Ordinary and preference shares**

**Issued and fully paid-up:**

	<b>Number of ordinary shares</b>		<b>Amount</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January/31 December	<u>5,443,953</u>	<u>5,443,953</u>	<u>12,283,201</u>	<u>12,283,201</u>

**Issued and fully paid-up:**

	<b>Number of RCCPS</b>		<b>Amount</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January/31 December	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

**Total ordinary and  
preference shares**

<b>5,444,953</b>	<b>5,444,953</b>	<b>12,284,201</b>	<b>12,284,201</b>
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The salient terms of the RCCPS are as follows:

- (a) Under the Companies Act, 2016 in Malaysia which came into effect on 31 January 2017, the concept of authorised share capital no longer exists.
- (b) In accordance with Section 74 of the Companies Act, 2016, the Company's RCCPS no longer have a par or nominal value with effect from 31 January 2017. Pursuant to Section 618 of the Companies Act, 2016, the amount standing to the credit of the Company's share premium became part of the Company's share capital. There is no impact on the numbers of RCCPS in issue or the relative entitlement of any of the members of the Company.
- (c) The RCCPS shall carry a variable dividend whereby the dividend rate and the payment of which shall be payable at the option of the Company. If dividend is not paid, any part of that dividend will be accumulated until such time as the Company is in a position to declare any such dividend at its discretion;
- (d) The RCCPS shall rank for dividend in priority to the ordinary shares;
- (e) Redemption of the RCCPS shall be at the discretion of the Company and shall be redeemed at the par value;
- (f) Conversion of the RCCPS shall be at the discretion of the Company at any time after the issuance of the RCCPS;

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**27. Ordinary and preference shares (cont'd.)**

The salient terms of the RCCPS are as follows: (cont'd.)

- (g) The RCCPS will be convertible into new ordinary shares of the Company for a value of RM1 per RCCPS where the number of new ordinary shares shall be calculated based on the last available/audited realisable asset value of the Company at the time of conversion provided that the conversion price for each unit of RCCPS shall not fall below the par value of the ordinary shares of RM1 each;
- (h) Prior to the conversion of the RCCPS, the RCCPS holder would not have the right to vote at any general meeting of the Company;
- (i) The maturity dates of the RCCPS are as follows:

	<b>2020</b> <b>RM'000</b>	<b>2019</b> <b>RM'000</b>
7 March 2021	<u>1,000</u>	<u>1,000</u>

- (j) The Company has the discretion to extend the tenure of the RCCPS.

**28. Financial instruments by category**

**31 December 2020**

	<b>Amortised cost RM'000</b>	<b>Financial assets designated as fair value through profit or loss RM'000</b>	<b>Financial assets designated as fair value through OCI RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>				
Cash and bank balances	3,388,329	-	-	3,388,329
Other financial assets	-	3,626,473	130,000	3,756,473
Other receivables	871,802	-	-	871,802
Investment in money market instruments	64,921	-	-	64,921
<b>Total</b>	<u>4,325,052</u>	<u>3,626,473</u>	<u>130,000</u>	<u>8,081,525</u>

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**28. Financial instruments by category (cont'd.)**

**31 December 2020 (cont'd.)**

	<b>Financial liabilities designated as fair value through profit or loss RM'000</b>	<b>Financial liabilities at amortised cost RM'000</b>	<b>Total RM'000</b>
<b>Financial liabilities</b>			
Borrowings	-	42,610,496	42,610,496
Derivative liabilities	128,409	-	128,409
Other payables	-	3,544,768	3,544,768
<b>Total</b>	<b>128,409</b>	<b>46,155,264</b>	<b>46,283,673</b>

**31 December 2019**

	<b>Amortised cost RM'000</b>	<b>Financial assets designated as fair value through profit or loss RM'000</b>	<b>Financial assets designated as fair value through OCI RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>				
Cash and bank balances	1,208,891	-	-	1,208,891
Other financial assets	1,439,646	3,080,565	112,000	4,632,211
Other receivables	868,932	-	-	868,932
<b>Total</b>	<b>3,517,469</b>	<b>3,080,565</b>	<b>112,000</b>	<b>6,710,034</b>

	<b>Financial liabilities designated as fair value through profit or loss RM'000</b>	<b>Financial liabilities at amortised cost RM'000</b>	<b>Total RM'000</b>
<b>Financial liabilities</b>			
Borrowings	-	45,769,258	45,769,258
Derivative liabilities	174,919	-	174,919
Other payables	-	3,587,882	3,587,882
<b>Total</b>	<b>174,919</b>	<b>49,357,140</b>	<b>49,532,059</b>

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**29. Fair values**

- (a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

	2020		2019	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<b>Financial liabilities</b>				
Exchangeable Trust				
Certificates	3,263,108	3,284,108	3,307,874	3,331,530
Islamic Medium Term				
Notes				
- Danga	11,120,056	9,705,033	16,023,052	17,143,977
- Danum	8,072,526	8,723,605	3,536,859	3,755,477
- RACB	4,557,199	4,559,629	5,560,301	5,561,745
- Ihsan Sukuk	204,111	204,209	204,136	204,185
Medium Term Note	2,612,337	3,630,485	-	-
Fixed term loans	3,405,378	3,648,213	2,551,496	2,707,347

For the purpose of comparability, the above carrying amounts include the following:

- (i) Exchangeable Trust Certificates include carrying amount of related embedded derivative liabilities.
- (ii) For interest-bearing financial liabilities, interest payable as at reporting date is included.

**(b) Determination of fair value**

- (i) Cash and cash equivalents, receivables and payables

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair value due either to their short term nature or are repayable on demand.

- (ii) Quoted shares

The fair value of quoted shares is determined directly by reference to their published market bid price at the reporting date.

- (iii) Financial assets designated as fair value through profit and loss

The fair value of unquoted bonds, funds and structured products are based on the indicative fair values obtained from Bond Pricing Agency of Malaysia, Bloomberg and/or respective licensed banks.

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**29. Fair values (cont'd.)**

**(b) Determination of fair value (cont'd.)**

(iv) Investment property

The fair value of the investment property is determined by reference to the valuations provided by accredited independent valuers. As at the reporting date, the Company's investment property has a remaining lease tenure of 99 years.

(v) Loans receivable

The fair value of loans receivable are estimated by discounting the estimated future cash flows using current interest rates for financial assets with similar risk profile.

(vi) Embedded derivatives

The fair value of embedded derivatives are valued using the Black Scholes model with market observable inputs. The model incorporates various inputs including closing market prices of underlying shares, foreign exchange spot rates and market interest rates.

(vii) Periodic Payment Exchangeable Trust Certificates

The fair value of Periodic Payment Exchangeable Trust Certificates is determined directly by reference to their published market ask price at the reporting date.

(viii) Other loans and borrowings

The carrying amount of the current portion of other loans and borrowings are reasonable approximations of fair value due to the insignificant impact of discounting.

The carrying amount of certain other loans and borrowings are reasonable approximations of fair value as they are floating rate instruments that are re-priced to market interest rates near the reporting date.

The fair value of non-current other loans and borrowings, other than floating rate instruments, are estimated by discounting expected future cash flows at market incremental lending rate for similar types of borrowing at the reporting date.



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**29. Fair values (cont'd.)**

**(c) Fair value measurement hierarchy**

**Quantitative disclosures fair value measurement hierarchy for asset and liabilities as at 31 December 2020:**

		<u>Fair value measurement using</u>		
<b>Assets and liabilities measured at fair value</b>	<b>Carrying amount</b>	<b>Quoted market price Level 1</b>	<b>Observable input Level 2</b>	<b>Unobservable input Level 3</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Financial assets</b>				
Financial assets designated as fair value through profit or loss				
- Quoted shares	1,792,203	1,792,203	-	-
- Quoted equity funds	1,550,092	1,550,092	-	-
- Unquoted money market funds	117,424	-	117,424	-
- Unquoted bonds	166,754	-	166,754	-
Financial assets designated as fair value through other comprehensive income				
- Quoted shares	130,000	130,000	-	-
<b>Financial liability</b>				
Embedded derivatives	128,409	-	128,409	-
<b>Assets and liabilities for which fair values are disclosed</b>				
<b>Assets</b>				
Investment Property	352,569	-	-	417,110
Investments in associates				
- Quoted shares	24,926,224	48,032,400	-	-

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**29. Fair values (cont'd.)**

**(c) Fair value measurement hierarchy (cont'd.)**

**Quantitative disclosures fair value measurement hierarchy for asset and liabilities as at 31 December 2020: (cont'd.)**

Assets and liabilities for which fair values are disclosed	Carrying amount RM'000	Fair value measurement using		
		Quoted	Observable	Unobservable
		market price	input	input
		Level 1	Level 2	Level 3
	RM'000	RM'000	RM'000	RM'000
<b>Liabilities</b>				
Exchangeable Trust				
Certificates	3,263,108	3,284,108	-	-
Islamic Medium Term				
Notes				
- Danga	11,120,056	-	9,705,033	-
- Danum	8,072,526	-	8,723,605	-
- RACB	4,557,199	-	4,559,629	-
- Ihsan Sukuk	204,111	-	204,209	-
Medium Term Note	2,612,337	-	3,630,485	-
Term loans				
- unsecured	3,405,378	-	3,648,213	-

**Quantitative disclosures fair value measurement hierarchy for asset and liabilities as at 31 December 2019:**

		<u>Fair value measurement using</u>		
Assets and liabilities measured at fair value	Carrying amount RM'000	Quoted market price Level 1 RM'000	Observable input Level 2 RM'000	Unobservable input Level 3 RM'000
<b>Financial assets</b>				
Financial assets designated as fair value through profit or loss				
- Quoted shares	1,507,714	1,507,714	-	-
- Quoted equity funds	1,033,452	1,033,452	-	-
- Unquoted money market funds	428,492	-	428,492	-
- Unquoted bonds	110,907	-	110,907	-

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**29. Fair values (cont'd.)**

**(c) Fair value measurement hierarchy (cont'd.)**

**Quantitative disclosures fair value measurement hierarchy for asset and liabilities as at 31 December 2019: (cont'd.)**

<b>Assets and liabilities measured at fair value (cont'd.)</b>	<b>Carrying amount RM'000</b>	<b>Fair value measurement using</b>		
		<b>Quoted market price Level 1 RM'000</b>	<b>Observable input Level 2 RM'000</b>	<b>Unobservable input Level 3 RM'000</b>
Financial assets designated as fair value through other comprehensive income				
- Quoted shares	112,000	112,000	-	-
<b>Financial liability</b>				
Embedded derivatives	174,919	-	174,919	-
<b>Assets and liabilities for which fair values are disclosed</b>				
<b>Assets</b>				
Investments in associates				
- Quoted shares	25,140,553	56,997,058	-	-
<b>Liabilities</b>				
Exchangeable Trust Certificates	3,307,874	3,331,530	-	-
Islamic Medium Term Notes				
- Danga	16,023,052	-	17,143,977	-
- Danum	3,536,859	-	3,755,477	-
- RACB	5,560,301	-	5,561,745	-
- Ihsan Sukuk	204,136	-	204,185	-
Term loans - unsecured	2,551,496	-	2,707,347	-

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### 30. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of the financial instruments. The key financial risks include interest rate, foreign currency, equity price, credit and liquidity risks.

The Company has an approved set of guidelines and policies as well as internal controls which set out its overall business strategies to manage these risks. The Company's overall financial risk management objective is to enhance shareholders' value through effective management of the Company's risks.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The following sections provide details regarding the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's term loans with floating interest rates.

The Company actively manages its interest rate risk by maintaining an interest cover ratio of at least one and a half times.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings. With all other variables held constant, the table below summarises the Company's exposure to interest rate risk on floating rate borrowings. There is no impact on the Company's equity.

	<b>Effect on profit or loss RM'000</b>
<b>2020</b>	
Increase in 25 basis points	(2,131)
Decrease in 25 basis points	<u>2,131</u>
<b>2019</b>	
Increase in 25 basis points	(11,250)
Decrease in 25 basis points	<u>11,250</u>

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**30. Financial risk management objectives and policies (cont'd.)**

**(a) Interest rate risk (cont'd.)**

Interest rate sensitivity (cont'd.)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Weighted average interest rate and average maturity

**(i) Financial assets**

The weighted average interest rates per annum and the average remaining maturity of deposits as at 31 December were as follows:

	<b>2020</b>		<b>2019</b>	
	<b>Weighted average interest rates %</b>	<b>Average days to maturity</b>	<b>Weighted average interest rates %</b>	<b>Average days to maturity</b>
Licensed banks	<u>2.32</u>	<u>34</u>	<u>3.25</u>	<u>15</u>

**(ii) Financial liabilities**

The interest rates per annum and the remaining maturity of borrowings and term loans as at 31 December were as follows:

	<b>2020</b>		<b>2019</b>	
	<b>Interest rates %</b>	<b>Years to maturity</b>	<b>Interest rates %</b>	<b>Years to maturity</b>
Term loans	2.99 to 4.64	0.21 to 4.06	4.64	5.06
Bonds and notes	<u>2.64 to 5.33</u>	<u>0.15 to 19.09</u>	<u>3.04 to 5.33</u>	<u>0.23 to 14.13</u>

**(b) 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 exchange rates.

The Company maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which investments are located or by borrowing in currencies that match the future revenue stream to be generated from the investments.

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**30. Financial risk management objectives and policies (cont'd.)**

**(b) Foreign currency risk (cont'd.)**

During the year, the currencies in which the Company mainly transacted in other than its functional currency of Ringgit Malaysia ("RM") were United States Dollars ("USD"), Singapore Dollar ("SGD") and Chinese Renminbi ("CNY"). This is mainly due to the other investments, cash and bank balances and borrowings. The natural hedge strategy was maintained as the proceeds from the floating term loan, ETCs and MIMTN were used for investments in USD and SGD respectively.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and CNY exchange rates, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

	<b>Changes in rate</b>	<b>Effect on profit or loss RM'000</b>
<b>2020</b>		
USD/RM - Strengthened	5%	(312,000)
USD/RM - Weakened	5%	312,000
SGD/RM - Strengthened	5%	-
SGD/RM - Weakened	5%	-
CNY/RM - Strengthened	5%	181,000
CNY/RM - Weakened	5%	(181,000)
<b>2019</b>		
USD/RM - Strengthened	5%	(318,000)
USD/RM - Weakened	5%	318,000
SGD/RM - Strengthened	5%	(137,000)
SGD/RM - Weakened	5%	137,000
CNY/RM - Strengthened	5%	155,000
CNY/RM - Weakened	5%	(155,000)

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**30. Financial risk management objectives and policies (cont'd.)**

**(c) Equity price risk**

The Company's quoted equity securities are susceptible to market price risk arising from the uncertainties on future values of the investment securities. The Company manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio monitoring are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

Equity price sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the equity price, with all other variables held constant, of the Company's equity investments (due to changes in the fair value of financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss).

	<b>Effect on equity RM'000</b>	<b>Effect on profit or loss RM'000</b>
<b>2020</b>		
Increase of 10% in equity price	13,000	349,800
Decrease of 10% in equity price	<u>(13,000)</u>	<u>(349,800)</u>
<b>2019</b>		
Increase of 10% in equity price	11,200	290,600
Decrease of 10% in equity price	<u>(11,200)</u>	<u>(290,600)</u>

**(d) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from loan receivables. For other financial assets (including investments in bonds, money market instruments and cash and deposits with banks) the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

At the reporting date, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position, including derivatives with positive fair value.

**30. Financial risk management objectives and policies (cont'd.)**

**(d) Credit risk (cont'd.)**

Financial assets that are neither past due nor impaired

Information regarding the financial assets that are neither past due nor impaired is disclosed in Note 16 and Note 17. Investments in money market instruments and cash and deposits with licensed banks are neither past due nor impaired as these are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding the financial assets that are either past due or impaired is disclosed in Note 16 and Note 17.

**(e) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises from mismatches of the maturities of financial assets and liabilities.

The Company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Company maintains a portfolio of highly liquid assets to meet its working capital and investment requirements.

In addition, the Company maintains a balanced and flexible funding structure through the use of credit facilities, short and long term borrowings. Short term flexibility is achieved through credit facilities and short term borrowings. As far as possible, the Company raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with certain short term funding so as to achieve overall cost effectiveness.



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**30. Financial risk management objectives and policies (cont'd.)**

**(e) Liquidity risk (cont'd.)**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted repayment obligations.

	On demand RM'000	Less than 3 months RM'000	3 to 12 months RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
<b>31 December 2020</b>						
<b>Non-interest bearing financial liabilities</b>						
Amount due to related companies	1,950,842	-	-	-	-	1,950,842
Other payables and accruals	-	189,743	-	-	-	189,743
Khazanah Bonds - secured	-	-	2,300,000	7,000,000	2,000,000	11,300,000
Exchangeable Trust Certificates ("ETC") #	-	-	-	3,300,232	-	3,300,232
	<u>1,950,842</u>	<u>189,743</u>	<u>2,300,000</u>	<u>10,300,232</u>	<u>2,000,000</u>	<u>16,740,817</u>
<b>Interest bearing financial liabilities *</b>						
Islamic Medium Term Notes						
- Danga	-	3,253,840	191,406	1,540,484	9,859,065	14,844,795
- Danum	-	68,399	716,906	4,407,212	5,057,581	10,250,098
- RACB	-	51,000	170,050	2,178,550	3,784,750	6,184,350
- Ihsan Sukuk	-	-	8,938	218,076	-	227,014
Medium Term Notes	-	60,007	60,007	480,057	4,641,208	5,241,279
Fixed term loans	-	106,972	57,536	2,906,882	-	3,071,390
	<u>-</u>	<u>3,540,218</u>	<u>1,204,843</u>	<u>11,731,261</u>	<u>23,342,604</u>	<u>39,818,926</u>
Total undiscounted financial liabilities	<u>1,950,842</u>	<u>3,729,961</u>	<u>3,504,843</u>	<u>22,031,493</u>	<u>25,342,604</u>	<u>56,559,743</u>

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**30. Financial risk management objectives and policies (cont'd.)**

**(e) Liquidity risk (cont'd.)**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted repayment obligations. (cont'd.)

	On demand RM'000	Less than 3 months RM'000	3 to 12 months RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
<b>31 December 2019</b>						
<b>Non-interest bearing financial liabilities</b>						
Amount due to related companies	3,037,589	-	-	-	-	3,037,589
Other payables and accruals	-	167,349	-	-	-	167,349
Khazanah Bonds - secured	-	-	1,200,000	9,300,000	2,000,000	12,500,000
Exchangeable Trust Certificates ("ETC") #	-	-	-	3,358,303	-	3,358,303
	<u>3,037,589</u>	<u>167,349</u>	<u>1,200,000</u>	<u>12,658,303</u>	<u>2,000,000</u>	<u>19,063,241</u>
<b>Interest bearing financial liabilities *</b>						
Islamic Medium Term Notes						
- Danga	-	184,884	4,997,963	2,300,407	10,244,445	17,727,699
- Danum	-	34,431	113,039	2,471,062	1,977,328	4,595,860
- RACB	-	51,000	1,213,050	2,247,100	3,937,250	7,448,400
- Ihsan Sukuk	-	-	8,912	227,013	-	235,925
Fixed term loans	-	57,854	57,854	465,054	2,557,854	3,138,616
Revolving credit facility	-	4,514,435	-	-	-	4,514,435
	<u>-</u>	<u>4,842,604</u>	<u>6,390,818</u>	<u>7,710,636</u>	<u>18,716,877</u>	<u>37,660,935</u>
Total undiscounted financial liabilities	<u>3,037,589</u>	<u>5,009,953</u>	<u>7,590,818</u>	<u>20,368,939</u>	<u>20,716,877</u>	<u>56,724,176</u>

# For the purpose of liquidity risk presentation, the embedded derivatives are not separated from the host instrument of ETC.

\* For interest bearing financial liabilities, the above analysis include future interest or coupon payments, as well as repayment of the principal. The cash flows of floating interest financial liabilities are estimated based on forward rates.

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### 31. Capital management

The primary objective of the Company'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 shareholder value.

The Company manages its capital structure and makes adjustments to it, in line with the changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return of capital to shareholders or issue new shares. No changes were made to the objectives, policies or processes for the years ended 31 December 2020 and 31 December 2019.

The Company is not subjected to any externally imposed capital requirements.

The Company monitors capital after including the assets and liabilities held through the SPVs ("Extended Company") using gearing ratio. The Company includes within net debt, loans and borrowings less cash and bank balances. Capital represents equity attributable to the owners of the Company.

	<b>Note</b>	<b>Extended Company</b>	
		<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Borrowings	19(b)	43,066,017	45,769,258
Less: Cash, bank balances and investment in money market	19(b)	(7,518,143)	(7,192,765)
Net debt		<u>35,547,874</u>	<u>38,576,493</u>
Share capital	27	12,284,201	12,284,201
Capital contribution from shareholders	19(b)	2,324,423	2,324,423
Retained profits	19(b)	16,675,194	15,866,009
Fair value adjustment reserve	19(b)	3,267,338	3,436,769
Currency translation reserve	19(b)	<u>1,862,329</u>	<u>2,570,865</u>
Equity attributable to the owners of the Company		<u>36,413,485</u>	<u>36,482,267</u>
Gearing ratio (times)		<u>0.98</u>	<u>1.06</u>

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**32. Commitments**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Approved but not contracted for:		
Capital injection committed for a subsidiary	6,665,000	2,127,000
Capital injection committed for investments	6,449,000	7,425,000
Property and equipment	<u>37,817</u>	<u>35,844</u>

**33. Contingent liabilities**

	<b>Company</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Guarantee given to certain subsidiaries for term loan facilities with licensed banks	<u>456,210</u>	<u>-</u>

**34. Subsequent events**

The following are significant subsequent events of the Company after the financial year ended 31 December 2020:

- (i) Up to 7 January 2021, Sipadan Investments (Mauritius) Limited has disposed its entire stake in IDFC Limited for a total consideration of USD49,363,519.
- (ii) Up to 1 February 2021, Mount Raya Investments Limited has disposed its entire stake in Phunware for a total consideration of USD5,445,674.
- (iii) On 4 February 2021, Auto1 GMBH has gone public with the share price trading at EUR38.00 as the Initial Public Offering ("IPO") price on the Frankfurt Stock Exchange.
- (iv) Up to 8 February 2021, Tanjung Buai Ventures Sdn. Bhd. has partially divested 1,201,281 units of shares in Auto1 GMBH for total consideration of RM219,496,365.
- (v) Up to 23 February 2021, Bukit Chini Investments Limited has disposed its entire stake in Palantir Technologies for a total consideration of USD130,781,574.
- (vi) On 8 March 2021, Khazanah Nasional Berhad has subscribed to Tranche 2 Medium Term Notes ("Tranche 2 MTNs") of RM200 million issued by Sunway Parkview Sdn. Bhd., for a tenure of up to 3 years from the date of issuance.
- (vii) On 16 March 2021, the Company entered into a subscription agreement for 473,270,818 redeemable convertible cumulative secured loan stocks of RM1 each to be issued by Themed Attractions Resorts & Hotels Sdn. Bhd. ("TAR&H") for a total subscription price of RM473.27 million.

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**34. Subsequent events (cont'd.)**

The following are significant subsequent events of the Company after the financial year ended 31 December 2020: (cont'd.)

- (viii) On 26 March 2021, Directors of Themed Attractions Resorts & Hotels Sdn. Bhd. ("TAR&H") approved the proposed Capital Rebalancing Scheme where Themed Attractions Resorts & Hotels Sdn. Bhd. ("TAR&H") is to issue redeemable convertible preference shares ("RCPS") to the Company.
- (ix) Up to 30 March 2021, Mount Reskit Investments Limited has partially divested 111,086,000 units of shares in Beijing Enterprise Water Group ("BEWG") for total consideration of HKD353,731,223.
- (x) Up to 31 March 2021, the Company has fully redeemed its investment in MYETF of 100,000,000 units for total consideration of RM120,265,905.
- (xi) On 31 March 2021, the Company has entered into a conditional share sale and purchase agreement with the Dagang NeXchange Bhd ("DNeX") consortium for the divestment of SilTerra Malaysia Sdn. Bhd.

**Khazanah Nasional Berhad**  
**(Incorporated in Malaysia)**

**Consolidated statement of comprehensive income**  
**For the year ended 31 December 2020**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Continuing operations</b>			
Revenue	35	12,674,836	27,982,162
Operating expenses		(18,577,097)	(25,781,624)
Other income		4,918,678	2,309,519
Operating (loss)/profit	36	(983,583)	4,510,057
Finance costs	39	(3,058,359)	(3,719,902)
Share of results of associates and joint ventures		1,504,185	4,745,136
(Loss)/profit before taxation		(2,537,757)	5,535,291
Taxation	40	(319,167)	(215,123)
(Loss)/profit for the year, net of taxation		<u>(2,856,924)</u>	<u>5,320,168</u>
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences		(1,145,335)	(1,029,581)
Net gain on fair value of cash flow hedges		17,650	402,732
Share of other comprehensive loss of associates and joint ventures		-	(1,173)
		<u>(1,127,685)</u>	<u>(628,022)</u>

**Khazanah Nasional Berhad**  
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**Consolidated statement of comprehensive income**  
**For the year ended 31 December 2020 (cont'd.)**

	Note	Group	
		2020	2019
		RM'000	RM'000
<b>Other comprehensive income (cont'd.):</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Net gain/(loss) on fair value through other comprehensive income financial assets, net of tax		945,965	(456,079)
Actuarial loss on defined benefit plans	65	(114,583)	(352,739)
		<u>831,382</u>	<u>(808,818)</u>
Other comprehensive loss for the year		(296,303)	(1,436,840)
<b>Total comprehensive (loss)/income for the year</b>		<u>(3,153,227)</u>	<u>3,883,328</u>
<b>(Loss)/profit attributable to:</b>			
Owners of the Company		(2,675,399)	5,372,017
Non-controlling interests		(181,525)	(51,849)
		<u>(2,856,924)</u>	<u>5,320,168</u>
<b>Total comprehensive (loss)/income attributable to:</b>			
Owners of the Company		(3,084,357)	3,897,879
Non-controlling interests		(68,870)	(14,551)
		<u>(3,153,227)</u>	<u>3,883,328</u>

The accompanying notes form an integral part of the financial statements.

**Khazanah Nasional Berhad**  
**(Incorporated in Malaysia)**

**Consolidated statement of financial position**  
**As at 31 December 2020**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	42	7,942,399	8,169,028
Land held for property development	43	6,517,775	6,335,546
Investment properties	44	3,553,752	3,073,959
Concession intangible assets	45	218,803	52,250
Goodwill on consolidation	46	1,410,204	2,045,205
Other intangible assets	47	662,382	763,278
Interest in associates	49	57,144,574	60,588,806
Interest in joint ventures	50	3,344,280	4,061,817
Other non-current financial investments	51	35,431,044	32,149,602
Other non-current assets	52	2,752,742	2,260,313
Right-of-use-assets	53	10,407,260	12,043,900
Derivative assets	54	12	-
Deferred tax assets	55	333,226	464,964
		<u>129,718,453</u>	<u>132,008,668</u>
<b>Current assets</b>			
Property development-in-progress	56	1,018,939	904,012
Inventories and work-in-progress	57	1,159,767	1,655,815
Trade receivables	58	1,740,988	2,759,078
Other receivables	59	2,415,549	2,559,520
Tax recoverable		66,700	52,948
Derivative assets	54	-	1
Other current financial investments	51	1,723,226	3,047,857
Cash and bank balances	60	11,902,527	11,144,088
		<u>20,027,696</u>	<u>22,123,319</u>
Assets held for sale and assets of disposal group classified as held for sale	41	103,141	1,077,695
		<u>20,130,837</u>	<u>23,201,014</u>
<b>Total assets</b>		<u>149,849,290</u>	<u>155,209,682</u>



**Khazanah Nasional Berhad**  
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**Consolidated statement of financial position**  
**As at 31 December 2020 (cont'd.)**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Borrowings	61	10,615,979	14,549,068
Trade payables	62	3,904,058	3,341,591
Other current liabilities	63	8,937,598	8,369,631
Lease liabilities	67	1,615,450	1,641,980
Tax payable		154,442	149,312
Derivative liabilities	54	72,063	25,454
		<u>25,299,590</u>	<u>28,077,036</u>
Liabilities of disposal group classified as held for sale	41	95	110,560
		<u>25,299,685</u>	<u>28,187,596</u>
<b>Non-current liabilities</b>			
Borrowings	61	49,422,384	47,090,298
Other non-current liabilities	66	8,696,341	7,699,147
Deferred tax liabilities	55	513,725	587,662
Lease liabilities	67	8,092,642	9,701,495
Derivative liabilities	54	158,625	182,245
		<u>66,883,717</u>	<u>65,260,847</u>
<b>Total liabilities</b>		<u>92,183,402</u>	<u>93,448,443</u>
<b>Equity attributable to owners of the Company:</b>			
Share capital	27	12,284,201	12,284,201
Capital contribution from shareholders		4,483,223	4,124,423
Reserves		<u>35,493,328</u>	<u>39,702,067</u>
Shareholders' funds		<u>52,260,752</u>	<u>56,110,691</u>
Non-controlling interests		<u>5,405,136</u>	<u>5,650,548</u>
<b>Total equity</b>		<u>57,665,888</u>	<u>61,761,239</u>
<b>Total equity and liabilities</b>		<u>149,849,290</u>	<u>155,209,682</u>

The accompanying notes form an integral part of the financial statements.

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**Khazanah Nasional Berhad**  
(Incorporated in Malaysia)

**Consolidated statement of changes in equity**  
**For the year ended 31 December 2020**

	<----- Attributable to owners of the Company ----->						
	Share capital (Note 27) RM'000	Capital contribution from shareholders ("CCS") RM'000	Other reserves (Note 65) RM'000	Distributable retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>2020</b>							
<b>At 1 January</b>	12,284,201	4,124,423	806,860	38,895,207	56,110,691	5,650,548	61,761,239
Loss for the year	-	-	-	(2,675,399)	(2,675,399)	(181,525)	(2,856,924)
Other comprehensive loss							
- arising during the year	-	-	(296,303)	-	(296,303)	-	(296,303)
Total comprehensive loss	-	-	(296,303)	(2,675,399)	(2,971,702)	(181,525)	(3,153,227)
<b>Transactions with owners</b>							
Acquisition of subsidiaries	-	-	-	(198,003)	(198,003)	4,536	(193,467)
Dilution of interest in subsidiaries	-	-	-	37,666	37,666	19,798	57,464
Disposal of subsidiaries	-	-	(2,799)	36,835	34,036	38,371	72,407
Disposal of associates	-	-	76,412	-	76,412	-	76,412
Disposal of other financial investments	-	-	(1,097,829)	1,097,829	-	-	-
Disposal of non-controlling interests	-	-	-	-	-	(35,978)	(35,978)
Dilution of interest in associates	-	-	(11,994)	-	(11,994)	-	(11,994)
Share of reserves of associates and joint ventures	-	-	(48,032)	-	(48,032)	-	(48,032)
Derecognition of put option	-	-	872,878	-	872,878	-	872,878
Transfer to:							
- statutory reserve	-	-	(515,817)	515,817	-	-	-
- capital reserve	-	-	70,516	(70,516)	-	-	-
Contribution from Government	-	358,800	-	-	358,800	-	358,800
Issuance of shares by subsidiaries	-	-	-	-	-	784	784
Dividend paid to non-controlling interests	-	-	-	-	-	(91,398)	(91,398)
Dividends paid to owners	-	-	-	(2,000,000)	(2,000,000)	-	(2,000,000)
Total transactions with owners	-	358,800	(656,665)	(580,372)	(878,237)	(63,887)	(942,124)
<b>At 31 December</b>	12,284,201	4,483,223	(146,108)	35,639,436	52,260,752	5,405,136	57,665,888

**Khazanah Nasional Berhad**  
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**Consolidated statement of changes in equity**  
**For the year ended 31 December 2020 (cont'd.)**

	<----- Attributable to owners of the Company ----->						
	Share capital (Note 26) RM'000	Capital contribution from shareholders ("CCS") RM'000	Other reserves (Note 65) RM'000	Distributable retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>2019</b>							
<b>At 1 January</b>	12,284,201	4,124,423	1,658,666	32,228,838	50,296,128	6,050,919	56,347,047
Profit/(loss) for the year	-	-	-	5,372,017	5,372,017	(51,849)	5,320,168
Other comprehensive (loss)/income							
- arising during the year	-	-	(1,474,138)	-	(1,474,138)	37,298	(1,436,840)
Total comprehensive income	-	-	(1,474,138)	5,372,017	3,897,879	(14,551)	3,883,328
<b>Transactions with owners</b>							
Dilution of interest in subsidiaries	-	-	-	(30,596)	(30,596)	-	(30,596)
Disposal of subsidiaries	-	-	2,046	(56,025)	(53,979)	(327,785)	(381,764)
Disposal of associates	-	-	666,656	-	666,656	-	666,656
Dilution of interest in associates	-	-	(6,270)	-	(6,270)	4,000	(2,270)
Share of reserves of associates and joint ventures	-	-	33,684	-	33,684	-	33,684
Transfer to:							
- disposal group held for sale	-	-	90,875	-	90,875	-	90,875
- statutory reserve	-	-	142,072	(105,423)	36,649	-	36,649
- capital reserve	-	-	-	(50,851)	(50,851)	314	(50,537)
- general reserve	-	-	(290,221)	-	(290,221)	-	(290,221)
Permanent reduction in value	-	-	-	2,517,320	2,517,320	-	2,517,320
Redemption of preference shares	-	-	18,116	-	18,116	-	18,116
Expiry of share options	-	-	(22,240)	22,240	-	(1,654)	(1,654)
Share based payment	-	-	(12,386)	(1,428)	(13,814)	-	(13,814)
Dividend paid to non-controlling interests	-	-	-	(885)	(885)	(60,695)	(61,580)
Dividends paid to owners	-	-	-	(1,000,000)	(1,000,000)	-	(1,000,000)
Total transactions with owners	-	-	622,332	1,294,352	1,916,684	(385,820)	1,530,864
<b>At 31 December</b>	12,284,201	4,124,423	806,860	38,895,207	56,110,691	5,650,548	61,761,239

The accompanying notes form an integral part of the financial statements.

**Khazanah Nasional Berhad**  
(Incorporated in Malaysia)

**Consolidated statement of cash flows**  
**For the year ended 31 December 2020**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(2,537,757)	5,535,291
Adjustments for:		
Gain from divestments of investments	(765,907)	(6,555,092)
Dividend income from other investments	(149,071)	(410,269)
Interest income	(550,615)	(449,057)
Unrealised gain on foreign exchange, net	(230,835)	(44,293)
Depreciation for property, plant and equipment	552,035	1,074,636
Depreciation for right-of-use assets	1,653,570	1,352,325
Net fair value (gain)/loss on financial assets at fair value through profit or loss	(3,421,596)	887,355
Net fair value loss/(gain) on derivatives	22,978	(329,597)
Allowance for impairment losses on investments and receivables, net	1,065,702	5,255,317
Allowance for impairment losses on property, plant and equipment	407,756	192,368
Allowance for impairment on investment properties	135,441	21,488
Allowance for impairment on right-of-use assets	389,565	82,746
Net amortisation charge for concession assets	16,111	95,097
Amortisation of other intangible assets	84,783	59,134
Amortisation of government grants	(6,752)	(29,026)
Impairment of goodwill on consolidation	-	6,269
Impairment of concession assets	-	41,047
Bad debts written off/(back)	14,215	(405,396)
Inventories written off	144,365	62,189
Property, plant and equipment written off	324	41,481
(Gain)/loss on disposal of property, plant and equipment	(67,718)	75,671
(Gain)/loss on disposal of investment properties	(24,417)	2,048
Interest expense	3,058,359	3,719,902
Amortisation of deferred income	(20,979)	(10,847)
Depreciation of investment properties	42,101	20,594
Reversal of provision for foreseeable losses	888	-
Provision for/(writeback of) aircraft maintenance and overhaul	64,082	(240,284)
Share of results from associates and joint ventures	(1,504,185)	(4,745,136)
Operating (loss)/profit before working capital changes	(1,627,557)	5,305,961

**Khazanah Nasional Berhad**  
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**Consolidated statement of cash flows**  
**For the year ended 31 December 2020 (cont'd.)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities (cont'd.)</b>		
Increase in property development-in-progress	(363,199)	(1,308,055)
Decrease in inventories and work-in-progress	496,048	438,716
Decrease/(increase) in trade and other receivables	9,839,097	(3,195,948)
Increase in trade and other payables	10,458,180	10,215,297
Interest paid	(3,058,041)	(2,813,032)
Interest received	550,576	449,444
Dividend received	149,071	411,255
Income tax (paid)/refund	(253,284)	267,987
Net cash generated from operating activities	<u>16,190,891</u>	<u>9,771,625</u>
<b>Cash flows from investing activities</b>		
Net (outflow)/inflow of investments	(6,703,040)	10,691,060
Net cash inflow from disposal of subsidiaries	935,902	1,917,701
Purchase of property, plant and equipment	(1,558,205)	(718,472)
Purchase of other intangible assets	(24,561)	(370,622)
Proceeds from disposal of other intangible assets	39,088	374,033
Proceeds from disposal of property, plant and equipment	95,613	37,552
Proceeds from disposal of investment properties	34,916	116,480
Addition in concession assets	(36,985)	(27,170)
Addition in land held for property development	(362,155)	(283,529)
Proceeds from disposal of land held for property development	4,548	71,661
Addition in investment properties	(393,609)	(190,237)
Net cash (used in)/generated from investing activities	<u>(7,968,488)</u>	<u>11,618,457</u>
<b>Cash flows from financing activities</b>		
Drawdown of borrowings	11,061,844	11,968,672
Repayment of borrowings	(15,842,628)	(24,806,193)
Dividends paid	(1,091,398)	(1,061,580)
Lease payment	(1,602,210)	(2,087,005)
Net cash used in from financing activities	<u>(7,474,392)</u>	<u>(15,986,106)</u>

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**Khazanah Nasional Berhad**  
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**Consolidated statement of cash flows**  
**For the year ended 31 December 2020 (cont'd.)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Net changes in cash and cash equivalents</b>	748,011	5,403,976
<b>Cash and cash equivalents at the beginning of year</b>	11,144,088	5,730,632
<b>Exchange rate effects</b>	10,428	9,480
<b>Cash and cash equivalents at the end of year</b>	<u>11,902,527</u>	<u>11,144,088</u>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	10,747,983	4,128,526
Short term placements	1,154,544	7,015,562
	<u>11,902,527</u>	<u>11,144,088</u>

The accompanying notes form an integral part of the financial statements.

**Khazanah Nasional Berhad**  
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**Notes to the consolidated financial statements**

**35. Revenue**

Revenue of the Group consists of the following:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Investment-related revenue:</b>		
Gain from divestments of investments and investment properties	765,907	6,555,092
Dividend income from fair value through other comprehensive income investments	83,913	313,989
Dividend income from fair value through profit or loss investments	65,158	96,280
Interest income	550,615	449,057
Lease and rental income	53,716	68,757
Others	4,274	29,304
	<u>1,523,583</u>	<u>7,512,479</u>
<b>Engineering and construction-related revenue:</b>		
Toll collection	317,049	460,722
Construction contracts	36,678	21,180
Land and property development sales	1,811,711	2,894,989
Sale of goods	228,823	841,839
Others	597,170	473,723
	<u>2,991,431</u>	<u>4,692,453</u>
<b>Services-related revenue:</b>		
Revenue from airlines and airport operations	3,429,989	9,771,748
Rendering of services	2,401,170	4,289,733
Insurance related services	1,400,351	1,260,046
Others	928,312	455,703
	<u>8,159,822</u>	<u>15,777,230</u>
<b>Total Revenue</b>	<u>12,674,836</u>	<u>27,982,162</u>

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**35. Revenue (cont'd.)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Timing of revenue recognition:</b>		
- At a point in time	4,478,336	12,183,752
- Over time	8,196,500	15,798,410
	<u>12,674,836</u>	<u>27,982,162</u>

**36. Operating (loss)/profit**

Operating (loss)/profit is stated after charging/(crediting) the following:

	<b>Note</b>	<b>Group</b>	
		<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Staff costs	37	2,999,009	3,601,347
Auditors' remuneration:			
Statutory audits			
- to member firms of Ernst & Young Global		10,840	10,510
- to other firms		2,567	1,750
Other services		6,870	5,026
Unrealised foreign exchange gain, net		(230,835)	(44,293)
Fuel cost		1,564,848	3,678,889
Handling, landing, parking, enroute charges, catering and other related costs		526,821	1,507,106
Aircraft maintenance and overhaul		1,310,954	1,074,739
Provision for/(write back of) aircraft maintenance and overhaul costs	63	64,082	(240,284)
Depreciation for property, plant and equipment	42	552,035	1,074,636
Depreciation for right-of-use assets	53	1,653,570	1,352,325
Allowance for impairment losses on investments and receivables, net		1,065,702	5,255,317
Allowance for impairment losses on property, plant and equipment	42	407,756	192,368
Allowance for impairment losses on right-of-use assets	53	389,565	82,746
Net amortisation charge for concession assets	45	16,111	95,097
Amortisation of deferred income		(20,979)	(10,847)
Amortisation of other intangible assets	47	84,783	59,134
Amortisation of Government grants	66(i)	(6,752)	(29,026)



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**36. Operating (loss)/profit (cont'd.)**

Operating (loss)/profit is stated after charging/(crediting) the following: (cont'd.)

	<b>Note</b>	<b>Group 2020 RM'000</b>	<b>2019 RM'000</b>
Depreciation of investment properties	44	42,101	20,594
Allowance for impairment losses on investment properties	44	135,441	21,488
Expenses arising from leases			
- variable lease	67	687	824
- low value assets	67	16	3,725
- short-term lease	67	25,900	82,473
- operating lease	67	5,018	700
Impairment of goodwill on consolidation	46	-	6,269
Impairment of concession assets	45	-	41,047
Bad debts written off/(back)	58	14,215	(405,396)
Inventories written off		144,365	62,189
Reversal of provision for foreseeable losses		888	-
(Gain)/loss on disposal of investment properties		(24,417)	2,048
(Gain)/loss on disposal of property, plant and equipment		(67,718)	75,671
Property, plant and equipment written off	42	324	41,481
Net fair value (gain)/loss on financial assets at fair value through profit or loss		(3,421,596)	887,355
Net fair value loss/(gain) on derivatives		<u>22,978</u>	<u>(329,597)</u>

**37. Staff costs**

	<b>Note</b>	<b>Group 2020 RM'000</b>	<b>2019 RM'000</b>
Wages and salaries		2,500,703	3,068,604
Statutory contributions to EPF and social security		281,181	303,544
Employees service entitlement and retirement benefits	64	3,436	3,843
Others		<u>213,689</u>	<u>225,356</u>
		<u>2,999,009</u>	<u>3,601,347</u>

- (i) Included in the staff costs of the Group and of the Company is Executive Directors' remuneration amounting to RM4,519,000 (2019: RM2,213,000) as disclosed in Note 38.

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**38. Directors' remuneration**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Executive Director of the Company:		
Wages and salaries	3,797	1,860
Statutory contribution to EPF	722	353
	<u>4,519</u>	<u>2,213</u>
Non-Executive Directors of the Company:		
Fees and allowances	<u>299</u>	<u>355</u>
	<u>4,818</u>	<u>2,568</u>

**39. Finance costs**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest expense on term loans and borrowings	755,428	980,421
Interest expense on bonds and Medium Term Notes	1,225,102	1,183,625
Interest expense on lease liabilities	502,326	600,470
Amortisation of discount on Khazanah Bonds	438,883	513,244
Amortisation of discount on Exchangeable Trust		
Certificates	55,919	203,246
Others	80,701	238,896
	<u>3,058,359</u>	<u>3,719,902</u>

**40. Taxation**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Continuing operations</b>		
Current income tax:		
Malaysian income tax	264,245	228,633
Foreign income tax	1,154	62,027
	<u>265,399</u>	<u>290,660</u>
Overprovision in prior year:		
Malaysian income tax	(3,493)	(1,344)
	<u>261,906</u>	<u>289,316</u>

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**40. Taxation (cont'd.)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Continuing operations (cont'd.)</b>		
Deferred tax (Note 55):		
Relating to origination and reversal of temporary differences	67,777	(74,662)
(Over)/under provision in prior year	(10,516)	469
	<u>57,261</u>	<u>(74,193)</u>
Income tax expense recognised in profit or loss	<u>319,167</u>	<u>215,123</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable (loss)/profit for the year. Income tax for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the years ended 31 December 2020 and 2019 are as follows:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
(Loss)/profit before taxation	<u>(2,537,757)</u>	<u>5,535,291</u>
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	(609,062)	1,328,470
Effect of different tax rates in foreign jurisdiction	1,432	17,612
Effect of income not subject to tax	(219,595)	(1,671,687)
Effect of expenses not deductible for tax purposes	1,840,143	2,310,808
Effect of utilisation of previously unrecognised tax losses	(161,053)	(913,874)
Effect of utilisation of previously unrecognised other deductible temporary differences	(157,685)	-
Deferred tax benefits not recognised	-	283,502
Tax effect on share of associates and joint ventures' profit attributable to the equity holders	(361,004)	(1,138,833)
Overprovision of income tax expense in prior year	(3,493)	(1,344)
(Over)/under provision of deferred tax expense in prior year	(10,516)	469
Income tax expense recognised in profit or loss	<u>319,167</u>	<u>215,123</u>

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**40. Taxation (cont'd.)**

- (i) In 2011, the Ministry of Finance ("MOF") granted Iskandar Management Services Sdn. Bhd. ("IMSSB") a tax exemption on statutory income arising from services rendered for the "Legoland" project from 2011 until 2020.

**41. Assets held for sale**

The major classes of assets held for sale and assets and liabilities of the disposal group classified as held for sale on the consolidated statement of financial position are as follows:

	Note	Group 2020 RM'000	2019 RM'000
<b>Assets:</b>			
Concession intangible assets		-	96,022
Land held for property development	43	25,615	139,716
Investment in joint venture		493	-
Financial assets		-	475,801
Property, plant and equipment	42	41,138	177,152
Investment properties	44	12,699	16,283
Right-of-use assets	53	11,334	12,337
Other investments		-	124
Inventories		-	19,380
Receivables		88	55,460
Cash and bank balances		11,774	85,420
Assets held for sale and assets of disposal group classified as held for sale		<u>103,141</u>	<u>1,077,695</u>
<b>Liabilities:</b>			
Provision for heavy repairs		-	2,057
Provision for retirement benefit		-	503
Payables		95	85,444
Borrowings		-	22,556
Liabilities of disposal group classified as held for sale		<u>95</u>	<u>110,560</u>

**(A) UEM Group Berhad ("UEM")**

- (i) In prior year, the Board of Directors of UEM Builders Berhad ("UEM Builders") approved the proposed disposal of 100% equity interest in Buildcast Sdn. Bhd. ("Buildcast"). The proposed disposal has been delayed until the property market recovers.

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**41. Assets held for sale (cont'd.)**

**(A) UEM Group Berhad ("UEM") (cont'd.)**

- (ii) In prior year, UEM Builders had entered into a conditional share purchase agreement with an external party, Excel Metal Industries Sdn. Bhd. for the disposal of its entire equity interest of 100% in Pati Technologies Sdn. Bhd. ("PTSB") and 97.86% in Hoto Stainless Steel Industries Sdn. Bhd. ("HOTO"), for cash consideration of RM6.3 million and RM1 respectively. The disposals of PTSB and HOTO were completed on 8 April 2020 and 1 June 2020 respectively.

- (iii) On 31 May 2019, the Board of Directors of UEM approved the proposed disposal of the followings:

Certain plots of land and buildings held by UEM and its 100%-owned direct or indirect subsidiaries, namely Hydron (M) Sdn. Bhd., Suria Siena Development Sdn. Bhd. and Serayin Sdn. Bhd.

UEM and its subsidiaries continue to classify these properties as asset held for sale as the delay in the planned disposal was caused by events/circumstances beyond their control, and they remain committed to their plan to dispose the properties.

Investment in club membership held by UEM Group Management Sdn. Bhd., a 100% owned subsidiary of UEM. The disposal was completed in the current year for a cash consideration of RM100,000 and resulted in a loss of RM23,000.

- (iv) On 14 January 2020, the Board of Directors of UEM Construction Sdn. Bhd. ("UEMC") approved the proposed disposal of UEMC's marine assets. The disposal was completed in September 2020 for a cash consideration of RM3.5 million and resulted in a gain of RM1.1 million.
- (v) On 16 October 2020, a wholly owned subsidiary of the CIMA, Unipati Concrete Sdn. Bhd. has entered into a Sales and Purchase Agreement with an external party to dispose a shop office for a cash consideration of RM3.6 million. The disposal will be completed within 1 year from the date of agreement upon the receipt of the sales proceed.

**(B) Iskandar Investment Berhad ("IIB")**

On 19 March 2019, Iskandar Capital Sdn. Bhd. ("IskCap") entered into a Sale and Purchase Agreement with Distinctive View Sdn. Bhd. ("DVSB") in respect of part of the freehold land held under HS(D) 446619 PTD 154087 (Plot A) of approximately 19.49 acres for a total consideration of RM17,500,000. IskCap has received 10% deposit of RM1,750,000 in prior year. The completion of the agreement is pending fulfilment of certain conditions precedent. As such, the said plots of land remain as non-current assets held for sale in the current year.

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**41. Assets held for sale (cont'd.)**

**(B) Iskandar Investment Berhad ("IIB") (cont'd.)**

On 15 August 2019, IskCap entered into a Sale and Purchase Agreement with DVSB in respect of part of the freehold land held under HS(D) 446619 PTD 154087 (Plot B) of approximately 11.92 acres for a total consideration of RM10,701,438. IskCap has received 10% deposit of RM1,070,144 in prior year. The completion of the agreement is pending fulfilment of certain conditions precedent. As such, the said plots of land remain as non-current assets held for sale in the current year.

On 5 December 2019, IskCap entered into a Sale and Purchase Agreement with Paragon Globe Properties Sdn. Bhd. in respect of part of the freehold land held under Geran 507162 Lot 149989 (formerly held under HS(D) 484311 PTD 175988), PTD 175989, and Geran 507161 Lot 149991 (formerly held under HS(D) 484312 PTD 175990), in area known as Plot ED 5A and 5B of approximately 31.1 acres for a total consideration of RM60,962,220. IskCap has received 20% deposit of RM12,192,444 in prior year. The completion of the agreement is pending fulfilment of certain conditions precedent. As such, the said plots of land remain as non-current assets held for sale in the current year.

On 15 December 2019, River Retreat Sdn. Bhd. ("RRSB") entered into a Sale and Purchase Agreement with Melia Spring Sdn. Bhd. ("MSSB") in respect of freehold land under PTD 71076, PTD 71077 and PTD 71078 of approximately 132.09 acres, 107.145 acres and 66.31 acres, respectively for a total consideration of RM343,047,196.80 which consist of base price of RM304,920,000 and interest cost of RM38,127,196.80. RRSB has received 1% earnest deposit of RM3,049,200 in prior year. Within the completion period, MSSB shall pay 1% of the base price of RM3,049,200 and the balance by instalments, the first of which shall commence on the first anniversary of the launch date. The completion of the agreement is pending fulfilment of certain conditions precedent. As such, the said plots of land remain as non-current assets held for sale in the current year.

**(C) Penerbangan Malaysia Berhad ("PMB")**

Certain aircraft and spare engines with net book value of RM37,783,000 (2019: RM46,301,000) have been classified under assets held for sale.

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**42. Property, plant and equipment**

<b>Group</b>	<b>Plant and machinery RM'000</b>	<b>Aircraft and spare engines RM'000</b>	<b>Furniture and fittings and other equipment RM'000</b>	<b>Land and buildings RM'000</b>	<b>Renovation, capital improvements and capital work-in- progress RM'000</b>	<b>Total RM'000</b>
<b>2020</b>						
<b>Cost</b>						
At 1 January	6,954,482	11,933,396	2,658,311	4,627,651	993,482	27,167,322
Additions	203,723	393,772	180,976	411,026	368,708	1,558,205
Currency translation differences	1,223	-	(6,436)	(2,466)	1,123	(6,556)
Disposals	(33,796)	(47,373)	(10,550)	(2,379)	(16,118)	(110,216)
Write-offs	-	-	(288)	-	(324)	(612)
Disposal of subsidiaries (Note 48 (iv))	(166,282)	-	(79,484)	(430,655)	-	(676,421)
Transfer to investment properties (Note 44)	-	-	-	(322,488)	-	(322,488)
Transfer to property development-in-progress (Note 56)	-	-	-	-	(4,610)	(4,610)
Transfer to assets held for sale (Note 41)	-	(46,301)	-	(4,026)	-	(50,327)
Transfer from land held for property development (Note 43)	-	-	-	14	-	14
Transfer from right-of-use assets (Note 53)	-	-	3,772	2,136	-	5,908
Reclassification	-	-	-	595,253	(595,253)	-
At 31 December	6,959,350	12,233,494	2,746,301	4,874,066	747,008	27,560,219

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**42. Property, plant and equipment (cont'd.)**

<b>Group (cont'd.)</b>	<b>Plant and machinery RM'000</b>	<b>Aircraft and spare engines RM'000</b>	<b>Furniture and fittings and other equipment RM'000</b>	<b>Land and buildings RM'000</b>	<b>Renovation, capital improvements and capital work-in- progress RM'000</b>	<b>Total RM'000</b>
<b>2020 (cont'd.)</b>						
<b>Accumulated depreciation and impairment losses</b>						
At 1 January	5,104,392	10,196,904	1,977,423	1,711,567	8,008	18,998,294
Charge for the year (Note 36)	154,274	106,907	167,369	103,147	20,338	552,035
Allowance for impairment losses (Note 36)	92,310	48,731	1,942	256,984	7,789	407,756
Currency translation differences	1,103	-	(2,109)	(1,377)	-	(2,383)
Disposals	(27,944)	(12,169)	(10,154)	(18,831)	(13,223)	(82,321)
Write-offs	-	-	(288)	-	-	(288)
Disposal of subsidiaries (Note 48 (iv))	(145,776)	-	(61,886)	-	-	(207,662)
Transfer to assets held for sale (Note 41)	-	(8,518)	-	(671)	-	(9,189)
Transfer to investment properties (Note 44)	-	-	-	(38,422)	-	(38,422)
At 31 December	<u>5,178,359</u>	<u>10,331,855</u>	<u>2,072,297</u>	<u>2,012,397</u>	<u>22,912</u>	<u>19,617,820</u>
<b>Net book value</b>						
At 31 December	<u>1,780,991</u>	<u>1,901,639</u>	<u>674,004</u>	<u>2,861,669</u>	<u>724,096</u>	<u>7,942,399</u>



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**42. Property, plant and equipment (cont'd.)**

<b>Group</b>	<b>Plant and machinery RM'000</b>	<b>Aircraft and spare engines RM'000</b>	<b>Furniture and fittings and other equipment RM'000</b>	<b>Land and buildings RM'000</b>	<b>Renovation, capital improvements and capital work-in- progress RM'000</b>	<b>Total RM'000</b>
<b>2019</b>						
<b>Cost</b>						
At 1 January	7,002,809	11,854,510	2,572,421	4,403,313	1,167,905	27,000,958
Additions	33,897	228,003	139,451	29,127	287,994	718,472
Currency translation differences	9	-	(6,328)	(1,574)	(4,619)	(12,512)
Disposals	(1,414)	10,871	(9,244)	(54,323)	(117,347)	(171,457)
Write-offs	(7,306)	(16,132)	(2,654)	(1,435)	(65,010)	(92,537)
Disposal of subsidiaries	-	-	(35,234)	-	-	(35,234)
Transfer to investment properties (Note 44)	-	-	-	-	(5,854)	(5,854)
Transfer to property development-in-progress (Note 56)	-	-	-	-	(10,158)	(10,158)
Transfer to assets held for sale (Note 41)	(73,513)	(143,856)	(101)	(4,830)	-	(222,300)
Transfer to land held for property development (Note 43)	-	-	-	(2,056)	-	(2,056)
Reclassification	-	-	-	259,429	(259,429)	-
At 31 December	6,954,482	11,933,396	2,658,311	4,627,651	993,482	27,167,322

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**42. Property, plant and equipment (cont'd.)**

	Plant and machinery RM'000	Aircraft and spare engines RM'000	Furniture and fittings and other equipment RM'000	Land and buildings RM'000	Renovation, capital improvements and capital work-in- progress RM'000	Total RM'000
<b>Group (cont'd.)</b>						
<b>2019 (cont'd.)</b>						
<b>Accumulated depreciation and impairment losses</b>						
At 1 January	5,083,207	10,046,484	1,710,875	1,077,135	777	17,918,478
Charge for the year (Note 36)	40,109	151,787	286,995	567,318	28,427	1,074,636
Allowance for impairment losses (Note 36)	893	59,563	18,047	91,137	22,728	192,368
Currency translation differences	8	-	(7,729)	(631)	228	(8,124)
Disposals	(1,244)	(27,654)	(6,264)	(22,937)	(135)	(58,234)
Write-offs	(6,012)	(712)	140	(455)	(44,017)	(51,056)
Disposal of subsidiaries	-	-	(24,626)	-	-	(24,626)
Transfer to assets held for sale (Note 41)	(12,569)	(32,564)	(15)	-	-	(45,148)
At 31 December	5,104,392	10,196,904	1,977,423	1,711,567	8,008	18,998,294
<b>Net book value</b>						
At 31 December	1,850,090	1,736,492	680,888	2,916,084	985,474	8,169,028

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**43. Land held for property development**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>At cost</b>			
At 1 January		6,335,546	5,593,236
Acquisition of subsidiary		-	807,502
Additions		362,155	283,529
Disposals		(4,548)	(71,661)
Transfer (to)/from property, plant and equipment	42	(14)	2,056
Transfer to assets held for sale	41	(25,615)	(139,716)
Transfer to investment properties	44	-	(5,841)
Transfer to property development-in-progress	56	(149,749)	(133,559)
At 31 December		<u>6,517,775</u>	<u>6,335,546</u>

As at the reporting date, freehold land and related development expenditure of:

- (a) RM54.7 million had been deposited in 2019 by UEM Land to UEM as security for the borrowing granted to the subsidiary; and
- (b) RM740 million (2019: RM623 million) are pledged as securities for the borrowing facilities granted to UEM Sunrise's subsidiaries.

Included in the current year additions are the following:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Staff costs	2,345	4,210
Interest expense	<u>41,033</u>	<u>37,759</u>

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**43. Land held for property development (cont'd.)**UEM Group Berhad

Included in land held for property development of the Group are parcels of land committed through Master Agreement ("MA") entered on 23 October 2012 between UEM Land Berhad ("UEM Land") and Ascendas Land (Malaysia) Sdn. Bhd., whereby UEM Land has granted the option for Ascendas Land (Malaysia) Sdn. Bhd. to purchase 519 acres of land within 9 years commencing from the date of the MA. As at the end of the financial year, 399 acres of land remain unsold. The options shall automatically lapse if not exercised within the option period.

**44. Investment properties**

	Note	Group 2020 RM'000	2019 RM'000
<b>Land and building</b>			
Cost			
At 1 January		3,272,166	3,225,570
Additions		393,609	190,237
Disposals/write-offs		(20,697)	(142,159)
Transfer to assets held for sale	41	(13,764)	(17,648)
Transfer from property, plant and equipment	42	322,488	5,854
Transfer from land held for property development	43	-	5,841
Transfer from right-of-use assets	53	2,858	-
Transfer from property development-in-progress	56	-	4,471
At 31 December		<u>3,956,660</u>	<u>3,272,166</u>
Accumulated depreciation and impairment losses			
At 1 January		198,207	181,121
Depreciation	36	42,101	20,594
Disposals/write-offs		(10,198)	(23,631)
Allowance for impairment losses	36	135,441	21,488
Transfer from property, plant and equipment	42	38,422	-
Transfer to assets held for sale	41	(1,065)	(1,365)
At 31 December		<u>402,908</u>	<u>198,207</u>
Carrying amount at 31 December		<u>3,553,752</u>	<u>3,073,959</u>
Fair value		<u>9,183,973</u>	<u>8,722,295</u>

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**44. Investment properties (cont'd.)**

Investment properties comprise of commercial properties, office lots and landed properties.

The direct operating expenses arising from investment properties of the Group that generate and that do not generate rental income during the year are RM20.9 million (2019: RM21.2 million) and RM7.4 million (2019: RM2.6 million) respectively.

The direct operating expenses arising from investment properties of the Group that generate rental income is RM3.2 million (2019: RM3.1 million).

The fair values of investment properties are categorised within the fair value hierarchy (Level 3), as the fair value are measured using inputs that are not based on observable market

The fair values of the investment properties are substantially arrived at via valuation performed by certified external valuers based on the following valuation techniques depending on the location and types of properties.

- (i) The income approach converts estimated future amounts of cash flows or income to a single present value (discounted) amount by applying an appropriate, market-derived discount rate.
- (ii) The comparison/cost method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property. The land is valued by reference to transactions of similar lands in surrounding area with appropriate adjustments made for differences in the relevant characteristics of the land. Completed buildings are valued by reference to the current estimates on constructional costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

The fair values of investment properties are categorised as Level 3 under the fair value hierarchy as disclosed in Note 69, as the fair value is measured using inputs that are not based on observable market data.

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**45. Concession intangible assets**

	<b>Note</b>	<b>Group</b> <b>2020</b> <b>RM'000</b>	<b>2019</b> <b>RM'000</b>
<b>Cost</b>			
At 1 January		69,693	4,025,150
Additions		36,985	27,170
Acquisition of subsidiaries		68,913	-
Disposal		(7,784)	-
Disposal of subsidiaries		-	(3,862,910)
Exchange differences		(9,145)	96,261
Reclassified from/(to) asset held for sale		215,978	(215,978)
At 31 December		<u>374,640</u>	<u>69,693</u>
<b>Accumulated amortisation and impairment losses</b>			
At 1 January		17,443	377,297
Charge for the year, net of reversal	36	16,111	95,097
Acquisition of subsidiaries		8,701	-
Disposal		(2,668)	-
Disposal of subsidiaries		-	(382,366)
Impairment loss	36	-	41,047
Transfer to asset held for sale		-	-
Exchange differences		(3,706)	6,324
Reclassified from/(to) asset held for sale		119,956	(119,956)
At 31 December		<u>155,837</u>	<u>17,443</u>
<b>Net carrying amount</b>			
<b>At 31 December</b>		<u><b>218,803</b></u>	<u><b>52,250</b></u>

As at the reporting date, the Group has the following concession intangible assets:

<b>Concession intangible asset</b>	<b>Concession companies</b>	<b>Concession period</b>
Padalur-Trichy Highway, India ("PTH")	Trichy Padalur Tollways Private Limited ("TPTPL")	up to 2031
REPPA arrangement	Kualiti Alam Sdn. Bhd. and Cenergi SEA Sdn. Bhd.	up to 2034

The concession intangible assets for PTH have been pledged as security for Non-Convertible Debentures issued by TPTPL in March 2013, which was acquired by PEIBC in August 2015.

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**46. Goodwill on consolidation**

	<b>Note</b>	<b>Group 2020 RM'000</b>	<b>2019 RM'000</b>
At 1 January		2,045,205	2,047,588
Disposal of subsidiary	48(iv)	(641,970)	-
Exchange differences		6,969	3,886
Less: Impairment of goodwill on consolidation	36	-	(6,269)
At 31 December		<u>1,410,204</u>	<u>2,045,205</u>

**(a) Impairment tests for goodwill**

**Allocation of goodwill**

Goodwill has been allocated to the Group's cash-generating units ("CGUs") identified according to business segment as follows:

	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>Goodwill - Business Segment</b>		
Engineering, construction and expressway	1,013,754	1,006,805
Financial services	392,339	392,339
Healthcare	-	641,950
	<u>1,406,093</u>	<u>2,041,094</u>
Other business segments	4,111	4,111
	<u>1,410,204</u>	<u>2,045,205</u>

**(b) Key assumptions used in recoverable amount**

The recoverable amount of a CGU is determined based on the following methodology:

- (i) where investments are listed, principally the market value is used.
- (ii) where investments are not investment holding and where the underlying is unlisted, value-in-use is applied.
- (iii) where investments themselves are investment holding, the market value of the underlying value-in-use is calculated using cash flow projections or earnings and book multiples of a comparable listed company in the same market and the same industry.

**46. Goodwill on consolidation**

**(b) Key assumptions used in recoverable amount (cont'd.)**

The following describes each key assumption on which management has based its evaluation to undertake impairment testing of goodwill:

- (i) Company earnings and book multiples  
Earnings and book multiples are chosen based on acknowledged market norms for that industry and that geography with due consideration to asset size, market share, profitability and target market.
- (ii) Growth rate  
The average growth rate used in cash flow projections are consistent with the long term average growth rate for the industry.
- (iii) Discount rate  
The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.



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**47. Other intangible assets**

Group	Note	Development expenditure and work in progress RM'000	Software and related costs RM'000	Brand name RM'000	VOBA and banc- assurance RM'000	Intellectual property and licences RM'000	Total RM'000
<b>2020</b>							
At 1 January		35,506	135,412	16,098	376,967	199,295	763,278
Additions		13,778	8,516	-	-	2,267	24,561
Disposal		(21,117)	22	-	-	(17,993)	(39,088)
Disposal of subsidiaries	48(iv)		(55)	-	-	(1,378)	(1,433)
Foreign exchange difference		-	(152)	-	-	(1)	(153)
		28,167	143,743	16,098	376,967	182,190	747,165
Less: Amortisation	36	(594)	(44,635)	-	(37,181)	(2,373)	(84,783)
At 31 December		27,573	99,108	16,098	339,786	179,817	662,382
<b>2019</b>							
At 1 January		25,377	170,463	16,098	387,845	226,037	825,820
Additions		23,513	55,471	-	291,415	223	370,622
Disposal		(12,763)	(32,295)	-	(302,293)	(26,682)	(374,033)
Foreign exchange difference		-	1	-	-	2	3
		36,127	193,640	16,098	376,967	199,580	822,412
Less: Amortisation	36	(621)	(58,228)	-	-	(285)	(59,134)
At 31 December		35,506	135,412	16,098	376,967	199,295	763,278

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**48. Investment in subsidiaries**

Details of the subsidiaries are shown in Note 77 and Note 78.

**(i) Issuance and redemption of RCPS by subsidiaries**

- (i) On 3 February 2020, Suria Siena Development Sdn. Bhd. ("SSD") issued 1,700,000 RCPS at an issue price of RM1.00 each, which were fully subscribed by UEM for a purchase consideration of RM1.7 million.
- (ii) On 28 February 2020, UEM Builders issued 205,150,000 RCPS at an issue price of RM1.00 each, which were fully subscribed by UEM through capitalisation of amount due from UEM Builders of RM178.3 million and cash injection of RM26.9 million.
- (iii) On 24 April 2020, UEM Sunrise Berhad ("UEM Sunrise") redeemed its 123,340,418 RCPS for a redemption sum of RM150.0 million at RM1.22 each. On 29 October 2020, the remaining balance outstanding 669,175,335 UEM Sunrise RCPS with value of RM833,664,295 matured and were automatically converted into 521,040,184 new UEM Sunrise ordinary shares at the conversion price of RM1.60 per RCPS for one ordinary share. Following this, UEM's equity interest in UEM Sunrise accreted from 66.1% to 69.6%.
- (iv) On 31 December 2020, Vistajati Holdings Sdn. Bhd. ("VHSB") issued 1,910,000 RCPS at an issue price of RM1.00 each, which were fully subscribed by UEM through the capitalisation of amount due from VHSB of RM1.7 million.
- (v) On 31 December 2020, UEMC issued 10,000,000 Class B RCPS at an issue price of RM1.00 each, which were fully subscribed by UEM through the capitalisation of amount due from UEMC of RM10.0 million.

**(ii) Incorporation of subsidiaries**

- (i) On 2 April 2020, UEM Sunrise (Collingwood) Pty Ltd and UEM Sunrise (Collingwood Development) Pty Ltd were incorporated and registered in Victoria, Australia as indirect wholly-owned subsidiaries of UEM Sunrise, each with paid-up share capital of AUD 4.
- (ii) On 16 April 2020, UEM Sunrise (Collingwood) Unit Trust was established with UEM Sunrise (Collingwood) Pty Ltd as the trustee of the unit holder, with paid-up share capital of AUD 100.

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**48. Investment in subsidiaries (cont'd.)**

**(iii) Accretion of interests in subsidiaries**

On 16 December 2015, UEM Edgenta Berhad ("UEM Edgenta") had entered into a put option agreement with the non-controlling shareholder of Edgenta GreenTech Sdn. Bhd. ("Edgenta GreenTech") to purchase the remaining 20% equity interest in Edgenta GreenTech. The non-controlling shareholder exercised the put option for a total cash consideration of RM28.2 million and the acquisition of the 20% equity interest in Edgenta GreenTech was completed on 25 June 2020 with Edgenta GreenTech becoming a wholly-owned subsidiary of UEM Edgenta.

**(iv) Disposal, dissolution or dilution of interests in subsidiaries**

- (a) On 1 September 2020, Khazanah Nasional Berhad had completed the disposal of its entire 100% equity interest in Prince Court Medical Centre Sdn. Bhd. for a total cash consideration of RM1.02 billion.

The value of the assets and liabilities of subsidiaries disposed at the respective dates as follows:

	<b>2020</b> <b>RM'000</b>
<b>Assets:</b>	
Land	430,655
Inventories	9,991
Receivables	103,714
Cash and bank balances	78,763
	<u>623,123</u>
<b>Liabilities:</b>	
Trade & other payables	63,235
Borrowings	18,071
	<u>81,306</u>
Net assets upon disposal	541,817
Less : Goodwill recognised (Note 46)	641,970
	<u>1,183,787</u>
Consideration received, satisfied in cash	1,020,663
<b>Net loss on disposal of subsidiaries</b>	<b><u>(163,124)</u></b>

**The effect of the disposal on cash flows is as follows:**

	<b>2020</b> <b>RM'000</b>
Consideration received, satisfied in cash	1,020,663
Less: Cash and bank balances disposed	(78,763)
<b>Net cash flow from disposal of subsidiaries</b>	<b><u>941,900</u></b>

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**48. Investment in subsidiaries (cont'd.)**

**(iv) Disposal, dissolution or dilution of interests in subsidiaries (cont'd.)**

- (b) During the year, UEM Builders completed the disposal of its entire equity interest of 100% in Pati Technologies Sdn. Bhd. ("PTSB") and 97.86% in Hoto Stainless Steel Industries Sdn. Bhd. ("HOTO"), for cash consideration of RM6.3 million and RM1.00 respectively.
- (c) During the year, the following subsidiaries were dissolved via members' voluntary liquidation, deregistered, struck off, or wind up:
- UEM Sunrise (Canada) Development Ltd
  - Canada Sunrise Developments (Richmond) Ltd
  - Suria Legenda Development Sdn. Bhd.

The carrying amount of the assets and liabilities of subsidiaries disposed and dissolved are as follows:

	<b>2020</b> <b>RM'000</b>
Property, plant and equipment	3,081
Right-of-use assets	763
Other intangible assets	3
Inventories	8,909
Receivables	7,523
Cash, bank balances and deposits	102
Borrowings	(1,311)
Bank overdraft	(1,777)
Payables	(14,974)
Total value of net assets disposed	<u>2,319</u>
Less: Non-controlling interests	<u>(163)</u>
Group's share of net assets disposed	2,156
Consideration received, satisfied in cash	<u>6,300</u>
Net gain on disposal and dissolution of subsidiaries	<u><u>4,144</u></u>

The carrying amount of the assets and liabilities of subsidiaries disposed and dissolved are as follows:

The effect of the disposal and dissolution on cash flows is as follows:

	<b>2020</b> <b>RM'000</b>
Consideration received, satisfied in cash	6,300
Less: Deposits received in prior year	(630)
Less: Cash and bank balances disposed	<u>(1,675)</u>
Net cash flow from disposal and dissolution of subsidiaries	<u><u>3,995</u></u>

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**48. Investment in subsidiaries (cont'd.)**

**(iv) Disposal, dissolution or dilution of interests in subsidiaries (cont'd.)**

(d) On 4 November 2020, Themed Attractions and Resorts Sdn. Bhd. ("TAR") has entered into a Sale of Shares Agreement to dispose a 80% equity interest in Rakan Riang Sdn. Bhd. ("RRSB"). The disposal was completed on 7 December 2020, resulting in a loss of disposal of RM15,851,000 to TAR, recognised in the statements of comprehensive income.

(i) The value of the assets and liabilities of subsidiaries disposed at the respective dates as as follows:

	<b>2020</b>
<b>Net assets derecognised</b>	<b>RM'000</b>
Property, plant and equipment	35,013
Intangible assets	1,382
Deferred tax asset	540
Inventories	1,400
Receivables	2,471
Cash and cash equivalents	957
Payables and other liabilities	(34,662)
Net assets derecognised	<u>7,101</u>
Proceeds from disposal	3,901
Net assets of RRSB prior to disposal	(7,101)
Non-controlling interest derecognised	1,420
Intra-group balances written off	(14,071)
Loss on disposal of a subsidiary	<u>(15,851)</u>
Proceeds from disposal	3,901
Less: Cash and cash equivalents	(957)
Less: Deferred consideration receivables	(1,003)
Net cash inflow from disposal of a subsidiary	<u>1,941</u>

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**48. Investment in subsidiaries (cont'd.)**

**(iv) Disposal, dissolution or dilution of interests in subsidiaries (cont'd.)**

- e) Rakan Riang Pte. Ltd ("RRPL"), a 80% owned subsidiary of TAR has been placed under Creditors' Voluntary Winding up pursuant to a resolution passed on 4 September 2020 and the appointment of the Liquidators were affirmed by the creditors of RRPL in a meeting of creditors held on the same day, resulting in a gain on deconsolidation of RM 8,411,000 to TAR, recognised in the statements of comprehensive income.

- (i) The value of the assets and liabilities of subsidiaries deconsolidated at the respective dates as as follows:

	<b>2020</b>
<b>Net liabilities derecognised</b>	<b>RM'000</b>
Property, plant and equipment	10
Intangible assets	48
Inventories	58
Receivables	4,304
Cash and cash equivalents	11,934
Payables and other liabilities	(216,132)
Net liability derecognised	<u>(199,778)</u>
Net liability of RRPL prior to deconsolidation	199,778
Non-controlling interest derecognised	(40,679)
Realisation of foreign currency translation reserve	3,566
Intra-group balances deemed unrecoverable	(154,254)
Gain on deconsolidation	<u>8,411</u>
Net cash outflow from deconsolidation of RPPL	<u>(11,934)</u>

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**48. Investment in subsidiaries (cont'd.)**

**(v) Segments with material non-controlling interests**

Segments which have non-controlling interests that are material to the Group are listed below:

**2020**

**(a) Summarised consolidated statement of comprehensive income**

	<b>Infrastructure &amp; Construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Revenue	3,166	1	3,167
Loss for the year	<u>(252)</u>	<u>(280)</u>	<u>(532)</u>
Loss attributable to:			
Owners of the Company	(278)	(155)	(433)
Non-controlling interests	<u>26</u>	<u>(125)</u>	<u>(99)</u>
	<u>(252)</u>	<u>(280)</u>	<u>(532)</u>

**(b) Summarised consolidated statement of financial position**

	<b>Infrastructure &amp; Construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Non-current assets	11,084	3,126	14,210
Current assets	<u>5,213</u>	<u>87</u>	<u>5,300</u>
Total assets	<u>16,297</u>	<u>3,213</u>	<u>19,510</u>
Non-current liabilities	3,773	-	3,773
Current liabilities	<u>3,634</u>	<u>57</u>	<u>3,691</u>
Total liabilities	<u>7,407</u>	<u>57</u>	<u>7,464</u>
Net assets	<u>8,890</u>	<u>3,156</u>	<u>12,046</u>
Non-controlling interests	3,099	1,404	4,503
Non-controlling interests which are immaterial to the Group			<u>902</u>
			<u>5,405</u>

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**48. Investment in subsidiaries (cont'd.)**

**(v) Segments with material non-controlling interests (cont'd.)**

Segments which have non-controlling interests that are material to the Group are listed below (cont'd.):

**2020 (cont'd.)**

**(c) Summarised consolidated statement of cash flows**

	<b>Infrastructure &amp; Construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Net cash generated from/ (used in):			
Operating activities	131	(4)	127
Investing activities	(285)	5	(280)
Financing activities	242	2	244
Net changes in cash and cash equivalents	88	3	91
Exchange rate effects	36	-	36
Cash and cash equivalents at beginning of year	1,595	-	1,595
Cash and cash equivalents at end of year	1,719	3	1,722

**2019**

**(a) Summarised consolidated statement of comprehensive income**

	<b>Infrastructure &amp; Construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Revenue	5,321	-	5,321
Profit/(loss) for the year	409	(8)	401
Profit/(loss) attributable to:			
Owners of the Company	273	(4)	269
Non-controlling interests	136	(4)	132
	409	(8)	401



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**48. Investment in subsidiaries (cont'd.)**

**(v) Segments with material non-controlling interests (cont'd.)**

Segments which have non-controlling interests that are material to the Group are listed below (cont'd.):

**2019 (cont'd.)**

**(b) Summarised consolidated statement of financial position**

	<b>Infrastructure &amp; Construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Non-current assets	10,929	3,459	14,388
Current assets	5,433	26	5,459
Total assets	<u>16,362</u>	<u>3,485</u>	<u>19,847</u>
Non-current liabilities	3,701	-	3,701
Current liabilities	3,344	50	3,394
Total liabilities	<u>7,045</u>	<u>50</u>	<u>7,095</u>
Net assets	<u>9,317</u>	<u>3,435</u>	<u>12,752</u>
Non-controlling interests	3,162	1,532	4,694
Non-controlling interests which are immaterial to the Group			<u>957</u>
			<u>5,651</u>

**(c) Summarised consolidated statement of cash flows**

	<b>Infrastructure &amp; Construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Net cash generated from/ (used in):			
Operating activities	1,891	7	1,898
Investing activities	(247)	(16)	(263)
Financing activities	<u>(1,590)</u>	<u>9</u>	<u>(1,581)</u>
Net changes in cash and cash equivalents	54	-	54
Exchange rate effects	1	-	1
Cash and cash equivalents at beginning of year	<u>1,540</u>	<u>-</u>	<u>1,540</u>
Cash and cash equivalents at end of year	<u>1,595</u>	<u>-</u>	<u>1,595</u>

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**49. Interest in associates**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Shares at cost,		
Quoted shares in Malaysia	38,663,955	38,878,283
Quoted shares outside Malaysia	542,302	1,110,647
Unquoted shares in Malaysia	2,874,465	2,880,986
Unquoted shares outside Malaysia	1,697,394	1,918,814
	<u>43,778,116</u>	<u>44,788,730</u>
Share of post acquisition reserves	19,597,744	21,174,539
	<u>63,375,860</u>	<u>65,963,269</u>
Less: Allowance for impairment losses	(6,231,286)	(5,374,463)
	<u>57,144,574</u>	<u>60,588,806</u>
Market value of quoted shares		
In Malaysia	61,572,701	70,862,196
Outside Malaysia	<u>430,056</u>	<u>565,692</u>

The summarised financial information in respect of each of the Group's aggregated material associates is set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts.

**2020****Summarised consolidated statement of comprehensive income**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Transportation &amp; logistics RM'mil</b>	<b>Total RM'mil</b>
Revenue	114,047	110	118	114,275
Profit/(loss) for the year	<u>5,991</u>	<u>(24)</u>	<u>(105)</u>	<u>5,862</u>

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**49. Interest in associates (cont'd.)****2020 (cont'd.)****Summarised consolidated statement of financial position**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Transportation &amp; logistics RM'mil</b>	<b>Total RM'mil</b>
Non-current assets	896,749	2,007	65	898,821
Current assets	60,168	1,603	56	61,827
<b>Total assets</b>	<b>956,917</b>	<b>3,610</b>	<b>121</b>	<b>960,648</b>
Non-current liabilities	706,496	1,881	6	708,383
Current liabilities	60,537	218	108	60,863
<b>Total liabilities</b>	<b>767,033</b>	<b>2,099</b>	<b>114</b>	<b>769,246</b>

**Reconciliation of the summarised financial information presented above**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Transportation &amp; logistics RM'mil</b>	<b>Total RM'mil</b>
Net assets	189,884	1,512	7	191,403
Share of net assets	47,107	513	8	47,628
Goodwill	11,502	-	-	11,502
	<b>58,609</b>	<b>513</b>	<b>8</b>	<b>59,130</b>

Carrying amount of the Group's immaterial interest in associates	4,246
	<b>63,376</b>

**2019****Summarised consolidated statement of comprehensive income**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Transportation &amp; logistics RM'mil</b>	<b>Total RM'mil</b>
Revenue	5,336,415	177	414	5,337,006
Profit for the year	549,543	16	10	549,569

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**49. Interest in associates (cont'd.)****2019 (cont'd.)****Summarised consolidated statement of financial position**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Transportation &amp; logistics RM'mil</b>	<b>Total RM'mil</b>
Non-current assets	18,632,944	1,950	106	18,635,000
Current assets	4,455,477	1,631	165	4,457,273
Total assets	<u>23,088,421</u>	<u>3,581</u>	<u>271</u>	<u>23,092,273</u>
Non-current liabilities	10,229,828	1,770	14	10,231,612
Current liabilities	3,350,649	261	111	3,351,021
Total liabilities	<u>13,580,477</u>	<u>2,031</u>	<u>125</u>	<u>13,582,633</u>

**Reconciliation of the summarised financial information presented above**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Transportation &amp; logistics RM'mil</b>	<b>Total RM'mil</b>
Net assets	<u>9,507,944</u>	<u>1,550</u>	<u>146</u>	<u>9,509,640</u>
Share of net assets	48,873	523	36	49,432
Goodwill	<u>11,502</u>	<u>-</u>	<u>-</u>	<u>11,502</u>
	<u>60,375</u>	<u>523</u>	<u>36</u>	<u>60,934</u>
Carrying amount of the Group's immaterial interest in associates				<u>5,029</u>
				<u>65,963</u>

Details of the associates, are shown in Note 77 and Note 78.

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**50. Interest in joint ventures**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Shares at cost,			
Unquoted shares in Malaysia	(i)	5,136,266	4,915,270
Unquoted shares outside Malaysia		27,920	442,495
Investments in unincorporated entities		141,146	141,146
		<u>5,305,332</u>	<u>5,498,911</u>
Share of post-acquisition reserves and others		(1,824,574)	(573,413)
		<u>3,480,758</u>	<u>4,925,498</u>
Less: Accumulated impairment losses		(281,001)	(699,792)
		<u>3,199,757</u>	<u>4,225,706</u>
Amount due from/(to) joint ventures		144,523	(163,889)
		<u>3,344,280</u>	<u>4,061,817</u>

**(i) Acquisition/accretion of interest in joint ventures by the Group**

- (a) During the year, UEM subscribed to additional 17,085,000 RCPS at an issue price of RM10 each in PMB for a cash consideration of RM170.9 million.
- (b) During the year, PEIB subscribed to:
- (i) additional 650,000 CCPS at an issue price of INR10 each in JSTPL for a cash consideration of INR6.5 million or RM0.4 million; and
  - (ii) additional 1,352,500 CCPS at an issue price of INR10 each in Uniquet through Ghir Investments (Mauritius) Limited for a total cash consideration of INR13.5 million or RM0.8 million.

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**50. Interest in joint ventures (cont'd.)**

Details of the joint ventures are disclosed in Note 77 and Note 78.

The summarised financial information in respect of each of the Group's aggregated material joint ventures is set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts.

**2020**

**Summarised consolidated statement of comprehensive income**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Revenue	2,047	209	20	2,276
Profit/(loss) for the year	981	11	(45)	947

**Summarised consolidated statement of financial position**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Non-current assets	16,423	641	800	17,864
Current assets	2,919	911	294	4,124
Total assets	19,342	1,552	1,094	21,988
Non-current liabilities	11,409	231	80	11,720
Current liabilities	575	240	578	1,393
Total liabilities	11,984	471	658	13,113

**Reconciliation of the summarised financial information presented above**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Net assets	7,358	1,081	436	8,875
Share of net assets	4,116	661	163	4,940
Carrying amount of the Group's immaterial interest in joint ventures				(1,459)
				3,481

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**50. Interest in joint ventures (cont'd.)**

**2019**

**Summarised consolidated statement of comprehensive income**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Revenue	2,171	295	224	2,690
Profit/(loss) for the year	<u>1,864</u>	<u>27</u>	<u>(33)</u>	<u>1,858</u>

**Summarised consolidated statement of financial position**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Non-current assets	16,280	695	1,912	18,887
Current assets	<u>5,304</u>	<u>1,019</u>	<u>1,049</u>	<u>7,372</u>
Total assets	<u>21,584</u>	<u>1,714</u>	<u>2,961</u>	<u>26,259</u>
Non-current liabilities	10,126	346	1,234	11,706
Current liabilities	<u>3,857</u>	<u>289</u>	<u>689</u>	<u>4,835</u>
Total liabilities	<u>13,983</u>	<u>635</u>	<u>1,923</u>	<u>16,541</u>

**Reconciliation of the summarised financial information presented above**

	<b>Investment holding RM'mil</b>	<b>Infrastructure &amp; construction RM'mil</b>	<b>Property RM'mil</b>	<b>Total RM'mil</b>
Net assets	<u>7,601</u>	<u>1,079</u>	<u>1,038</u>	<u>9,718</u>
Share of net assets	<u>4,197</u>	<u>561</u>	<u>412</u>	<u>5,170</u>
Carrying amount of the Group's immaterial interest in joint ventures				<u>(245)</u>
				<u>4,925</u>

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**51. Other financial investments****Group - 2020**

	<b>Current RM'000</b>	<b>Non-current RM'000</b>	<b>Total RM'000</b>
<b>Financial assets designated as fair value through profit or loss</b>			
At fair value:			
Quoted shares	-	11,133,426	11,133,426
Unquoted shares	1,399,593	2,236,660	3,636,253
Quoted bonds	186,831	4,281,865	4,468,696
Unquoted bonds	-	1,422,620	1,422,620
Quoted fund	-	788,359	788,359
Unquoted fund	136,750	-	136,750
	<u>1,723,174</u>	<u>19,862,930</u>	<u>21,586,104</u>
<b>Financial assets designated as fair value through other comprehensive income</b>			
At fair value:			
Quoted shares	-	4,155,286	4,155,286
Unquoted shares	-	4,136,676	4,136,676
Unquoted bonds	-	1,455,159	1,455,159
Unquoted fund	-	4,975,624	4,975,624
At cost:			
Unquoted shares	-	322,994	322,994
	<u>-</u>	<u>15,045,739</u>	<u>15,045,739</u>
<b>Amortised cost</b>			
Loans receivable	<u>52</u>	<u>558,986</u>	<u>559,038</u>
Less: Allowance for impairment losses	-	(36,611)	(36,611)
<b>Total</b>	<u>1,723,226</u>	<u>35,431,044</u>	<u>37,154,270</u>



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**51. Other financial investments (cont'd.)****Group - 2019**

	<b>Current RM'000</b>	<b>Non-current RM'000</b>	<b>Total RM'000</b>
<b>Financial assets designated as fair value through profit or loss</b>			
At fair value:			
Quoted shares	140,772	13,006,496	13,147,268
Unquoted shares	2,809,188	1,158,356	3,967,544
Quoted bonds	-	448,278	448,278
Unquoted bonds	-	2,471,866	2,471,866
Quoted fund	-	407,927	407,927
	<u>2,949,960</u>	<u>17,492,923</u>	<u>20,442,883</u>
<b>Financial assets designated as fair value through other comprehensive income</b>			
At fair value:			
Quoted shares	7	12,649,194	12,649,201
Unquoted shares	97,890	193,538	291,428
Quoted bonds	-	328,558	328,558
Unquoted bonds in Malaysia	-	817,678	817,678
Unquoted fund	-	8,097	8,097
At cost:			
Unquoted shares	-	66,437	66,437
	<u>97,897</u>	<u>14,063,502</u>	<u>14,161,399</u>
<b>Amortised cost</b>			
Loans receivable	-	593,177	593,177
<b>Total</b>	<u>3,047,857</u>	<u>32,149,602</u>	<u>35,197,459</u>

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**52. Other non-current assets**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Receivables under finance lease	(i)	172,250	32,595
Trade receivables		500,780	319,359
Reinsurance assets		-	261,533
Prepaid land lease payments		-	6,165
Staff loans		25,061	25,061
Cash and bank balances	60, (ii)	-	6,580
Contract assets	(iii)	67,751	37,964
Concession receivables	(iv)	1,226,456	1,254,744
Others		760,444	316,312
		<u>2,752,742</u>	<u>2,260,313</u>

- (i) Leasing portfolio of a subsidiary of the Group comprises financing of long term lease related to investment properties of the Group. As at the reporting date, the present value of lease receivables under non-cancellable lease agreements was as follows:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Minimum lease receivables:</b>		
Within one year	11,389	7,387
Between one and five years	32,524	36,289
More than five years	312,765	32,033
Total minimum lease payments	<u>356,678</u>	<u>75,709</u>
Less: Unearned finance revenues	<u>(181,993)</u>	<u>(38,204)</u>
Present value of minimum lease receivables	<u>174,685</u>	<u>37,505</u>
<b>Present value of receivables:</b>		
Within one year	7,610	4,910
Between one and five years	14,112	19,947
More than five years	158,138	12,648
	<u>179,860</u>	<u>37,505</u>
Less: Amount due within one year (Note 59)	<u>(7,610)</u>	<u>(4,910)</u>
Amount due after one year	<u>172,250</u>	<u>32,595</u>

- (ii) Relates to security for banking facilities granted to UEM Group's subsidiaries.

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**52. Other non-current assets (cont'd.)**

## (iii) Contract assets

<b>Group</b>	<b>Note</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>Contract assets</b>			
Current	58	536,096	522,495
Non-current		67,751	37,964
		<u>603,847</u>	<u>560,459</u>
<b>Contract liabilities</b>			
Current	62	(100,827)	(87,371)
Non-current	66	(227,799)	(258,646)
		<u>(328,626)</u>	<u>(346,017)</u>

<b>Group</b>	<b>Note</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
<b>Contract assets</b>			
Contract assets from property development and strategic land sales	(a)	252,147	181,710
Contract assets from construction contracts	(b)	-	1,772
Contracts assets from rendering services	(c)	351,700	376,977
		<u>603,847</u>	<u>560,459</u>
<b>Contract liabilities</b>			
Contract assets from property development and strategic land sales	(a)	(297,963)	(324,886)
Contracts liabilities from rendering services	(c)	(30,663)	(21,131)
		<u>(328,626)</u>	<u>(346,017)</u>

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**52. Other non-current assets (cont'd.)**

(iii) Contract assets (cont'd.)

**(a) Contract assets from property development and strategic land sales**

For property development, the Group issues progress billings to purchasers when the billing milestones are attained. The Group recognises revenue when the performance obligation is satisfied.

For strategic land sales, the Group recognises revenue and issues billings to purchasers upon transfer of control. The contract assets and contract liabilities relating to the sale of properties and land sales as of each reporting period are shown as below:

<b>Group</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
Contract assets	252,147	181,710
Contract liabilities	(297,963)	(324,886)
	<u>(45,816)</u>	<u>(143,176)</u>
At 1 January	(143,176)	(213,744)
Revenue recognised during the financial year	519,903	530,308
Deferred during the financial year	(422,543)	(459,740)
At 31 December	<u>(45,816)</u>	<u>(143,176)</u>

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**52. Other non-current assets (cont'd.)**

(iii) Contract assets (cont'd.)

**(b) Contract assets from construction contracts**

<b>Group</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
Contract assets	-	1,772
	<u>-</u>	<u>1,772</u>
Construction work in progress ("WIP"), at cost	-	134,422
Add : Attributable profit	-	(3,725)
	<u>-</u>	<u>130,697</u>
Less :		
- Progress billings	-	(128,925)
	<u>-</u>	<u>1,772</u>

Included in current year additions in construction WIP of the Group are:

	<b>Group</b>	
	<b>2020 RM'000</b>	<b>2019 RM'000</b>
- staff costs	-	3,865
- depreciation charge	-	35
- amortisation charge	-	1
	<u>-</u>	<u>1</u>

**(c) Contract assets from rendering services**

Contract assets are initially recognised for revenue earned from services transferred which receipt of the consideration is conditional on the completion and final acceptance by customers. Upon final acceptance by the customers, the amounts recognised as contract assets becomes unconditional and are reclassified to trade receivables.

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**52. Other non-current assets (cont'd.)**

(iii) Contract assets (cont'd.)

**(c) Contract assets from rendering services (cont'd.)**

Contract liabilities include billings made in advance which represent amounts where customers have been invoiced ahead of the satisfaction of the performance obligation by the Group.

<b>Group</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
Contract assets	351,700	376,977
Contract liabilities	(30,663)	(21,131)
	<u>321,037</u>	<u>355,846</u>
Revenue recognised from amounts included in contract liabilities at the beginning of the year	<u>4,383</u>	<u>2,713</u>

(iv) Concession receivables

Concession receivables are in relation to :

	<b>Note</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
Non-current		1,226,456	1,254,744
Current	58	<u>124,214</u>	<u>124,214</u>
		<u>1,350,670</u>	<u>1,378,958</u>

- (a) A concession arrangement in which the Group provides retro-fitting works and upgrades of infrastructure to turn existing buildings into green buildings. This amount is to be repaid over the remaining period of the concession. This amount also pledged as security for the borrowings obtained as disclosed in Note 61.
- (b) A concession arrangement to develop and construct Tunku Azizah Hospital (formerly known as Women and Children Hospital). This amount is to be repaid over the concession period ending October 2043.

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**53. Right-of-use assets**

	<b>Aircraft RM'000</b>	<b>Land RM'000</b>	<b>Building RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Costs</b>					
<b>2020</b>					
At 1 January	10,993,809	2,435,706	162,346	105,370	13,697,231
Additions	735,157	4,128	1,277	27,733	768,295
Lease modification	-	-	(4,461)	-	(4,461)
Transfer to property, plant and equipment (Note 42)	-	(5,908)	-	-	(5,908)
Transfer to investment properties (Note 44)	-	(2,858)	-	-	(2,858)
Transfer to asset held for sale (Note 41)	-	-	(12,687)	-	(12,687)
Disposal of subsidiaries (Note 48(iv))	-	-	-	(3,834)	(3,834)
Disposal	-	-	(4,413)	-	(4,413)
Derecognition	(332,902)	-	-	-	(332,902)
At 31 December	11,396,064	2,431,068	142,062	129,269	14,098,463
<b>Accumulated depreciation</b>					
At 1 January	1,480,791	83,863	62,607	26,070	1,653,331
Charge for the year (Note 36)	1,563,120	59,087	7,637	23,726	1,653,570
Foreign exchange difference	-	65	7	-	72
Impairment (Note 36)	387,015	-	301	2,249	389,565
Transfer to asset held for sale (Note 41)	-	-	(1,353)	-	(1,353)
Disposal of subsidiaries (Note 48(iv))	-	-	-	(3,071)	(3,071)
Disposal	-	-	(911)	-	(911)
At 31 December	3,430,926	143,015	68,288	48,974	3,691,203
<b>Net carrying amount</b>	<b>7,965,138</b>	<b>2,288,053</b>	<b>73,774</b>	<b>80,295</b>	<b>10,407,260</b>

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**53. Right-of-use assets (cont'd.)**

	<b>Aircraft RM'000</b>	<b>Land RM'000</b>	<b>Building RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Costs</b>					
<b>2019</b>					
At 1 January	10,992,669	2,448,635	136,570	85,777	13,663,651
Additions	193,156	250	26,086	19,593	239,085
Transfer to held for sale (Note 41)	-	(12,337)	-	-	(12,337)
Disposal of subsidiaries (Note 48(iv))	-	(842)	-	-	(842)
Disposal	(192,016)	-	(310)	-	(192,326)
At 31 December	10,993,809	2,435,706	162,346	105,370	13,697,231
<b>Accumulated depreciation</b>					
At 1 January	181,466	40,640	1,348	3,845	227,299
Charge for the year (Note 36)	1,267,164	43,223	19,713	22,225	1,352,325
Impairment (Note 36)	40,890	-	41,856	-	82,746
Disposal	(8,729)	-	(310)	-	(9,039)
At 31 December	1,480,791	83,863	62,607	26,070	1,653,331
<b>Net carrying amount</b>	<b>9,513,018</b>	<b>2,351,843</b>	<b>99,739</b>	<b>79,300</b>	<b>12,043,900</b>



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**54. Derivative financial instruments**

2020		Nominal amount RM'000	Group	
			Assets RM'000	Liabilities RM'000
Forward exchange rate contracts	(i)	-	-	-
Fuel hedging contracts (barrels)	(ii)	2,875	-	(85,393)
Foreign currency hedging contracts	(iii)	132,569	12	(500)
Interest rate derivatives	(iv)	72,987	-	(16,386)
Embedded derivatives		3,134,699	-	(128,409)
			<u>12</u>	<u>(230,688)</u>
Analysed as:				
Current			-	(72,063)
Non-current			<u>12</u>	<u>(158,625)</u>
			<u>12</u>	<u>(230,688)</u>

  

2019		Nominal amount RM'000	Group	
			Assets RM'000	Liabilities RM'000
Forward exchange rate contracts	(i)	7,800	-	(102)
Fuel hedging contracts (barrels)	(ii)	7,325	1	(23,220)
Foreign currency hedging contracts	(iii)	280,716	-	(3,961)
Interest rate derivatives	(iv)	460,626	-	(5,497)
Embedded derivatives		3,132,955	-	(174,919)
			<u>1</u>	<u>(207,699)</u>
Analysed as:				
Current			1	(25,454)
Non-current			<u>-</u>	<u>(182,245)</u>
			<u>1</u>	<u>(207,699)</u>

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**54. Derivative financial instruments (cont'd.)**

(i) Forward exchange rate contracts

Cement Industries of Malaysia Berhad's ("CIMA") outstanding forward exchange rate contracts in 2019 with notional amount totalling RM7.8 million which were used to manage portion of CIMA's transaction exposure denominated in USD.

(ii) Fuel hedging contracts (barrels)

Due to significant capacity cuts following the COVID-19 pandemic and the expected impact on the near-term forecasted jet fuel purchases, a portion of these forecasted jet fuel purchase, for which hedge accounting had been applied previously, is no longer expected to occur. As a result, hedge accounting has been discontinued for these hedging relationships, with hedge ineffectiveness of RM85,392,845 recognised in the profit or loss. As at 31 December 2020, the Group has RMNil remaining in the fair value reserve for which hedge accounting is no longer applied.

(iii) Foreign currency hedging contracts

Malaysia Aviation Group Berhad ("MAGB") has forward currency contracts outstanding as at 31 December 2020 designated as hedges of firm commitments and highly probable future payments denominated in foreign currencies.

The amount retained in other comprehensive income at 31 December 2020 are expected to mature and affect profit or loss in 2021.

The terms of the forward currency contracts have been negotiated to match the terms of the commitments. There were no highly probable transactions for which hedge accounting had previously been used, which is no longer expected to occur.

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**54. Derivative financial instruments (cont'd.)**

(iii) Foreign currency hedging contracts (cont'd.)

The cash flow hedges of the highly probable future payments denominated in foreign currencies were assessed to be highly effective and as at 31 December 2020, a net unrealised gain of RM7,016,000 (2019: net unrealised loss of RM4,278,000) was included in other comprehensive income in respect of these contracts.

The amount removed from other comprehensive income during the financial year and included in profit or loss is gain of RM3,545,000 (2019: loss of RM827,000).

(iv) Interest rate derivatives

As at 31 December 2020, MAGB has interest rate caps and swaps at contracted interest rates varying from 2.1% to 2.2% (2019: 2.1% to 2.2%) per annum. The contracts are intended to hedge the volatility of interest rates for up to maximum 80% of the floating interest rate risk exposure of any financial year.

The amounts retained in other comprehensive income at 31 December 2020 are expected to mature and affect the profit or loss between 2021 to 2024.

There were no highly probable transactions for which hedge accounting had previously been used, which is no longer expected to occur.

The cash flow hedges of the highly probable forecast of interest rates were assessed to be highly effective and as at 31 December 2020, a net unrealised loss of RM15,300,000 (2019: net unrealised loss of RM12,478,000) was included in other comprehensive income in respect of these contracts.

The amount removed from other comprehensive income during the financial year and included in profit or loss is loss of RM4,411,000 (2019: gain of RM1,988,000).

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**55. Deferred taxation**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
As 1 January		(122,698)	(306,207)
Disposal of subsidiaries (net)	48(iv)	(540)	113,195
Recognised in profit or loss	40	(57,261)	74,193
Exchange differences		-	(3,879)
At 31 December		<u>(180,499)</u>	<u>(122,698)</u>

Presented after appropriate offsetting as follows:

Deferred tax assets	333,226	464,964
Deferred tax liabilities	<u>(513,725)</u>	<u>(587,662)</u>
	<u>(180,499)</u>	<u>(122,698)</u>

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**55. Deferred taxation (cont'd.)**

The components and movements of deferred tax liabilities and assets of the Group during the financial year are as follows:

**Deferred tax liabilities of the Group:**

	<b>Accelerated capital allowances RM'000</b>	<b>Fair value adjustment of land and building RM'000</b>	<b>Interest capitalised RM'000</b>	<b>Other temporary differences RM'000</b>	<b>Total RM'000</b>
At 1 January 2020	(269,423)	(230,281)	(73,254)	(14,704)	(587,662)
Recognised in profit or loss	68,482	-	-	(720)	67,762
Disposal of subsidiaries	3,488	2,687	-	-	6,175
At 31 December 2020	<u>(197,453)</u>	<u>(227,594)</u>	<u>(73,254)</u>	<u>(15,424)</u>	<u>(513,725)</u>
At 1 January 2019	(326,417)	(232,439)	(74,385)	(13,571)	(646,812)
Recognised in profit or loss	(61,727)	2,158	1,131	(1,138)	(59,576)
Disposal of subsidiaries	121,699	-	-	5	121,704
Exchange differences	(2,978)	-	-	-	(2,978)
At 31 December 2019	<u>(269,423)</u>	<u>(230,281)</u>	<u>(73,254)</u>	<u>(14,704)</u>	<u>(587,662)</u>

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**55. Deferred taxation (cont'd.)**

**Deferred tax assets of the Group:**

	<b>Provision for liabilities RM'000</b>	<b>Unutilised tax losses and unabsorbed capital allowance RM'000</b>	<b>Other temporary differences RM'000</b>	<b>Total RM'000</b>
At 1 January 2020	345,029	105,283	14,652	464,964
Recognised in profit or loss	(108,997)	(6,642)	(9,384)	(125,023)
Disposal of subsidiaries	(4,028)	(2,687)	-	(6,715)
At 31 December 2020	<u>232,004</u>	<u>95,954</u>	<u>5,268</u>	<u>333,226</u>
At 1 January 2019	214,258	117,550	8,797	340,605
Recognised in profit or loss	130,840	(2,926)	5,855	133,769
Disposal of subsidiaries	(73)	(8,436)	-	(8,509)
Exchange differences	4	(905)	-	(901)
At 31 December 2019	<u>345,029</u>	<u>105,283</u>	<u>14,652</u>	<u>464,964</u>

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**55. Deferred taxation (cont'd.)**

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

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Unutilised tax losses	5,004,181	5,675,234
Unabsorbed capital allowances and investment tax allowance	8,429,122	8,630,150
Other temporary differences	1,492,442	1,948,434
	<u>14,925,745</u>	<u>16,253,818</u>

Business entities are allowed to carry forward unabsorbed losses in a year of assessment for a maximum period of seven years of assessment i.e. from year of assessment ("YA") 2019 to YA2025 and any amount remains unutilised by YA2025 shall be disregarded from YA2026. Deferred tax assets have not been recognised due to the history of losses in the Group's subsidiaries. The unabsorbed capital allowances of the entities are available for offsetting against future taxable profits of the entity, subject to no substantial change in shareholding under the Income Tax Act, 1967 and guidelines issued by tax authority.

**56. Property development-in-progress**

	<b>Note</b>	<b>Group</b>	
		<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Cumulative property development</b>			
At 1 January		4,685,175	4,448,387
Development costs incurred during the year		363,199	1,308,055
Transfers from/(to)			
- Land held for property development	43	149,749	133,559
- Property, plant and equipment	42	4,610	10,158
- Investment properties	44	-	(4,471)
- Inventories		(24,251)	(389,377)
Acquisition of subsidiaries			
Foreign currency translation		-	(26,241)
Reversal of costs arising from completed projects		(1,695,514)	(794,895)
At 31 December		<u>3,482,968</u>	<u>4,685,175</u>

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**56. Property development-in-progress (cont'd.)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cumulative costs recognised in statement of comprehensive income</b>		
At 1 January	(3,781,163)	(2,617,164)
Reversal of costs arising from completed projects	1,695,514	794,895
Recognised during the year	(378,380)	(1,955,609)
Foreign currency translation	-	(3,285)
At 31 December	<u>(2,464,029)</u>	<u>(3,781,163)</u>
<b>At 31 December</b>	<u>1,018,939</u>	<u>904,012</u>

Included in costs incurred during the year are:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Staff costs	6,163	8,946
Interest expense	<u>9,794</u>	<u>42,376</u>

As at the reporting date, freehold land and related development expenditure totalling RM150.2 million (2019: RM151 million) are pledged as security for the banking facilities granted to a subsidiary of the Group.

**57. Inventories and work-in-progress**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At cost:</b>		
Raw materials	19,981	40,771
Work-in-progress	39,204	46,957
Finished goods	27,326	39,325
Consumables	127,590	133,363
Catering and general stores	22,518	23,103
Trading stocks	672	-
Property held for sale	196,169	486,901
Others	<u>413,170</u>	<u>436,521</u>
	<u>846,630</u>	<u>1,206,941</u>



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**57. Inventories and work-in-progress (cont'd.)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At net realisable value:</b>		
Work-in-progress	776	5,144
Consumable aircraft spares	179,052	264,057
Property held for sale	104,798	151,205
Golf memberships*	28,211	28,201
Others	300	267
	<u>313,137</u>	<u>448,874</u>
	<u>1,159,767</u>	<u>1,655,815</u>

- \* In accordance with the Development Agreement dated 16 June 2005 between Horizon Hills and Nusajaya Greens Sdn. Bhd., Horizon Hills has settled part of the purchase consideration of the golf course land in the form of rights to club membership (golf and non-golf) to be issued by Horizon Hills Resort Berhad, a wholly-owned subsidiary of Horizon Hills.

The cost of inventories and work-in-progress ("WIP") recognised as cost of sales during the year amounted to RM674.4 million (2019: RM891.9 million), excluding any impairment or write down of inventories.

**58. Trade receivables**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Trade receivables	(i)	1,277,508	2,294,984
Less: Allowance for doubtful debts		<u>(196,830)</u>	<u>(182,615)</u>
		1,080,678	2,112,369
Retention sum			
Contract assets	52(iii)	536,096	522,495
Concession receivables	52(iv)	<u>124,214</u>	<u>124,214</u>
		<u>1,740,988</u>	<u>2,759,078</u>

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**58. Trade receivables (cont'd.)**

(i) Trade receivables

- The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.
- Trade receivables are non-interest bearing and are generally on 30 to 90 days (2019: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The ageing analysis of the trade receivables is as follows:

	2020 RM'000	2019 RM'000
<b>Group</b>		
Neither past due nor impaired	776,535	1,404,702
1 to 30 days past due not impaired	122,474	241,556
31 to 60 days past due not impaired	41,819	96,645
More than 60 days past due not impaired	139,850	369,466
	304,143	707,667
Impaired	196,830	182,615
	<u>1,277,508</u>	<u>2,294,984</u>

Receivables that are neither past due nor impaired

Receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

Receivables that are past due but not impaired

The Group has trade receivables that are related to customers with good payment records with the Group or those with ongoing transactions, progressive payments and/or amounts owing by the Group.

Receivables that are impaired

The Group's trade receivables that are impaired are all individually impaired. There are no impairment arising from collective impairment.

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**58. Trade receivables (cont'd.)**

## (i) Trade receivables (cont'd.)

The movement of the allowance account used to record impairment is as follows:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	182,615	588,011
Written off/(write back)	14,215	(405,396)
At 31 December	<u>196,830</u>	<u>182,615</u>

**59. Other receivables**

	<b>Note</b>	<b>Group</b>	
		<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Interest income receivable		273	234
Amount due from a former director and shareholder of a subsidiary	(i)	2,315,980	2,315,995
Amount due from MoF Inc.		851,580	851,580
Amount due from associates	(ii)	21,825	54,524
Amount due from joint ventures		45,405	10,744
Amount due from related companies		150,144	247,363
Insurance receivables	(iii)	24,376	29,419
Receivable under finance lease	52(i)	7,610	4,910
Other deposits and prepayments		32,501	65,933
Accrued income		3,799	9,318
Others	(iv)	<u>1,375,088</u>	<u>1,382,532</u>
		4,828,581	4,972,552
Less: Allowance for impairment losses		<u>(2,413,032)</u>	<u>(2,413,032)</u>
		<u>2,415,549</u>	<u>2,559,520</u>

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**59. Other receivables (cont'd.)**

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

- (i) On 11 December 2000, UEM exercised the Put Option granted by Tan Sri Dato' Seri Halim bin Saad ("TSHS"), a past director of UEM in 1998 in respect of UEM's investment in UEM Land. The cost of shares plus holding cost on the 720,959,000 UEM Land shares ("Put Option Shares"), representing 31.0% of the paid-up capital of UEM Land as at 11 December 2000 amounting to RM3,165.8 million became the principal amount of debt due from TSHS and accrued interest at a rate of 9.4% per annum compounded semi-annually until full repayment.

The amount of RM3,165.8 million repayable in 3 equal instalments of RM100.0 million each on 14 February 2001, 14 July 2001 and 14 December 2001 respectively and the balance including interest was to be paid on 14 May 2002. On 14 February 2001, UEM received the first instalment from TSHS and granted an Extension of Time for the second instalment to 12 September 2001.

On 12 September 2001, UEM announced that it had not received the second instalment payment from TSHS and considered TSHS to have defaulted. The Put Option agreement was terminated subsequently and a notice of termination was sent to TSHS on 21 November 2001. Resulting from the termination of the Put Option agreement, UEM retained the UEM Land shares and forfeited the RM100.0 million first instalment for its own account by way of set-off and in part satisfaction of its claim for compensation.

As TSHS had failed to repay the outstanding amount as scheduled, full provision of RM2,316.0 million had been made on the net amount due from TSHS.

- (ii) The amount due from associates is unsecured, interest-free and is repayable on demand.

- (iii) Insurance receivables

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Net insurance receivables	<u>24,376</u>	<u>29,419</u>

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**59. Other receivables (cont'd.)**

(iv) Included in others are:

- (a) An amount of RM22.9 million (2019: RM22.9 million) representing tax penalty paid to IRB.
- (b) PLUS BKSP Toll Limited net carrying value of concession intangible assets of RM121.6 million or INR2,212.1 million (2019: RM127.0 million or INR2,212.1 million) to be recovered through claim submitted to Maharashtra State Road Development Corporation ("MSRDC") for premature termination of the Concession Agreement with MSRDC. The amount had been fully impaired previously.
- (c) Reimbursable costs of RM0.9 million (2019: RM0.9 million) in relation to the implementation of concession agreement for Tunku Azizah Hospital (formerly known as Women and Children Hospital) project, which is reimbursable by the Government of Malaysia within one year after the commencement of asset management services.
- (d) GST claimable from the Australian Taxation Office amounting to RM0.4 million (2019: RM4.0 million).
- (e) Advance of RM56.0 million (2019: RM49.0 million) provided to a corporate shareholder of a subsidiary which is bearing interest rate at 6% (2019: 6%) per annum.

**60. Cash and bank balances**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash in hand and at bank	10,747,983	4,135,106
Deposits with licensed banks	1,091,335	7,012,125
Deposit with other financial institutions	63,209	3,437
	<u>11,902,527</u>	<u>11,150,668</u>
Analysed as:		
Non-current (Note 52)	-	6,580
Current	<u>11,902,527</u>	<u>11,144,088</u>
	<u>11,902,527</u>	<u>11,150,668</u>

The range of interest rates and maturities of the term deposits as at 31 December 2020 is disclosed in Note 68(c).

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**61. Borrowings**

<b>Group</b>	<b>Note</b>	<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
<b>2020</b>				
Secured bonds and notes	(i)	2,284,364	8,348,551	10,632,915
Unsecured bonds and notes	(ii)	3,483,568	25,381,857	28,865,425
Exchangeable Trust Certificates	25(b)	-	3,134,699	3,134,699
Other borrowings	(iii)	4,848,047	12,557,277	17,405,324
		<u>10,615,979</u>	<u>49,422,384</u>	<u>60,038,363</u>
<b>2019</b>				
Secured bonds and notes	(i)	1,187,252	10,256,780	11,444,032
Unsecured bonds and notes	(ii)	5,735,830	22,162,659	27,898,489
Exchangeable Trust Certificates	25(b)	-	3,132,955	3,132,955
Other borrowings	(iii)	7,625,986	11,537,904	19,163,890
		<u>14,549,068</u>	<u>47,090,298</u>	<u>61,639,366</u>

**(i) Secured bonds and notes**

<b>Group</b>	<b>Note</b>	<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
<b>2020</b>				
Khazanah Bonds	25(a)	2,284,364	7,593,551	9,877,915
Prohawk	(A)	-	755,000	755,000
		<u>2,284,364</u>	<u>8,348,551</u>	<u>10,632,915</u>
<b>2019</b>				
Khazanah Bonds	25(a)	1,187,252	9,451,780	10,639,032
Prohawk	(A)	-	805,000	805,000
		<u>1,187,252</u>	<u>10,256,780</u>	<u>11,444,032</u>

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**61. Borrowings (cont'd.)**

**(i) Secured bonds and notes (cont'd.)**

**(A) Konsortium ProHAWK Sdn. Bhd. ("Prohawk")**

**IMTN**

On 18 June 2013, Prohawk established an IMTN Programme under the Shariah Principle of Murabahah, with a nominal amount of up to RM900.0 million.

The IMTN is secured by a first ranking charge over all of Prohawk's assets, rights, interests and titles, including granting the right to the security agent to appoint a substituted entity to take over the concession.

There are several series within the issued tranches, each with different tenure and profit rate. The details of the IMTN issuance are as follows:

Issuance date	Tenures (Years)	Profit rate (% per annum)	At 1 January 2020	During the year Repayment RM'million	At 31 December 2020
			←	→	
20 June 2013	17.5 - 20.0	5.24 - 5.35	200	-	200
20 December 2013	15.0 - 17.5	5.21 - 5.34	120	-	120
26 June 2014	13.0 - 15.0	5.21 - 5.32	120	-	120
22 December 2014	4.5 - 12.0	4.99 - 5.26	365	(50)	315
			<u>805</u>	<u>(50)</u>	<u>755</u>

**(ii) Unsecured bonds and notes**

Group	Note	Short term RM'000	Long term RM'000	Total RM'000
<b>2020</b>				
Islamic CP/MTN Programme				
Khazanah	25(c)-(f)	3,483,568	22,562,114	26,045,682
UEM Sunrise	(a)	-	2,417,899	2,417,899
UEM Edgenta	(b)	-	302,059	302,059
UGB	(c)	-	99,785	99,785
		<u>3,483,568</u>	<u>25,381,857</u>	<u>28,865,425</u>

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**61. Borrowings (cont'd.)**

**(ii) Unsecured bonds and notes (cont'd.)**

Group	Note	Short term RM'000	Long term RM'000	Total RM'000
<b>2019</b>				
Islamic CP/MTN Programme				
Khazanah	25 (c),(d),(e)	5,735,830	19,061,441	24,797,271
UEM Sunrise	(a)	-	2,699,727	2,699,727
UEM Edgenta	(b)	-	301,840	301,840
UGB	(c)	-	99,651	99,651
		<u>5,735,830</u>	<u>22,162,659</u>	<u>27,898,489</u>

**(a) UEM Sunrise Berhad ("UEM Sunrise")**

**(i) UEM Sunrise ICPN and IMTN**

In 2012, UEM Sunrise established an ICP Programme and an IMTN Programme, with a combined nominal value of RM2.0 billion and a sub-limit on the ICP Programme of RM500.0 million in nominal value. The ICP and IMTN Programmes have been assigned with a rating of MARC-1IS /AA-IS respectively.

The details of the IMTN issuance are as follows:

Issuance date	Tenure (Years)	Profit rate (% per annum)	At	During the year		At
			1 January 2020	Issuance	Repayment	31 December 2020
				RM'million		
30 June 2014	7	4.90	200	-	-	200
10 April 2015	5	4.58	150	-	(150)	-
10 April 2015	7	4.80	150	-	-	150
22 March 2019	5	4.75	300	-	-	300
30 April 2020	1	3.70	-	130	-	130
18 May 2020	1	3.70	-	105	-	105
10 June 2020	3	4.00	-	270	-	270
12 June 2020	3	4.00	-	150	-	150
21 September 2020	3	3.90	-	350	-	350
			<u>800</u>	<u>1,005</u>	<u>(150)</u>	<u>1,655</u>



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**61. Borrowings (cont'd.)**

**(ii) Unsecured bonds and notes (cont'd.)**

**(a) UEM Sunrise Berhad ("UEM Sunrise") (cont'd.)**

**(ii) UEM Sunrise ICPN and IMTN (cont'd.)**

In 2016, UEM Sunrise established its second ICP Programme and IMTN Programme with a combined nominal value of RM2.0 billion and a sub-limit on the ICP Programme of RM500.0 million in nominal value. The ICP and IMTN Programmes have been assigned a rating of MARC-1IS /AA-IS respectively.

The details of the IMTN and ICP issuance are as follows:

Issuance date	Tenure (Years)	Profit rate (% per annum)	At	During the year		At
			1 January	Issuance	Repayment	31 December
			2020	RM'million		2020
20 May 2016	7	5.00	500	-	-	500
11 December 2017	3	4.80	200	-	(200)	-
11 December 2017	5	5.06	300	-	-	300
11 December 2017	7	5.32	100	-	-	100
31 October 2018	3	4.85	350	-	-	350
31 October 2018	5	4.98	100	-	-	100
31 October 2018	7	5.15	250	-	-	250
10 April 2020	0.5	3.50	-	200	(200)	-
			1,800	200	(400)	1,600

**(b) UEM Edgenta**

UEM Edgenta had established an ICP Programme and an IMTN Programme under the Shariah Principle of Murabahah via a Tawarruq Arrangement, which have a combined aggregate limit of up to RM1,000.0 million in nominal value and a sub-limit on the ICP Programme of RM300.0 million in nominal value.

The details of the IMTN and ICP issuance and repayment are as follows:

Issuance date	Tenure (Years)	Profit rate (% per annum)	At			At
			1 January	During the year		31 December
			2020	Issuance	Repayment	2020
			RM'million			
26 April 2017	5	4.85	252	-	-	252
26 April 2019	1	4.05	50	-	(50)	-
24 April 2020	1	3.40	-	50	-	50
			302	50	(50)	302

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**61. Borrowings (cont'd.)**

**(ii) Unsecured bonds and notes (cont'd.)**

**(c) United Growth Berhad ("UGB")**

On 21 June 2012, UEM, through United Growth, established an IMTN Programme under the Shariah Principle of Musharakah, with a nominal amount of up to RM2.2 billion. On the same day, United Growth issued RM100.0 million IMTN at a discounted price of RM98.8 million.

The tenure of the IMTN issued is 10 years and will be maturing on 21 June 2022. The IMTN carries a fixed profit rate of 4.73% per annum.

The discount of RM1.2 million is amortised over the tenure of the IMTN at an effective interest rate of 4.88% (2019: 4.88%) per annum. As at the reporting date, the carrying value of the IMTN, taking into consideration the unamortised portion of the discount, is as follows:

	<b>2020</b> <b>RM'000</b>	<b>2019</b> <b>RM'000</b>
Principal	100,000	100,000
Unamortised discount	(215)	(349)
	<u>99,785</u>	<u>99,651</u>

**(iii) Other borrowings**

<b>Group</b>		<b>Short term</b> <b>RM'000</b>	<b>Long term</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>2020</b>				
<b>Secured:</b>				
CIMA	(A)	-	80,000	80,000
Other term loans and payables	(B)	531,056	7,504,269	8,035,325
Loan from Government	(C)	78,439	287,669	366,108
Others	(D)	744,350	47,674	792,024
		<u>1,353,845</u>	<u>7,919,612</u>	<u>9,273,457</u>
<b>Unsecured:</b>				
Other term loans and payables	(B)	852,200	3,438,284	4,290,484
Others	(D)	2,642,002	1,199,381	3,841,383
		<u>3,494,202</u>	<u>4,637,665</u>	<u>8,131,867</u>
<b>Total</b>		<u>4,848,047</u>	<u>12,557,277</u>	<u>17,405,324</u>

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**61. Borrowings (cont'd.)****(iii) Other borrowings (cont'd.)**

<b>Group</b>		<b>Short term RM'000</b>	<b>Long term RM'000</b>	<b>Total RM'000</b>
<b>2019</b>				
<b>Secured:</b>				
Other term loans and payables	(B)	322,896	10,023,376	10,346,272
Loan from Government	(C)	29,669	329,938	359,607
Others	(D)	1,819,960	1,417,893	3,237,853
		<u>2,172,525</u>	<u>11,771,207</u>	<u>13,943,732</u>
<b>Unsecured:</b>				
Other term loans and payables	(B)	4,532,493	-	4,532,493
Others	(D)	920,968	(233,303)	687,665
		<u>5,453,461</u>	<u>(233,303)</u>	<u>5,220,158</u>
<b>Total</b>		<u>7,625,986</u>	<u>11,537,904</u>	<u>19,163,890</u>

**(A) Cement Industries Of Malaysia Berhad ("CIMA")**

In 2020, CIMA Group obtained a term loan facility at interest rate of 3.2% per annum, to part finance the acquisition of a plot of freehold land. The facility is secured by way of first party legal charge over the said freehold land, corporate guarantee from CIMA and letter of undertaking from UEM.

**(B) Other term loans and payables**

Included in the Group's term loans and payables are secured and unsecured term loans with interest rates ranging from 1.0% to 10.76% (2019: 1.3% to 10.76%) per annum and facility terms of 1 to 5 years.

Secured term loans of the Group are secured by the followings:

- (i) property, plant and equipment
- (ii) deposit with licensed banks
- (iii) investment assets
- (iv) assignment of proceeds
- (v) corporate guarantees

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**61. Borrowings (cont'd.)**

**(iii) Other borrowings (cont'd.)**

**(C) Loan from Government**

Iskandar Investment Berhad ("IIB"), a subsidiary of the Group, was granted a term loan facility of RM550 million from Ministry of Finance ("MOF"), Malaysia, to finance the Legoland Theme Park Project. The term loan is secured by way of debenture issued by IDR Assets Sdn. Bhd. ("IDRA"), a subsidiary of LLMAH, and is subject to interest charge at 3.75% per annum. The interest for the first 48 months is to be capitalised to the principal. The term loan including the capitalised interest is repayable from 2013 to 2026.

In prior years, Themed Attractions And Resort Sdn. Bhd. ("TAR"), the holding company of IDRA had undertaken to complete the novation of the term loan by 31 December 2015 and assumed the liability in relation to the said loan.

On 14 September 2020, MOF has granted the following:

- (i) Deferment of principal and interest payment for year 2020 and 2021 amounting to RM141.2mil. The repayment schedule which was originally expected to end in 2026 has been revised to 2030 (2 years of deferment and 2 years for extension of repayment);
- (ii) Transfer of IDRA assets to LL Malaysia Taman Tema Sdn. Bhd. ("LLMTT"), a subsidiary of TAR and restructuring of loan to IIB with revised terms and conditions; and
- (iii) Subject to Clause 19 of the agreement, item number (i) and (ii) need to be finalised in a supplemental loan agreement and amended towards all security documents related to this loan.

On 2 October 2020, TAR issued a letter of undertaking ("LOU") pursuant to the new terms approved by MOF to IIB Group and IIB confirming that IIB Group and IIB will remain as a party to the MOF loan and TAR will continue to indemnify IIB for any claims, actions in relation to the MOF Loan. IIB shall not be liable for any amount owing under the MOF loan and TAR will be fully responsible for the payment and settlement of all the amounts owing under the MOF loan.

On 24 December 2020, 29 January 2021 and 30 March 2021, MOF has approved the application for extension on submission of supplemental loan agreement from 31 December 2020 to 31 January 2021, 31 March 2021 and further extension to 30 June 2021, accordingly.

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**61. Borrowings (cont'd.)**

**(iii) Other borrowings (cont'd.)**

**(D) Others**

Included in other borrowings are:

**(i) Revolving credit facilities**

The revolving credit facilities bear interest at rates ranging from 2.99% to 4.99% (2019: 2.08% to 5.59%) per annum. Certain revolving credit facilities are guaranteed by the Group and the Government of Malaysia.

**(ii) Bank overdrafts**

The bank overdrafts carry interest rates ranging from 7.74% to 7.92% (2019: 7.71% to 7.92%) per annum.

**(iii) Structured Commodity Financing-i**

The Structured Commodity Financing-i Facility is obtained for projects and working capital purposes which carries an average profit rate of 3.60% (2019: 4.40% to 5.10%) per annum.

The movement in the borrowings are as follows:

		<b>Group</b>	
		<b>2020</b>	<b>2019</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January		61,639,366	77,391,447
Transfer to lease liabilities	67	-	(606,970)
Drawdown		11,061,844	11,968,672
Repayment		(15,842,628)	(24,806,193)
Unrealised gain/(loss) on foreign exchange		2,684,979	(2,827,996)
Amortisation		494,802	520,406
At 31 December		<u>60,038,363</u>	<u>61,639,366</u>

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**62. Trade payables**

		<b>Group</b>	
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Trade payables		3,803,231	3,254,220
Contract liabilities	52(iii)	100,827	87,371
		<u>3,904,058</u>	<u>3,341,591</u>

The payables are interest free and the normal trade credit terms granted to the Group range from 30 days to 90 days (2019: 30 days to 90 days).

**63. Other current liabilities**

<b>Group</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>RM'000</b>	<b>RM'000</b>
Dividend payable		1,000,000	-
Sales in advance of carriage	(i)	1,137,858	1,273,329
Amount due to associates	(ii)	1,429	21,670
Amount due to related companies	(iii)	197,098	205,047
Interest payable		527	209
Insurance payables		38,162	29,802
Government grant	66(i)	247	-
Retirement benefit obligations and provision for employee entitlements	64	1,747	1,156
Deferred liabilities and income	66(iii)	74,621	84,105
Provision for aircraft maintenance and overhaul costs	(iv)	2,454,062	2,389,980
Accruals		1,962,547	2,419,452
Other payables		2,069,300	1,944,881
		<u>8,937,598</u>	<u>8,369,631</u>

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**63. Other current liabilities (cont'd.)**

- (i) Sales in advance of carriage represents the value of unutilised passenger tickets and cargo airway bills in respect of transportation services not yet rendered as at the reporting date.
- (ii) The amount due to associates is unsecured, interest free and is repayable on demand.
- (iii) The amount due to related companies is unsecured, interest free and is repayable on demand.
- (iv) The Group leases majority of its aircraft and engines, whereby under the terms of the leases, these aircraft and engines are to be returned substantially in the original state when they were leased. Provisions are made based on the estimated hours flown and estimated costs of maintenance required. These estimates are based on past experiences and are regularly reviewed to ensure they approximate actual costs.

<b>Group</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
At 1 January	2,389,980	2,630,264
Additional provision	240,098	251,792
Reversal of provision	(176,016)	(492,076)
At 31 December	<u>2,454,062</u>	<u>2,389,980</u>

All other balances of financial liabilities above are unsecured, interest free and are normally settled on 30 to 180 days (2019: 30 to 180 days) terms.

**64. Retirement benefit obligations and provision for service entitlements**

**Group**

	<b>Note</b>	<b>Retirement benefit obligation RM'000</b>	<b>Provision for service entitlements RM'000</b>	<b>Total RM'000</b>
At 1 January 2020		32,776	28,556	61,332
Exchange differences		33	(54)	(21)
Arising during the year	37	2,949	487	3,436
Payments made during the year		(2,170)	-	(2,170)
At 31 December 2020		<u>33,588</u>	<u>28,989</u>	<u>62,577</u>
Less: Current portion	63	(1,747)	-	(1,747)
Long term portion	66	<u>31,841</u>	<u>28,989</u>	<u>60,830</u>

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**64. Retirement benefit obligations and provision for service entitlements (cont'd.)**

**Group (cont'd.)**

	<b>Note</b>	<b>Retirement benefit obligation RM'000</b>	<b>Provision for service entitlements RM'000</b>	<b>Total RM'000</b>
At 1 January 2019		31,142	28,046	59,188
Exchange differences		25	(20)	5
Arising during the year	37	3,313	530	3,843
Payments made during the year		(1,704)	-	(1,704)
At 31 December 2019		32,776	28,556	61,332
Less: Current portion	63	(1,156)	-	(1,156)
Long term portion	66	31,620	28,556	60,176

**(a) Retirement benefit obligations**

Provision for retirement benefits mainly arising from:

CIMA

The liabilities and costs relating to the benefit are provided by CIMA pursuant to the Collective Agreement entered between CIMA and Cement Industry Employees' Union. Under the scheme, eligible employees are entitled to retirement benefits upon reaching the retirement age of 60.

The retirement benefit is only payable to unionised employees who:

- (a) retire on attainment of age 60; or
- (b) are medically boarded out; or
- (c) die in service; or
- (d) resign voluntarily after 10 years of company service; or
- (e) promoted to executive or supervisor level

CIMA Group maintains a book reserve in respect of the liabilities based on the actuarial valuation updated by an independent actuary on 31 December 2020. The retirement plan is currently not funded and there are no physical assets set aside for the cost of the benefits.



**64. Retirement benefit obligations and provision for service entitlements (cont'd.)**

**(a) Retirement benefit obligations (cont'd.)**

Edgenta UEMS Ltd

Edgenta UEMS Ltd, a subsidiary of UEMS Pte Ltd, has a retirement plan covering all its regular employees who opted for defined benefits plan. Benefits under the plan are based on the length of service and estimated base pay at the time of retirement. The pension assets and liabilities are valued on annual basis by independent actuary, taking into account gains and losses.

The plan assets, comprising cash and cash equivalents, are deposited with the Bank of Taiwan and are managed by the Government of Taiwan. The plan assets do not have quoted market prices in active market.

UEM Edgenta Berhad ("UEM Edgenta")

UEM Edgenta Group operates an unfunded, defined benefit retirement benefit scheme for its eligible employees ("Scheme"). The Scheme is closed to new employees. Under the Scheme, eligible employees are entitled to retirement benefits on attainment of the retirement age of 60, on medical incapacity or on death. The present value of defined benefit obligation is based on the actuarial valuation report by an independent actuary dated 20 January 2019.

Trichy Padalur Tollways Private Limited ("TPTPL")

TPTPL operates a defined benefit plan for its employees for gratuity. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure. The present value of defined benefit plan was based on the actuarial valuation report by an actuary dated 19 February 2021.

**(b) Provision for employee entitlements**

Provision for employee entitlements comprises provision for retirement leave entitlements of eligible employees of a foreign subsidiary. The provisions are in respect of both vested and unvested entitlements, and are made by reference to independent actuarial valuations.

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**65. Other reserves**

<b>Group</b>	<b>Foreign currency translation reserve RM'000 Note (a)</b>	<b>Fair value adjustment reserve RM'000 Note (b)</b>	<b>Cash flow hedge reserve RM'000 Note (c)</b>	<b>Share option reserve RM'000 Note (d)</b>	<b>Capital reserve RM'000</b>	<b>Statutory reserve RM'000 Note (e)</b>	<b>Retirement benefit reserve RM'000 Note (f)</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>2020</b>									
<b>At 1 January</b>	1,810,424	2,968,978	(606,881)	(100,545)	(31,163)	174,387	(2,575,349)	(832,991)	806,860
Foreign currency translation differences of foreign operations	(1,145,335)	-	-	-	-	-	-	-	(1,145,335)
Net loss on fair value of other comprehensive income	-	945,965	-	-	-	-	-	-	945,965
Net loss on fair value of cash flow hedges	-	-	17,650	-	-	-	-	-	17,650
Actuarial loss on retirement benefit plan	-	-	-	-	-	-	(114,583)	-	(114,583)
<b>Total other comprehensive loss</b>	<b>(1,145,335)</b>	<b>945,965</b>	<b>17,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(114,583)</b>	<b>-</b>	<b>(296,303)</b>

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65. Other reserves (cont'd.)

Group (cont'd.)	Foreign currency translation reserve RM'000 Note (a)	Fair value adjustment reserve RM'000 Note (b)	Cash flow hedge reserve RM'000 Note (c)	Share option reserve RM'000 Note (d)	Capital reserve RM'000	Statutory reserve RM'000 Note (e)	Retirement benefit reserve RM'000 Note (f)	Others RM'000	Total RM'000
<b>2020 (cont'd.)</b>									
Disposal of subsidiaries	(2,841)	-	-	-	-	-	-	42	(2,799)
Disposal of associates	(25,756)	(9,998)	(3,034)	(225)	(8,075)	-	126,888	(3,388)	76,412
Disposal of other financial investments	-	(1,097,829)	-	-	-	-	-	-	(1,097,829)
Dilution of interest in associates	-	-	-	(1,173)	-	-	-	(10,821)	(11,994)
Share of reserves of associates and joint ventures	-	-	-	3,407	(54,005)	2,566	-	-	(48,032)
Derecognition of put option	-	-	-	-	-	-	-	872,878	872,878
Transfer to:									-
- statutory reserve	-	-	-	-	-	(515,817)	-	-	(515,817)
- general reserve	-	-	-	-	-	-	-	(26,117)	(26,117)
- distributable retained profits	-	-	-	-	96,633	-	-	-	96,633
Total transactions with owners	(28,597)	(1,107,827)	(3,034)	2,009	34,553	(513,251)	126,888	832,594	(656,665)
At 31 December	636,492	2,807,116	(592,265)	(98,536)	3,390	(338,864)	(2,563,044)	(397)	(146,108)

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**65. Other reserves (cont'd.)**

<b>Group</b>	<b>Foreign currency translation reserve RM'000 Note (a)</b>	<b>Fair value adjustment reserve RM'000 Note (b)</b>	<b>Cash flow hedge reserve RM'000 Note (c)</b>	<b>Share option reserve RM'000 Note (d)</b>	<b>Capital reserve RM'000</b>	<b>Statutory reserve RM'000 Note (e)</b>	<b>Retirement benefit reserve RM'000 Note (f)</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>2019</b>									
<b>At 1 January</b>	2,815,397	3,458,372	(1,009,612)	(39,110)	(730,377)	38,585	(2,222,610)	(651,979)	1,658,666
Foreign currency translation differences of foreign operations	(1,029,581)	-	-	-	-	-	-	-	(1,029,581)
Net loss on fair value of other comprehensive income	-	(456,079)	-	-	-	-	-	-	(456,079)
Net loss on fair value of cash flow hedges	-	-	402,866	-	-	-	-	-	402,866
Share of other comprehensive (loss)/income of associates and joint ventures	(6,868)	(31,695)	-	-	-	-	-	(42)	(38,605)
Actuarial loss on retirement benefit plan	-	-	-	-	-	-	(352,739)	-	(352,739)
<b>Total other comprehensive loss</b>	<b>(1,036,449)</b>	<b>(487,774)</b>	<b>402,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(352,739)</b>	<b>(42)</b>	<b>(1,474,138)</b>

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65. Other reserves (cont'd.)

Group (cont'd.)	Foreign currency translation reserve RM'000 Note (a)	Fair value adjustment reserve RM'000 Note (b)	Cash flow hedge reserve RM'000 Note (c)	Share option reserve RM'000 Note (d)	Capital reserve RM'000	Statutory reserve RM'000 Note (e)	Retirement benefit reserve RM'000 Note (g)	Others RM'000	Total RM'000
<b>2019 (cont'd.)</b>									
Disposal of subsidiaries	-	-	-	1,654	-	-	-	392	2,046
Disposal of associates	31,476	(1,620)	(135)	(5,506)	642,573	-	-	(132)	666,656
Dilution of interest in associates	-	-	-	-	-	(6,270)	-	-	(6,270)
Share of reserves of associates and joint ventures	-	-	-	(22,957)	56,641	-	-	-	33,684
Transfer to:									
- disposal group held for sale	-	-	-	-	-	-	-	90,875	90,875
- statutory reserve	-	-	-	-	-	142,072	-	-	142,072
- general reserve	-	-	-	-	-	-	-	(290,221)	(290,221)
Redemption of preference shares	-	-	-	-	-	-	-	18,116	18,116
Expiry of share options	-	-	-	(22,240)	-	-	-	-	(22,240)
Share based payments	-	-	-	(12,386)	-	-	-	-	(12,386)
Total transactions with owners	31,476	(1,620)	(135)	(61,435)	699,214	135,802	-	(180,970)	622,332
At 31 December	1,810,424	2,968,978	(606,881)	(100,545)	(31,163)	174,387	(2,575,349)	(832,991)	806,860

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**65. Other reserves (cont'd.)**

- (a) The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.
- (b) Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of fair value through other comprehensive income financial assets until they are disposed of or impaired.
- (c) The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on change in fair value of hedging instruments entered into for cash flow hedges. The cumulative gains or losses in fair value of cash flow hedges will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.
- (d) Share option reserve represents the equity-settled share options granted to employees of the Group. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options.
- (e) The statutory reserve of the Group is maintained in compliance with the requirements of Bank Negara Malaysia. This reserve is not distributable as cash dividends.
- (f) The retirement benefit reserve relates to the actuarial gain or losses for the defined benefit plans of the Group.
- (g) The capital contribution from the shareholders relates to contribution from the holding company, where no repayment is expected.

**66. Other non-current liabilities**

		<b>Group</b>	
		<b>2020</b>	<b>2019</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
Retirement benefit obligation and provision for employee entitlements	64	60,830	60,176
Government grants	(i)	54,579	52,734
Insurance contract liabilities	(ii)	3,904,088	3,179,453
Deferred liabilities and income	(iii)	1,875,247	1,944,179
Contract liabilities	52(iii)	227,799	258,646
Others		2,573,798	2,203,959
		<u>8,696,341</u>	<u>7,699,147</u>

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**66. Other non-current liabilities (cont'd.)**

**(i) Government grants**

	<b>Note</b>	<b>Group 2020 RM'000</b>	<b>2019 RM'000</b>
At 1 January		52,734	61,727
Received during the year		8,844	20,033
Recognised in profit or loss	36	(6,752)	(29,026)
At 31 December		<u>54,826</u>	<u>52,734</u>
Analysed as:			
Current	63	247	-
Non-current		<u>54,579</u>	<u>52,734</u>
		<u>54,826</u>	<u>52,734</u>

Government grants granted to subsidiaries comprise the following:

- (i) Technology Development Cluster grant was given for the development of the University Supported Technology Incubation Centre Project under the Seventh Malaysian Plan.
- (ii) The Research and Information Database Homepage ("RAIDAH") grant is for the development of a technology database projects. The grant has been fully utilised during the year.
- (iii) A subsidiary of Agrifood Resources Holdings Berhad, Blue Archipelago Berhad, was given a grant to fund the implementation of the Integrated Aquaculture Shrimp Park Project.
- (iv) Grant from Unit Kerjasama Awam Swasta ("UKAS") to fund Iskandar Malaysia Studios Sdn. Bhd. ("IMS") for the cost of eligible capital expenditure.
- (v) Silterra Malaysia Sdn. Bhd. ("Silterra") received funding for its purchase of machinery and equipment which will be used to implement its Entry Point Project. Silterra has commenced the acquisition of such machinery and equipment during 2013. In addition, Silterra obtained a grant approved by Malaysian Investment Development Authority in relation to the capital expenditure incurred for plant expansion.

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**66. Other non-current liabilities (cont'd.)****(ii) Insurance contract liabilities**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Gross</b>		
Life insurance and family takaful	3,904,088	3,177,537
General insurance and takaful	-	1,916
	<u>3,904,088</u>	<u>3,179,453</u>
<b>Reinsurance</b>		
Life insurance	(227,517)	(260,988)
General insurance	-	(545)
	<u>(227,517)</u>	<u>(261,533)</u>
<b>Net</b>		
Life insurance and family takaful	3,676,571	2,916,549
General insurance and takaful	-	1,371
	<u>3,676,571</u>	<u>2,917,920</u>

**(iii) Deferred liabilities and income**

	<b>Deferred income RM'000</b>
<b>2020</b>	
Amount recognised	2,471,524
Accumulated realisation	(521,656)
	<u>1,949,868</u>
Due within 12 months (Note 63)	74,621
Due after 12 months	1,875,247
	<u>1,949,868</u>
<b>2019</b>	
Amount recognised	2,570,919
Accumulated realisation	(542,635)
	<u>2,028,284</u>
Due within 12 months (Note 63)	84,105
Due after 12 months	1,944,179
	<u>2,028,284</u>



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**66. Other non-current liabilities (cont'd.)**

**(iii) Deferred liabilities and income (cont'd.)**

Included in deferred income is the following:

**(a) Deferred lease rental income**

Deferred lease rental income comprises lease rental income received in advance from a third party upon the assignment of the lease, with respect to long term leasehold land of a subsidiary, to the third parties. Deferred lease rental is amortised on a straight-line basis over the lease tenure period.

**67. Lease liabilities**

Included in finance lease liabilities are leases of aircraft.

Under the terms of the finance lease, the Group has the option to buy the aircraft from the lessor at a predetermined price. In the event the lessee exercises the option to buy the aircraft at the purchase option date, the purchase price comprises total sum of the purchase option price and rent of the aircraft due and payable on the purchase option date.

The finance lease of the Group has tenure ranging between 5 to 12 years. The range of interest rate as at the reporting date ranging between 1.45% to 6%.

Set out below is the carrying amount of the lease liabilities and the movements during the year:

		<b>Group</b>	
	<b>Note</b>	<b>2020 RM'000</b>	<b>2019 RM'000</b>
At 1 January		11,343,475	12,129,068
Transfer from borrowings	61	-	606,970
Addition		5,724	182,883
Accretion of interest		24,043	600,730
Payment		(1,602,210)	(2,087,005)
Lease modifications		(4,551)	-
Disposal of subsidiary		(57,091)	-
Disposal		(325)	-
Foreign currency translation		(973)	(89,171)
		<u>9,708,092</u>	<u>11,343,475</u>

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**67. Lease liabilities (cont'd.)**

Analysed as:

	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Amount due within 12 months	1,615,450	1,641,980
Amount due after 12 months	8,092,642	9,701,495
	<u>9,708,092</u>	<u>11,343,475</u>

The maturities of the lease liabilities as at 31 December as at below:

	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Not later than one year	1,615,450	1,641,980
More than 1 year and within 5 years	8,092,642	5,149,029
More than 5 years	-	4,552,466
	<u>9,708,092</u>	<u>11,343,475</u>

The following are the amounts recognised in profit or loss:

	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Depreciation expense of right-of-use assets	1,653,570	1,352,325
Interest expense on lease liabilities	502,326	600,470
Expenses relating to short term leases	25,900	82,473
Expenses relating to leases of low-value assets	16	3,725
Expenses relating to variable leases	687	824
Expenses relating to operating leases	<u>5,018</u>	<u>700</u>

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**68. Financial risk management objectives and policies**

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include equity price, fuel price, interest rate, foreign currency, credit and liquidity risks. The Group has an approved set of guidelines and policies as well as internal controls which set out its overall business strategies to manage these risks. The Group's overall financial risk management objective is to enhance shareholders' value through effective management of the Group's risks. Although this guiding principle and objective is consistent throughout the Group, the Group consists of subsidiaries and subsidiaries group with their own governing Boards that will apply and determine the implementation of these policies in respect of each individual company.

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

**(a) Equity price risk**

Equity price risk the risk that the fair value or future cash flows of the Group's equity instruments will fluctuate because of changes in equity prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments are designated as fair value through profit or loss or available-for-sale financial assets.

Equity/investment risk management includes due diligence in screening the investment proposals according to the Group investment guidelines and procedures, constant communication and close monitoring of the performance of investee companies.

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably possible change in the equity price, with all other variables held constant, of the Group's equity (due to changes in the fair value of available-for-sale equity investments) and profit or loss (due to changes in the fair value of equity investments designated at fair value through profit or loss).

	Effect on equity RM'000	Effect on profit or loss RM'000
<b>Group</b>		
<b>2020</b>		
Increase in 12% of equity price	1,766,729	2,590,332
Decrease in 12% of equity price	<u>(1,766,729)</u>	<u>(2,590,332)</u>

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**68. Financial risk management objectives and policies**

**(a) Equity price risk (cont'd.)**

	Effect on equity RM'000	Effect on profit or loss RM'000
<b>Group</b>		
<b>2019</b>		
Increase in 12% of equity price	1,691,395	2,453,146
Decrease in 12% of equity price	<u>(1,691,395)</u>	<u>(2,453,146)</u>

**(b) Fuel price risk**

Fuel price risk is the risk that future cash flows of the Group's financial instruments will fluctuate because of changes in market prices of fuel.

The Group's earnings are affected by changes in the price of jet fuel, as a subsidiary of the Group operates in the air transportation business which require a continuous supply of fuel for its aircraft. The Group manages this risk by using instruments such as swaps and options designated as hedge of highly probable forecast fuel purchases to reduce the volatility of cash flows. The Group's risk management strategy is to maintain a competitive hedge with regards to its competitors. The Group's risk management policy is to hedge up to 36 months forward with specified maximum and minimum hedge coverage. The percentage is guided by both competitive hedge policy and management's judgement.

As at 31 December 2020, the Group has entered into various fuel hedging transactions for years up to 31 December 2020 in lots totalling 7,325,000 barrels (2019: 8,800,000 barrels).

Sensitivity analysis for fuel price risk

The fuel price sensitivity analysis is based on fuel hedging contracts that are still outstanding as at the end of the financial year and unhedged fuel contracts. At the reporting date, if fuel price increases or decreases, each by USD10 per barrel, the effects are as follows:

	Increase/(decrease)			
	2020		2019	
Group	Equity RM'000	Profit net of tax RM'000	Equity RM'000	Profit net of tax RM'000
Increase in USD10 per barrel	116,619	-	299,095	-
Decrease in USD10 per barrel	<u>(116,619)</u>	<u>-</u>	<u>(299,095)</u>	<u>-</u>

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**68. Financial risk management objectives and policies (cont'd.)**

**(c) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its loans and borrowings.

The Group actively manages its interest rate risk by maintaining a portfolio of financial instruments, including derivatives guided by its investment guidelines and policies, and regular reviews of its debt portfolio, interest rates and market expectations.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit/(loss) before tax (due to changes in the interest expense on floating rate borrowings and interest rate derivatives) and equity (due to changes in the cash flow hedge):

<b>Group</b>	<b>Effect on equity RM'000</b>	<b>Effect on profit or loss RM'000</b>
<b>2020</b>		
Increase in 25 basis points	964	(2,033)
Decrease in 25 basis points	<u>(964)</u>	<u>2,033</u>
<b>2019</b>		
Increase in 25 basis points	771	(3,604)
Decrease in 25 basis points	<u>(771)</u>	<u>3,604</u>

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**68. Financial risk management objectives and policies (cont'd.)**

**(c) Interest rate risk (cont'd.)**

Weighted average interest rate and average maturity

The weighted average interest/profit rates per annum and the average maturity on the financial assets and financial liabilities as at 31 December were as follows:

**Financial assets**

	<b>2020</b>		<b>2019</b>	
	<b>Weighted average interest rates %</b>	<b>Average maturity days</b>	<b>Weighted average interest rates %</b>	<b>Average maturity days</b>
Licensed banks	<u>2.52</u>	<u>1 to 365</u>	<u>3.25</u>	<u>1 to 365</u>

**Financial liabilities**

	<b>2020</b>		<b>2019</b>	
	<b>Weighted Average interest rates %</b>	<b>Average maturity years</b>	<b>Weighted Average interest rates %</b>	<b>Average maturity years</b>
Bank overdrafts	6.32	Within 1 year	7.73	Within 1 year
Revolving credit	3.65	Within 1 year	4.03	Within 1 year
Finance lease and hire purchase	4.14	1 to 12 years	1.93	1 to 12 years
Term loans	3.74	<u>1 to 5 years</u>	4.82	<u>1 to 5 years</u>

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**68. Financial risk management objectives and policies (cont'd.)**

**(d) 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 exchange rates.

The Group's exposure to foreign exchange risk arises mainly from borrowings, operating revenues and expenses which are denominated in foreign currencies mainly US Dollar ("USD"), Chinese Renminbi ("CNY") and Singapore Dollar ("SGD").

The Group maintains a natural hedge, whenever possible, by borrowings in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue streams to be generated from its investments.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level and short term imbalances are addressed by buying or selling foreign currencies at spot rates.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in respective foreign currency exchange rates, with all other variables held constant, of the Group's profit/(loss) before tax (due to translation of monetary items):

<b>Group</b>	<b>Changes in rate</b>	<b>Effect on profit/(loss) before tax RM'000</b>
<b>2020</b>		
USD/RM - Strengthened	+5%	(706,353)
- Weakened	-5%	706,353
CNY/RM - Strengthened	+5%	181,000
- Weakened	-5%	(181,000)
<b>2019</b>		
USD/RM - Strengthened	+5%	(421,262)
- Weakened	-5%	421,262
SGD/RM - Strengthened	+5%	(137,000)
- Weakened	-5%	137,000
CNY/RM - Strengthened	+5%	155,000
- Weakened	-5%	(155,000)

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**68. Financial risk management objectives and policies (cont'd.)**

**(e) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Credit risk or the risk of counter parties defaulting is monitored and controlled by the application of credit approval, limits and monitoring procedures. Credit risk is minimised and monitored via strictly limiting the funding/borrowing to subsidiaries and

Credit evaluations are performed on all customers requiring credit over a certain amount and strictly limiting the Group's associations to business partners with high credit worthiness. Trade and other receivables are monitored on an ongoing basis.

Deposits with banks and other financial institutions and derivatives that are neither past due nor impaired are placed with or entered with reputable financial institutions or companies with no history of default.

Exposure to credit risk

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised on the balance sheet, including derivatives with positive fair values.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 58 and Note 59, respectively. Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 51, Note 52, Note 58 and Note 59.



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**68. Financial risk management objectives and policies (cont'd.)**

**(f) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulties in meeting their financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group endeavours to maintain sufficient level of cash or cash convertible investments to meet its working capital requirements.

In addition, the Group's objective is to maintain a balance of funding and flexibility through the use of credit facilities, short and long term borrowings. Short term flexibility is achieved through credit facilities and short term borrowings. 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 the Group's asset and liability management strategy.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted repayment obligations.

	<b>On demand or within one year RM'000</b>	<b>1 to 5 years RM'000</b>	<b>More than 5 years RM'000</b>	<b>Total RM'000</b>
<b>2020</b>				
<b>Financial liabilities</b>				
Trade payables	3,904,058	-	-	3,904,058
Other liabilities	5,331,531	5,572,652	7,067,697	17,971,880
Borrowings	10,205,041	29,831,525	31,477,575	71,514,141
Derivative liabilities	12	-	-	12
Total undiscounted financial liabilities	<u>19,440,642</u>	<u>35,404,177</u>	<u>38,545,272</u>	<u>93,390,091</u>
<b>2019</b>				
<b>Financial liabilities</b>				
Trade payables	3,341,591	-	-	3,341,591
Other liabilities	3,060,152	750,547	471,196	4,281,895
Borrowings	7,462,660	19,717,272	7,327,877	34,507,809
Derivative liabilities	-	1	-	1
Total undiscounted financial liabilities	<u>13,864,403</u>	<u>20,467,820</u>	<u>7,799,073</u>	<u>42,131,296</u>

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**69. Fair value of financial instruments**

- (a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

	Group Carrying amount RM'000	Fair value RM'000
<b>2020</b>		
<b>Financial assets</b>		
Other financial assets		
- Unquoted shares at cost less impairment	322,994	*
<b>Financial liabilities</b>		
Borrowings	39,498,340	40,849,684
<b>2019</b>		
<b>Financial assets</b>		
Other financial assets		
- Unquoted shares at cost less impairment	66,437	*
<b>Financial liabilities</b>		
Borrowings	40,208,734	41,927,572

- \* Fair value information has not been disclosed for the Group's investment in equity instruments that are carried at cost because fair value cannot be determined reliably. These equity instruments represent ordinary shares in companies that are not quoted on any market and does not have any comparable industry peer that is quoted. In addition, the variability in the range of reasonable fair value estimates derived from valuation technique is significant.

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**69. Fair value of financial instruments (cont'd.)**

**(b) Determination of fair value**

(i) Cash and cash equivalents, receivables and payables

The carrying amount of these financial assets and liabilities are reasonable approximation of fair value due to either their short term nature or they are repayable on demand.

(ii) Quoted shares

The fair value of quoted shares is determined directly by reference to their published market bid price at the reporting date.

(iii) Financial assets designated as fair value through profit and loss

The fair value of unquoted bonds and structured products are based on the indicative fair values obtained from Bondweb, Bloomberg and/or respective licensed banks.

(iv) Loans receivable

The fair value of loans receivable are estimated by discounting the estimated future cash flows using current interest rates for financial assets with similar risk

(v) Embedded derivatives

The fair value of embedded derivatives are valued using the Binomial model with market observable inputs. The model incorporates various inputs including closing market prices of underlying shares, foreign exchange spot rates and market interest rates.

(vi) Derivatives

Forward currency contracts and interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.

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**69. Fair value of financial instruments (cont'd.)**

**(b) Determination of fair value (cont'd.)**

(vii) Loans and borrowings

The carrying amount of the current portion of loans and borrowings is reasonable approximations of fair value due to the insignificant impact of discounting.

The carrying amount of certain loans and borrowings is reasonable approximations of fair value as they are floating rate instruments that are re-priced to market interest rates near the reporting date.

The fair value of non-current loans and borrowings, other than floating rate instruments, are estimated by discounting expected future cash flows at market incremental lending rate for similar types of borrowing at the reporting date.

**(c) Fair value measurement hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;  
or
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; or
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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**69. Fair value of financial instruments (cont'd.)**

**(c) Fair value measurement hierarchy (cont'd.)**

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December 2020:**

<b>Assets and liabilities measured at fair value</b>	<b>Carrying amount RM'000</b>	<b><u>Fair value measurement using</u></b>		
		<b>Quoted market price Level 1 RM'000</b>	<b>Observable input Level 2 RM'000</b>	<b>Unobservable input Level 3 RM'000</b>
<b>Financial assets</b>				
Financial assets designated as fair value through profit or loss				
- Shares	14,769,679	11,133,426	3,636,253	-
- Bonds	5,891,316	4,468,696	1,422,620	-
- Funds	925,109	788,359	136,750	-
Financial assets designated as fair value through other comprehensive income				
- Shares	8,291,962	4,155,286	4,136,676	-
- Bonds	1,455,159	-	1,455,159	-
- Funds	4,975,624	-	4,975,624	-
Derivative assets	12	-	12	-
<b>Financial liabilities</b>				
Derivative liabilities	230,688	-	230,688	-
<b>Assets and liabilities for which fair values are disclosed</b>				
<b>Assets</b>				
Interest in associates				
- Quoted shares	39,206,257	62,002,758	-	-
Investment properties	3,553,752	-	-	9,183,973
<b>Liability</b>				
Borrowings	39,498,340	-	40,849,684	-

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**69. Fair value of financial instruments (cont'd.)**

**(c) Fair value measurement hierarchy (cont'd.)**

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 December 2019:**

Fair value measurement using				
Assets and liabilities measured at fair value	Carrying amount RM'000	Quoted market price Level 1 RM'000	Observable input Level 2 RM'000	Unobservable input Level 3 RM'000
Financial assets				
Financial assets designated as fair value through profit or loss				
- Shares	17,114,812	13,147,268	3,967,544	-
- Bonds	2,920,144	448,278	2,471,866	-
- Funds	407,927	407,927	-	-
Financial assets designated as fair value through other comprehensive income				
- Shares	12,940,629	12,649,201	291,428	-
- Bonds	1,146,236	328,558	817,678	-
- Funds	8,097	-	8,097	-
Derivative assets	1	-	1	-
Financial liabilities				
Derivative liabilities	207,699	-	207,699	-
Assets and liabilities for which fair values are disclosed				
Assets				
Interest in associates				
- Quoted shares	39,988,930	71,427,888	-	-
Investment properties	3,073,959	-	-	8,722,295
Liability				
Borrowings	40,208,734	-	41,927,572	

During the year, there were no transfers between Level 1 and Level 2 fair value measurements.

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**70. Financial instruments by category****31 December 2020**

	<b>Amortised cost RM'000</b>	<b>Financial assets designated as fair value through profit or loss RM'000</b>	<b>Financial assets designated as fair value through other comprehensive income RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>				
Cash and bank balances	11,902,527	-	-	11,902,527
Other financial assets	559,038	21,586,104	15,045,739	37,190,881
Derivative assets	-	12	-	12
Other receivables	6,909,279	-	-	6,909,279
<b>Total</b>	<b>19,370,844</b>	<b>21,586,116</b>	<b>15,045,739</b>	<b>56,002,699</b>

	<b>Financial liabilities designated as fair value through profit or loss RM'000</b>	<b>Financial liabilities at amortised cost RM'000</b>	<b>Total RM'000</b>
<b>Financial liabilities</b>			
Borrowings	-	61,639,366	61,639,366
Derivative liabilities	230,688	-	230,688
Other payables	-	11,974,965	11,974,965
<b>Total</b>	<b>230,688</b>	<b>73,614,331</b>	<b>73,845,019</b>

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**70. Financial instruments by category (cont'd.)****31 December 2019**

	<b>Amortised cost RM'000</b>	<b>Financial assets designated as fair value through profit or loss RM'000</b>	<b>Financial assets designated as fair value through other comprehensive income RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>				
Cash and bank balances	11,144,088	-	-	11,144,088
Other financial assets	593,177	20,442,883	14,161,399	35,197,459
Derivative assets	-	1	-	1
Other receivables	7,578,911	-	-	7,578,911
<b>Total</b>	<b>19,316,176</b>	<b>20,442,884</b>	<b>14,161,399</b>	<b>53,920,459</b>

	<b>Financial liabilities designated as fair value through profit or loss RM'000</b>	<b>Financial liabilities at amortised cost RM'000</b>	<b>Total RM'000</b>
<b>Financial liabilities</b>			
Borrowings	-	61,639,366	61,639,366
Derivative liabilities	207,699	-	207,699
Other payables	-	10,425,257	10,425,257
<b>Total</b>	<b>207,699</b>	<b>72,064,623</b>	<b>72,272,322</b>



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**71. 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 shareholder value.

The Group regularly reviews and 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.

No changes were made in the objectives, policies or processes in regards to the Group's management of its capital structure during the financial years ended 31 December 2020 and 31 December 2019.

Certain subsidiaries of the Group are subject to externally imposed capital requirements. This externally imposed capital requirement has been complied with by those subsidiaries for the financial years ended 31 December 2020 and 31 December 2019.

The Group monitors capital using a gearing ratio, which is defined as net debt divided by total capital. The Group's policy is to keep the gearing ratio below two and a half times. The Group includes within net debt, loans and borrowings less cash and bank balances. Capital represents equity attributable to the owners of the Group.

Although this guiding principle and objective is consistent throughout the Group, the Group consists of subsidiaries and subsidiaries groups' with their own governing Boards and management that will apply different key measurements for its capital structure management including gearing ratio.

	<b>Note</b>	<b>Group 2020 RM'000</b>	<b>2019 RM'000</b>
Long term borrowings	61	49,422,384	47,090,298
Short term borrowings	61	10,615,979	14,549,068
Less: Cash and bank balances	60	(11,902,527)	(11,144,088)
Net debt		<u>48,135,836</u>	<u>50,495,278</u>
Share capital	27	12,284,201	12,284,201
Capital contribution from shareholders		4,483,223	4,124,423
Reserves		35,493,328	39,702,067
Equity attributable to the owners of the Group		<u>52,260,752</u>	<u>56,110,691</u>
Gearing ratio (times)		<u>0.92</u>	<u>0.90</u>

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**72. Commitments**

**Capital commitment**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Approved and contracted for	5,411,015	5,411,076
Approved but not contracted for	1,314,526	7,977
	<u>6,725,541</u>	<u>5,419,053</u>
Analysed as follows:		
Property, plant and equipment and land held for property development	6,405,961	5,390,915
Investment properties		
Investments	4,564	-
Others	314,926	28,138
	<u>6,725,451</u>	<u>5,419,053</u>

**73. Contingent liabilities**

**Themed Attractions Resorts & Hotels Sdn. Bhd. ("TARH")**

- (a) In the previous financial year, Jana DCS Sdn. Bhd. ("Jana") filed claims totalling RM248.3 million against TAR PH Sdn. Bhd., TAR PH Family Entertainment Sdn. Bhd. and PH Marina Boulevard Sdn. Bhd. ("PH Companies") for the alleged unlawful termination of agreements for the implementation of a District Cooling System dated 30 May 2012 between Jana and the PH Companies. The dispute resolution mechanism as agreed to by the parties is solely by arbitration and the arbitration hearings are scheduled for 20-29 April 2021 at the Asian International Arbitration Centre in Kuala Lumpur.

TARH is of the view that it has good chance of defence against the claims made by Jana. Hence, no provision has been made for the claims.

- (b) Desaru Estate Sdn. Bhd. ("DESB"), Desaru Peace Holdings Club Sdn. Bhd. ("DPHCSB"), Desaru Convention Centre Sdn. Bhd. ("DCCSB") and Desaru Corniche Hotel Sdn. Bhd. ("DCHSB") had separately entered into construction contracts with Malaysian Resources Corporation Berhad ("MRCB") and appointed MRCB as the Main Contractor for their respective projects. Disputes and differences have arisen between the parties resulting in an unsubstantiated payment claim by MRCB of RM332.4 million. Currently, all parties are in the midst of negotiating a settlement. In the event parties are unable to reach a settlement position, the disputes will be resolved by arbitration, which is the contractually agreed dispute resolution mechanism in the said agreements.

TARH is of the view that it stands a good chance of defending against the claims made by MRCB hence, no provision has been made for those claims.

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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM")**

- (a) On 3 October 2011, Bandar Nusajaya Development Sdn. Bhd. ("BND") received a notice of additional assessment from IRB for additional tax and penalty of RM50.9 million and RM22.9 million respectively in respect of year of assessment 2006.

On 4 September 2012, the High Court ruled in favour of BND and declared that IRB had no legal basis to raise the additional assessment. Following the decision held by the High Court, IRB filed an appeal to the Court of Appeal against the decision.

The Court of Appeal, having heard and considered the submissions by both parties on 19 and 20 May 2014, unanimously decided that there are no merits in the appeal by the IRB and thus agreed with the decision of the High Court which ruled in favour of BND. IRB had on 18 June 2014 filed an application for leave to the Federal Court to appeal against the decision of the Court of Appeal.

On 18 October 2016, the Federal Court reversed the decisions of the Court of Appeal and the High Court, and ordered that BND appealed by way of filing a notice of appeal to the Special Commissioners of Income Tax ("SCIT"). This resulted in the additional assessment of RM73.8 million became due and the amount had been fully settled by BND on 5 December 2016 accordingly.

On 25 October 2016 and 26 October 2016, BND filed a notice of appeal, but it was rejected by IRB on even date. Subsequently on 10 November 2016, BND filed a notice for extension of time to make an appeal to the SCIT, and it was rejected by IRB on 8 February 2017. On 17 January 2017, BND filed a judicial review application against the rejection of the notice of appeal.

In addition, BND filed a written representation directly to the SCIT requesting for approval to file the notice of appeal, and the approval was obtained on 3 March 2017. Subsequently on 20 March 2017, BND filed the notice of appeal. The notice of appeal was presented by IRB to SCIT on 14 March 2018. Accordingly, the judicial review (which was lodged at the High Court concurrently) had been withdrawn. The hearing for the case has been fixed on 14 and 15 September 2021.

BND's solicitors are of the view that BND has a strong case to argue that IRB has no legal or factual basis neither to issue the notice of additional assessment nor to impose the penalty.

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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM") (cont'd.)**

- (b) On 10 February 2009, a legal proceeding was filed in the Court of First Instance ("CoFI") by the Director General of the Public Works Authority ("Plaintiff") against Parsons International Ltd. ("the 1st Defendant"), UEM ("the 2nd Defendant") and Qatar Insurance Company ("the 3rd Defendant").

The legal action requested for a ruling to render the defendants jointly liable to settle in its benefit the amount of QR878.3 million or RM987.9 million as material and moral damage for the losses incurred as per the reasons detailed in the initiatory pleading, along with preserving the right of plaintiff to indemnity for delay in the project and any other damages. The claims were amended to QR1,171.8 million or RM1,318.0 million on 31 December 2009. An additional claim against UEM of QR11.0 million or RM12.4 million was filed on 24 February 2011.

UEM filed the short memorial of defence, together with a counter claim of QR855.6 million or RM962.3 million on 15 October 2009. The counter claim was subsequently amended to QR1,259.7 million or RM1,416.8 million.

On 9 January 2014, the CoFI passed a preliminary decision deputing a panel of experts to examine the matter, which was subsequently formed. On 17 March 2015, the CoFI granted UEM's request to replace one of the accounting experts with a quantity survey expert.

Subsequent to the submission of the report and exhibits by the experts in November and December 2016, the Plaintiff and the defendants filed memorial with comments on the expert's findings. At the 14 March 2017 hearing, the experts submitted their supplementary report. All parties submitted their comments on the supplementary report on 30 March 2017. Further comments on the supplementary report were submitted on 11 April 2017.

At the 27 April 2017 hearing, the CoFI decided that the case requires essential documents, which had not been submitted by the parties in order for the Court to reach a verdict. Accordingly, the CoFI decided to re-open the case for further deliberation.

Following the submission of documents by the Plaintiff, 1st Defendant and UEM in May and June 2017, the CoFI gave an oral judgment on 21 June 2017. The written judgement received on 13 July 2017 provided the breakdown of the amount awarded to UEM of QR208.2 million or RM234.3 million, as well as the amount awarded to Plaintiff of QR147.3 million or RM165.7 million.

The Plaintiff, the 1st Defendant and UEM had separately filed appeal against the CoFI's judgment. On 15 October 2017, the Court of Appeal decided to consolidate all the three appeals. On 7 January 2018, the Plaintiff, UEM and the 3rd Defendant submitted their respective memorandum while the 2nd Defendant filed its memorandum on 19 January 2018.

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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM") (cont'd.)**

(b) (cont'd.)

On 7 April 2019, the Court of Appeal announced that the case file of the CoFI has been consolidated to the case file of the ongoing appeals. On 25 February 2020, all parties requested the Court of Appeal to put the three appeals for judgment. The matter was fixed for judgment on 28 April 2020. The hearing is further adjourned until further notice in light of the on-going containment measures implemented by Qatar in relation to COVID-19 pandemic.

On 1 July 2020, the Appeal Court decided to appoint a panel of experts to re-study the case file and scheduled the appeals till 6 October 2020 in order for the parties to make the payment of the experts' fees. On 6 October 2020, the Court adjourned the proceedings to 24 November 2020, for Parsons to make the payment of its share in relation to the experts' fees.

On 24 November 2020, all parties attended the hearing. The Court decided to adjourn the proceedings to 6 January 2021 for the Experts' Committee to appoint and to nominate the names of the experts. The proceedings was further adjourned to 10 April 2021 for the experts to submit their report.

- (c) On 25 July 2017, UEM Land, was served with a claim filed by Impressive Circuit Sdn. Bhd. and 1 other ("the Plaintiffs") in relation to shares held in Setia Haruman Sdn. Bhd. ("Setia Haruman") ("the 1st Defendant") ("the Claim"). UEM Land is cited as the 9th Defendant in the Claim.

The Claim seeks, amongst others, for:

- (i) a declaration that the 2nd to the 9th Defendants respectively had managed and conducted the affairs of the 1st Defendant and/or exercised their powers oppressively and/or disregarded and/or acted in a manner unfairly prejudicial to the interest of the Plaintiffs as members of Setia Haruman pursuant to Section 346 of the Companies Act 2016; and
- (ii) an order that the 2nd to the 9th Defendants do jointly and/or severally purchase the 750,000 ordinary shares of Setia Haruman owned or held by Impressive Circuit Sdn. Bhd. at such price and on such terms as shall be determined by the High Court.

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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM") (cont'd.)**

(c) (cont'd.)

On 25 April 2018, UEM Land had successfully applied to strike out Datuk Kasi A/L K.L. Palaniappan ("Datuk Kasi"), the First Plaintiff in the suit, as a party in the Claim. The remaining Plaintiff in the suit, Impressive Circuit Sdn. Bhd., successfully added two other Defendants in the suit namely Menara Embun Sdn. Bhd. and Modern Eden Sdn. Bhd.

On 23 May 2018, Datuk Kasi and the 2nd to the 6th Defendants had respectively filed their appeal to the Court of Appeal against the High Court's decision on 25 April 2018. Datuk Kasi appealed against the High Court's decision in allowing the 7th to the 9th Defendants Striking Out and Misjoinder application, striking Datuk Kasi out as a party. The 2nd to the 6th Defendants appealed against the dismissal of their application to strike themselves out as parties to the action by the High Court. On 18 September 2019, Datuk Kasi's appeals were withdrawn, whereas the 2nd to the 6th Defendants' appeals were dismissed by the Court of Appeal.

On 28 May 2019, the Plaintiff had filed a motion in the Court of Appeal, seeking for an extension of time to serve a notice of appeal against the 7th to the 12th Defendants. The motion had been withdrawn on 12 October 2020. Further, on 3 December 2019, the Court allowed the Plaintiff's application to cross-examine deponents of various affidavits filed by the Defendants. The matter is fixed for hearing (cross-examination of deponents) from 17 March 2021 to 19 March 2021.

UEM Land denies allegations made by the Plaintiffs and is vigorously defending the Claim. Based on the foregoing, at this juncture, the Claim has no material financial and operational impact to UEM. The solicitor is of the view that UEM Land has a reasonably good chance of success in defending the Plaintiffs' case against UEM Land.

- (d) On 10 November 2016, Jetpur Somnath Tollways Private Limited ("JSTPL")'s concession agreement with National Highways Authority of India ("NHAI") was terminated. Following the termination, on 27 March 2017, NHAI had released a payment in respect of the settlement of the termination payment amounting to INR225.1 Crore or RM142.7 million. JSTPL disputed the settlement amount from NHAI and had initiated arbitration proceedings thereon.

Following an order from the High Court of India, NHAI paid INR6.1 Crore or RM3.9 million to JSTPL on 1 August 2017. At the same time, the High Court also instructed NHAI to pay INR348.6 Crore or RM221.0 million to JSTPL as an interim relief upon furnishing a bank guarantee of the same amount, pending final arbitration award. The High Court order, which was subsequently challenged by NHAI, was upheld by the Supreme Court of India on 5 January 2018.

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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM") (cont'd.)**

(d) (cont'd.)

The amount, which was received by JSTPL on 29 January 2018, together with further injection from shareholders of JSTPL, were utilised to fully settle JSTPL's borrowing.

The balance of JSTPL's concession intangible assets, after taking into account the total termination payment received from NHAH above, was fully impaired.

On 24 March 2020, the Arbitral Tribunal for arbitration proceedings filed by JSTPL's lenders pronounced, inter alia, that NHAH is liable to pay 90% of debt due amount towards termination payment to JSTPL's lenders and NHAH has no valid reason for keeping the bank guarantee. Hence, application would be made by JSTPL to NHAH to release the bank guarantee.

On 27 April 2020, the High Court of India granted an extension up to 31 December 2020 to conclude the arbitration proceedings and grant award. The High Court of India in its order dated 2 December 2020 granted extension of time till 31 March 2021 to pronounce the award.

In view of the above, the solicitors of JSTPL are of the opinion that JSTPL has a good chance to recover termination payment in addition to INR348.6 Crore or RM221.0 million received in January 2018 and will not be required to pay back the said amount to NHAH under the final arbitration process.

- (e) On 3 February 2020, UEM Builders and UEM were served with a Notice of Arbitration filed by Brunei Economic Development Board ("BEDB") in relation to the dispute arising from the following:
- (i) contract ("Contract") dated 5 February 2010 between UEM Builders (as the Contractor) and BEDB (as the Employer) for the design, procurement, construction, commissioning, completion and maintenance of a pilot scheme to design and build 4,000 houses together with the necessary supporting infrastructure for the National Housing Scheme Of Brunei Darussalam on a green-field site at Mengkubau, Kampong Mentiri, Bandar Seri Begawan in Brunei Darussalam; and
  - (ii) Parent Company Guarantee ("PCG") dated 31 March 2010 provided by UEM to guarantee UEM Builders' performance of the Contract and indemnify BEDB against all losses, damages, costs and expenses which may be incurred by BEDB by reason of any default on the part of UEM Builders in performing and observing the agreements and provisions contained in the Contract.

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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM") (cont'd.)**

(e) (cont'd.)

BEDB alleged that UEM Builders and UEM have breached their obligations under the Contract and PCG respectively and claimed damages against both parties in the sum of BND40.4 million or RM122.8 million (as quantified in the Notice of Arbitration) as well as interest and costs.

On 15 June 2020, BEDB agreed to suspend the arbitration proceedings until 16 September 2020. UEMB carried out remote site inspection as part of the amicable settlement process which was completed in December 2020.

The solicitors have been appointed representing UEM Builders and UEM. At this preliminary stage of arbitration, the amount of the possible obligations cannot be measured with sufficient reliability and the possibility of an outflow is uncertain. Therefore, no provision has been recognised on the potential obligations.

- (f) On 18 April 2019, UEM Land was served with a Notice of Arbitration dated 17 April 2019 filed by Ireka Engineering & Construction Sdn. Bhd. ("IECSB") in relation to disputes arising from the Agreement and Conditions of PAM Contract 2006 (With Quantities) ("Agreement") together with a Letter of Award dated 15 June 2012 ("LOA") for the construction of Imperia in Puteri Harbour, Iskandar Puteri, Johor ("Project") seeking a declaration sum of RM29.3 million as the total amount of the final account. The LOA is to be read together with the Agreement (collectively referred to as the "Contract").

IECSB was appointed by UEM Land as the main contractor for the construction of the Project under the Contract at a sum of RM268.6 million. Its scope covers the:

- (a) Overall main works;
- (b) 'Stesen Suis Utama' and 'Pencawang Pembahagian Utama'; and
- (c) Construction of mock-up units

IECSB has raised certain claims with respect to the performance of the obligations in the Contract and seeks inter alia, a declaration that RM29.3 million be the total and final amount of the final account or any other amount assessed by the Arbitral Tribunal.

The Asian International Arbitration Centre has appointed Mr. Wayne Martin as the arbitrator on behalf of both parties. It has been agreed by both parties that IECSB to file its Statement of Claim within 45 days from 21 October 2019, and UEM Land to file its Statement of Defence and Counterclaim within 45 days from the receipt of the Statement of Claim. Subsequently, IECSB to file its Statement of Reply and Defence to Counterclaim within 30 days from the receipt of the Defence and Counterclaim, and UEM Land to file its Statement of Reply to Defence to Counterclaim within 30 days from the receipt of the Statement of Reply and Defence to Counterclaim.



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**73. Contingent liabilities (cont'd.)**

**UEM Group Berhad ("UEM") (cont'd.)**

(f) (cont'd.)

Based on the Statement of Claim dated 27 December 2019, IECSB is seeking inter alia, RM20.4 million for loss and expense, RM29.3 million for the amount due and owing to IECSB pursuant to the Statement of Final Account or alternatively any other amount assessed by the Arbitral Tribunal, interest on all sums directed to be paid from such date as the Tribunal deems fit and costs.

In the Statement of Defence and Counterclaim dated 2 March 2020, UEM Land denied and disputed liability on IECSB's claims and sought counter claims amounting to total sum of RM31.8 million for amongst others, Liquidated Ascertained Damages for delay in the completion of the works and defects rectification cost and back-charges.

UEM Land filed an application dated 15 June 2020 to amend its Defence and Counterclaim to include further counterclaim for back-charges to amount of RM34.4 million and the application was allowed by the Tribunal. The Reply to Defence and Defence to Counterclaim was filed by IECSB on 8 July 2020. UEM Land filed its Reply to the Defence to Counterclaim on 17 August 2020. The hearing dates for this matter fixed to be from 17 May 2021 to 28 May 2021 have now been vacated and a new set of hearing dates will be fixed in the next procedural hearing which is on 22 September 2021. The witness statement and expert report are due on 10 September 2021. At the moment, the parties are exchanging additional bundle of documents and applying for discovery of documents.

UEM Land's position is that IECSB's claims are without merits and UEM Land will vigorously defend its position accordingly.

UEM believes, based on legal advice, that the Notice of Arbitration and potential arbitration proceedings are not expected to have material financial and operational impact on UEM for the financial year ended 31 December 2020.

**Cenergi SEA Sdn. Bhd. ("Cenergi")**

- (a) Cenergi currently has 28 active Carbon Development Mechanism ("CDM") projects which have been registered with the United Nations Framework Convention on Climate Change ("UNFCCC"). Cenergi has contractual responsibilities that need to be fulfilled as the appointed consultant of the CDM projects. These include management of validation process as required by UNFCCC, implementation of the monitoring plan i.e. steps required to monitor the data of emission and marketing emission reduction credit to potential purchasers. Failure to fulfil any of the contractual responsibilities may lead to potential proceedings from the contract counterparty. However, as the Certified Emission Reductions ("CERs") market is currently unattractive, the Directors are of the opinion that it is highly unlikely that clients will request for the services to be provided as per the contract. Cenergi is currently in the process of renegotiating the terms of the contracts.

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**74. Significant events**

The following are the significant events of the Group during the financial year ended 31 December 2020:

**(a) COVID-19**

COVID-19 pandemic and the containment steps rolled out by countries worldwide to stop the spreading of the virus have devastated the tourism, hospitality, and aviation sectors. The lock downs and border closures has resulted in a severe curtailment of both business and leisure travels. These translates to reduce schedule flights and airports pass through traffic as well as much reduced occupancy in the leisure and tourism sectors.

The financial services and infrastructure sectors were also affected due to unfavorable economic activities causing reduced profitability and construction activities.

The Group and Company have impaired assets in all these sectors where necessary to reflect its current values and continuing to monitor them. All financial impact of this COVID-19 caused downturn has been reflected in this financial statement.

The financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will meet all its obligations as and when they fall due. Accordingly, there is no necessity to make any subsequent adjustments post balance sheet date.

**(b) Malaysia Aviation Group Berhad ("MAGB")**

On 22 February 2021, the UK High Court approved a Scheme of Agreement between MAGB's leasing entity, MAB Leasing Limited, and the majority of MAGB's aircraft operating lessors, following unanimous support from the lessors. This marked an important milestone of the wider restructuring exercise which will result in a reduction of MAGB's liabilities by over RM15 billion for its long-term viability.

The Company has committed to fresh capital injections to MAGB including funds to enable it to continue operations throughout the restructuring period.

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**75. Subsequent events**

The following are the significant subsequent events of the Group after the financial year ended 31 December 2020:

**Malaysia Aviation Group Berhad ("MAGB")**

On 22 March 2021, MAB Pesawat novated its entire Turus Pesawat indebtedness (including interest payable at Completion Date) of RM5.3 billion to MAGB. Thereafter, the indebtedness at MAGB is converted into Ordinary Shares at an issue price of RM1,000 per Ordinary Share, resulting Turus Pesawat to have a shareholding in MAGB.

On 29 March 2021, the Perpetual Sukuk of RM1.5 billion in Malaysia Airlines Berhad ("MAB") was cancelled. The liability was then assumed by MAGB, who in return will issue equity to the sukukholder.

**76. Segment information**

The Group is principally engaged in the following activities:

- (i) Investment holding;
- (ii) Infrastructure and construction;
- (iii) Property;
- (iv) Financial Institution Group;
- (v) Transportation & Logistics;
- (vi) Leisure & Tourism;
- (vii) Agrifood; and
- (viii) Others.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The Directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

No segment information by geographical area has been presented as the Group operates predominantly in Malaysia.

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**76. Segment information (cont'd.)****2020**

	Investment Holding	Infrastructure & Construction	Property	Financial Institution Group	Transportation & Logistics	Leisure & Tourism	Agrifood	Others	Elimination	Total
	-----RM'mil-----									
<b>REVENUE</b>										
External sales	924	3,905	330	1,593	4,635	208	105	975	-	12,675
Inter-segment sales	5,908	-	-	-	-	-	-	-	(5,908)	-
Total revenue	6,832	3,905	330	1,593	4,635	208	105	975	(5,908)	12,675
<b>RESULTS</b>										
Operating (loss)/profit	3,692	21	87	33	(3,074)	(708)	(23)	(1,012)	-	(984)
Finance cost	(1,911)	(223)	(9)	-	(772)	(102)	(1)	(40)	-	(3,058)
Share of results from associates and joint venture	-	(54)	(84)	-	(28)	(12)	23	1,659	-	1,504
(Loss)/profit before tax	1,781	(256)	(6)	33	(3,874)	(822)	(1)	607	-	(2,538)
Taxation	(87)	(116)	12	(11)	(106)	2	(1)	(12)	-	(319)
(Loss)/profit after tax	1,694	(372)	6	22	(3,980)	(820)	(2)	595	-	(2,857)
Non controlling interests	-	85	(29)	(14)	6	133	(1)	2	-	182
Net (loss)/profit for the year	1,694	(287)	(23)	8	(3,974)	(687)	(3)	597	-	(2,675)
<b>ASSETS AND LIABILITIES</b>										
Segment assets	37,864	19,825	2,582	6,809	14,841	4,340	414	2,685	-	89,360
Investment in associates	56,125	586	294	-	8	-	103	29	-	57,145
Investment in joint ventures	678	1,029	79	-	-	62	74	1,422	-	3,344
Consolidated total assets	94,667	21,440	2,955	6,809	14,849	4,402	591	4,136	-	149,849
Segment liabilities	45,600	10,544	753	4,213	34,188	2,700	114	(5,929)	-	92,183
Consolidated total liabilities	45,600	10,544	753	4,213	34,188	2,700	114	(5,929)	-	92,183

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76. Segment information (cont'd.)

2019

	Investment Holding	Infrastructure & Construction	Property	Financial Institution Group	Transportation & Logistics	Leisure & Tourism	Agrifood	Others	Elimination	Total
	RM'mil									
REVENUE										
External sales	5,609	8,289	19	1,334	10,888	633	114	1,096	-	27,982
Inter-segment sales	5,307	-	-	-	-	-	-	-	(5,307)	-
Total revenue	10,916	8,289	19	1,334	10,888	633	114	1,096	(5,307)	27,982
RESULTS										
Operating profit/(loss)	8,935	2,290	(109)	63	(225)	(423)	43	(6,064)	-	4,510
Finance cost	(2,214)	(431)	(9)	-	(908)	(100)	(2)	(56)	-	(3,720)
Share of results from associates and joint venture	4,745	49	(19)	-	3	(538)	10	495	-	4,745
Profit/(loss) before tax	11,466	1,908	(137)	63	(1,130)	(1,061)	51	(5,625)	-	5,535
Taxation	(81)	(248)	(7)	(37)	142	(5)	(1)	22	-	(215)
Profit/(loss) after tax	11,385	1,660	(144)	26	(988)	(1,066)	50	(5,603)	-	5,320
Non controlling interests	-	(121)	6	26	(3)	141	-	3	-	52
Net profit/(loss) for the year	11,385	1,539	(138)	52	(991)	(925)	50	(5,600)	-	5,372
ASSETS AND LIABILITIES										
Segment assets	43,655	21,482	2,502	6,092	4,862	4,903	393	6,670	-	90,559
Investment in associates	59,427	582	417	-	36	-	99	28	-	60,589
Investment in joint ventures	1,252	1,093	101	-	-	74	97	1,445	-	4,062
Consolidated total assets	104,334	23,157	3,020	6,092	4,898	4,977	589	8,143	-	155,210
Segment liabilities	46,724	10,267	800	3,512	31,935	2,489	113	(2,392)	-	93,448
Consolidated total liabilities	46,724	10,267	800	3,512	31,935	2,489	113	(2,392)	-	93,448

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**77. Subsidiaries and associates of the Company**

**(A) Subsidiaries of the Company**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Agrifood Resources Holdings Sdn. Bhd. ("ARHSB")	Malaysia	100.0	100.0	-	-	Investment holding
Atlantic Quantum Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding and provision of management services
Aur Investments (Cayman Islands) Limited #	Cayman Islands	100.0	100.0	-	-	Investment holding
Aur Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Balok Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Banggi Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Batu Hill Development Ltd. #	England and Wales	100.0	100.0	-	-	Dormant
Beyond Flying Sdn. Bhd.	Malaysia	100.0	-	-	-	Investment holding
Bombalai Hill Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Brinchang Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Broga Hill Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Bukit Bendera Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Bukit Chini Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Bukit Damar Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**
**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Bukit Frasers Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Bukit Galla Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Bukit Puteri Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Carey Investments (Cayman Islands) Limited #	Cayman Islands	100.0	100.0	-	-	Investment holding
Cerah Capital Ltd.	Malaysia	100.0	100.0	-	-	Fund raising on behalf of holding company
Cenviro Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding and provision of management services
Chendering Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Cosmos Friendship Limited #	Hong Kong	100.0	100.0	-	-	Investment holding
Dayang Bunting Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Dendana Investments (Mauritius) Limited #	Mauritius	100.0	100.0	-	-	Investment holding
Feringghi Capital Limited #	Malaysia	100.0	100.0	-	-	To provide funding for the operations of Special Purpose Vehicle on behalf of its holding company

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Gemia Investments Limited #	Cayman Islands	100.0	100.0	-	-	Investment holding
Glam Ventures Pte Limited #	Singapore	100.0	100.0	-	-	Investment holding
Granatum Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Gunung Korbu Investments (Cayman Islands) Limited #	Cayman Islands	100.0	100.0	-	-	Investment holding
Gunung Nuang Ventures Limited #	Malaysia	100.0	100.0	-	-	Investment holding
i2M Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Promotion, marketing and administration of business service cluster
Impeccable Vintage Properties Sdn. Bhd. ("IVP")	Malaysia	100.0	-	-	-	Activities of holding companies
Iskandar Investment Berhad ("IIB")	Malaysia	60.0	60.0	40.0	40.0	Investment holding, property investment, property and land development and the provision of shared services to the subsidiaries
Iskandar Ventures Sdn. Bhd. ("IVSB") #	Malaysia	100.0	100.0	-	-	Investment holding
Jerai Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Kelanang Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding



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**77. Subsidiaries and associates of the Company (cont'd.)**
**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Khazanah Americas Incorporated #	United States	100.0	100.0	-	-	Investment advisory
Khazanah Asset Management Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Dormant
Khazanah Europe Investment Limited #	United Kingdom	100.0	100.0	-	-	Provision of intra-group financial, legal and investment advisory services, related services to the group
Khazanah Nasional Consulting (Hong Kong) Company Limited #	Hong Kong	100.0	100.0	-	-	Investment holding
Klebang Capital Ltd. #	Malaysia	100.0	100.0	-	-	Investment holding
Kuala Perlis Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Kuala Selangor Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Layang-layang Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	To manage, disburse and monitor the allocation of grant from Ministry of Finance to Allied Healthcare Centre of Excellence ("AH CoE").
LeapEd Services Sdn. Bhd.	Malaysia	-	100.0	-	-	To provide educational services to the school sector in Malaysia.
Ledang Ventures Pte Ltd. #	Singapore	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Lembong Ventures Sdn Bhd. #	Malaysia	100.0	100.0	-	-	Dormant
Lido Capital Ltd. #	Malaysia	100.0	100.0	-	-	Fund raising on behalf of its holding company
Little Steps Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Childcare operator
Malaysian Airline System Berhad ("MAS")	Malaysia	100.0	100.0	-	-	In liquidation
Malaysia Aviation Group Berhad ("MAGB") *	Malaysia	100.0	100.0	-	-	Investment holding
Malaysian Technology Development Corporation Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	Venture capital services activities, management of government grants, technology incubation management and technology support services
Mantanani Ventures Sdn Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Mataking Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Mount Bintang Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Mount Gading Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Mount Hatton Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Mount Irau Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Providing human capital services including recruitment services, secondment and redeployment of human capital.
Mount Rajah Ventures Limited #	Jersey	100.0	100.0	-	-	Dormant
Mount Raya Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Mount Reskit Investments Ltd. #	Malaysia	100.0	100.0	-	-	Investment Holding
Mount Serudum Ventures Sdn. Bhd. #	Malaysia	-	100.0	-	-	Leasing of properties
Mount Terra Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Noring Investments (Mauritius) Limited #	Mauritius	100.0	100.0	-	-	Investment holding
Ophir Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Pagon Hill Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pangkor Investments (Cayman Islands) Ltd. #	Cayman Islands	100.0	100.0	-	-	Investment holding
Pantai Air Papan Investments Limited. #	Malaysia	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Pantai Barat Investments (Cayman Islands) Ltd. #	Cayman Islands	100.0	100.0	-	-	Investment holding
Pantai Cahaya Bulan Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Pantai Juara Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pantai Melawi Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Dormant
Pantai Morib Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Dormant
Pantai Remis Investments Limited #	Malaysia	100.0	100.0	-	-	Dormant
Pantai Saujana Investments Limited. #	Malaysia	100.0	100.0	-	-	Investment holding
Pantai Sura Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pasir Salak Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Payar Investments Ltd. #	Malaysia	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Penerbangan Malaysia Berhad ("PMB")	Malaysia	100.0	100.0	-	-	Carrying on business of acquiring, sale and leasing of aircraft and aircraft engines, investment holding, strategic management of the domestic airline business and other related services
Perhentian Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Pine Tree Hill Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Ponorogo Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Dinawan Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Kaca Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Kendi Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Kukup Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Pulau Labas Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	To assist the government of Malaysia to establish the Malaysian Aviation Commission pursuant to Act 771 Malaysian Aviation Commission Act 2015
Pulau Manukan Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Melaka Ltd. #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Memutik Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Segantang Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Selingan Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Sibn Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Pulau Tiga Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Rantau Abang Capital Berhad #	Malaysia	100.0	100.0	-	-	Fund raising on behalf of the company to issue Islamic Commercial Papers and Islamic Medium Term Notes Sukuk Musyarakah
Redang Investments Ltd. #	Malaysia	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Sampadi Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Santubong Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Satang Investments Ltd. #	Malaysia	100.0	100.0	-	-	Investment holding
Sebatik Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Silterra Malaysia Sdn. Bhd. ("Silterra") *	Malaysia	100.0	100.0	-	-	Manufacturing of semiconductor wafer
Sipadan Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
STLR Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Selling, leasing and renting of properties
Studios Film Office Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Film production services
Suluq Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Sungai Pulai Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Synapse Education Holdings Sdn. Bhd. #	Malaysia	-	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Taman Tugu Project Development Sdn. Bhd.	Malaysia	100.0	100.0	-	-	To carry out efforts of project management including but not limited to execution of projects relating to the refurbishment, rejuvenation and redevelopment of Taman Tugu in Kuala Lumpur and elsewhere in Malaysia
Tanjung Adang Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Tanjung Bidara Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Tanjung Buai Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Tanjung Jara Investments Ltd. #	Hong Kong	100.0	100.0	-	-	Investment holding
Tanjung Manis Investments Ltd. #	Malaysia	100.0	100.0	-	-	Dormant
Tanjung Pinang Investments Limited. #	Malaysia	100.0	100.0	-	-	Dormant
Tanjung Rhu Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Tanjung Sedili Investments Limited. #	Malaysia	100.0	100.0	-	-	Investment holding



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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Tanjung Tuan Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Tasik Pedu Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Bahang Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Belanga Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Cempedak Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Teluk Dalam Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Gadong Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Intan Investments (Cayman Islands) Limited #	Cayman Islands	100.0	100.0	-	-	Dormant
Teluk Kalung Investments Limited. #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Kemang Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Teluk Kumbar Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Teluk Nibong Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Provision of transition support services including outplacement support and training support services for the development of human capital
Teluk Nipah Investments (Cayman Islands) Ltd.	Cayman Islands	100.0	100.0	-	-	Dormant
Teluk Pauh Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Administration of collaboration with the Cruyff Foundation in Malaysia.
Teluk Rubiah Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
Teluk Senangin Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding
Themed Attractions Resorts & Hotels Sdn. Bhd. ("TARHSB")	Malaysia	100.0	100.0	-	-	Investment holding and provision of management services
Think City Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Promoting and preserving the living culture and heritage areas including but not limited to initiating projects relating to the rejuvenation and transformation of George Town, Penang and elsewhere in Malaysia

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(A) Subsidiaries of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Tioman Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Titiwangsa Investments (Mauritius) Ltd. #	Mauritius	100.0	100.0	-	-	Investment holding
Tulai Beach Ventures Sdn. Bhd. #	Malaysia	100.0	100.0	-	-	Investment holding
UEM Group Berhad ("UEM")	Malaysia	100.0	100.0	-	-	Project design, management and contracting in the fields of civil, electrical and mechanical engineering, undertaking of turnkey projects and investment holding
Western Hill Investments Limited #	Malaysia	100.0	100.0	-	-	Investment holding

**(B) Associates of the Company**

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
Axiata Group Berhad *	Malaysia	36.8	36.8	Equity method	Telecommunication and related services
Bank Muamalat Malaysia Berhad	Malaysia	30.0	30.0	Equity method	Islamic commercial banking and finance

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(B) Associates of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
CIMB Group Holdings Berhad *	Malaysia	27.3	27.0	Equity method	Investment holding, management company, property management, provision of consultancy services and dealing in securities
Iskandar Capital Sdn. Bhd.	Malaysia	15.3	15.3	Equity method	Investment holding
Malaysia Airports Holdings Berhad	Malaysia	33.2	33.2	Equity method	Investment holding
Malaysia Electric Corporation Berhad *	Malaysia	30.0	30.0	Equity method	In liquidation
Pulau Kapas Ventures Sdn. Bhd. *	Malaysia	30.0	30.0	Equity method	Investment holding
Putrajaya Holdings Sdn. Bhd.	Malaysia	15.6	15.6	Equity method	Investment holding
Telekom Malaysia Berhad *	Malaysia	21.5	26.2	Equity method	Telecommunication and related services
Tenaga Nasional Berhad *	Malaysia	25.7	27.3	Equity method	Generation, transmission and distribution and sale of electricity

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**77. Subsidiaries and associates of the Company (cont'd.)**

**(B) Associates of the Company (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
TIME dotCom Berhad * ^	Malaysia	10.8	11.2	Equity method	Investment holding, provision of management and marketing/promotional services and retailing of telecommunications products
Valuecap Sdn. Bhd. *	Malaysia	33.3	33.3	Equity method	Investment in marketable securities listed on Bursa Malaysia Berhad and provision of services to its two wholly owned subsidiaries.

\* Subsidiaries and associates not audited by member firms of Ernst & Young Global.

# SPV set up for investment or funding purposes, which are consolidated in the extended company financial statements of the Company as disclosed in Note 19(b).

~ Equals to proportion of voting rights held.

^ The Company has a total of 19.6% shareholding in TIME dotCom Berhad, comprising 10.8% held via the Company and 8.8% held by Pulau Kapas Ventures Sdn. Bhd.

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**78. Subsidiaries, associates and joint ventures of the Group**

Other than the subsidiaries, associates and joint venture of the Company as listed in Note 76, the subsidiaries and associates of the Group are as listed below:

- (i) Subsidiaries, associates and joint ventures of UEM Group Berhad ("UEM"), are disclosed in Note 78(A).
- (ii) Subsidiaries of Malaysian Airline System Berhad ("MAS"), are disclosed in Note 78(B).
- (ii) Subsidiaries and associates of Malaysia Aviation Group Berhad ("MAGB"), are disclosed in Note 78(C).
- (iii) Subsidiaries, associates and joint ventures of Iskandar Investment Berhad ("IIB"), are disclosed in Note 78(D).
- (iv) Subsidiaries, associates and joint ventures of Themed Attractions Resorts & Hotels Sdn. Bhd. ("TARHSB"), are disclosed in Note 78(E).
- (v) Subsidiary of Malaysian Technology Development Corporation ("MTDC"), are disclosed in Note 78(F).
- (vi) Other subsidiaries, associates and joint ventures of the Group are disclosed in Note 78(G).

**(A) Subsidiaries, associates and joint ventures of UEM**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM						
PLUS Expressways International Berhad ("PEIB")	Malaysia	100.0	100.0	-	-	Investment holding and provision of expressway operation services
UEM Sunrise Berhad ("UEM Sunrise")	Malaysia	69.6	66.1	30.4	33.9	Investment holding and provision of shares services for its subsidiaries
UEM Builders Berhad ("UEM Builders")	Malaysia	100.0	100.0	-	-	Investment holding and provision of management services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM (cont'd.)						
Cement Industries of Malaysia Berhad ("CIMA")	Malaysia	100.0	100.0	-	-	Provision of management services and investment holding
UEM Edgenta Berhad ("UEM Edgenta")	Malaysia	69.1	69.1	30.9	30.9	Investment holding and provision of management services to its subsidiaries
Konsortium ProHAWK Sdn. Bhd.	Malaysia	65.0	65.0	35.0	35.0	Planning, design, financing, development, construction, landscaping, equipment, installation, completion, testing and commissioning of a hospital building, facilities and infrastructure at the identified project land and to carry out total asset and facilities management services at hospital or commercial or government buildings

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020 2019 % %		Accounting model applied	Principal activities
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**Associate of UEM**

UE Construction (Phil.) Inc.<	Philippines	40.0	40.0	Equity method	Dormant
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**Joint Ventures of UEM**

PLUS Malaysia Berhad ("PLUS Malaysia") x	Malaysia	51.0	51.0	Equity method	Investment holding
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UEM – Sabah Economic Development x	Unincorporated	70.0	70.0	Equity method	Construction and engineering works
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UEM – Sarawak Economic Development x	Unincorporated	70.0	70.0	Equity method	Construction and engineering works
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UEM – Essar Projects Limited x	Unincorporated	51.0	51.0	Equity method	Construction and extension of roads
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Name	Country of incorporation/ principal place of business	Effective interest~ 2020 2019 % %		Non-controlling interest~ 2020 2019 % %		Principal activities
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**Subsidiaries of PEIB**

Ghir Investments (Mauritius) Limited	Mauritius	100.0	100.0	-	-	Investment holding
PLUS Kalyan (Mauritius) Private Limited	Mauritius	100.0	100.0	-	-	Investment holding



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020	2019	2020	2019	
		%	%	%	%	

**Subsidiaries of PEIB  
(cont'd.)**

PLUS Plaza (Mauritius) Private Limited	Mauritius	100.0	100.0	-	-	Investment holding
PEIB Capital Sdn. Bhd. ("PEIBC")	Malaysia	100.0	100.0	-	-	Investment holding

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020	2019		
		%	%		

**Joint venture of PEIB**

Jetpur Somnath Tollways Private Limited ("Jetpur")	India	64.4	64.4	Equity method	Ceased operations
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Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020	2019	2020	2019	
		%	%	%	%	

**Subsidiary of PLUS Kalyan  
(Mauritius) Private  
Limited**

PLUS BKSP Toll Limited	India	94.1	94.1	5.9	5.9	Ceased operations
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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of PLUS Plaza (Mauritius) Private Limited						
Trichy Padalur Tollways Private Limited ("TPTPL") *at	India	74.0	74.0	26.0	26.0	Undertake construction, operation, maintenance and toll collection of the four laning and strengthening of Padalur-Trichy Highway section from KM285 to KM325 of NH-45 in the state of Tamil Nadu, India, on Build, Operate and Transfer basis

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
Joint venture of Ghir Investments (Mauritius) Limited					
Uniquet Infra Ventures Private Limited xat	India	80.1	80.1	Equity method	Developing, owning and managing road infrastructure projects in India

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of Uniquet Infra Ventures Private Limited						
Khalghat Sendhwa Tollways Private Limited at	India	80.1	80.1	19.9	19.9	Undertake the design, engineering, finance, construction, operation and maintenance of Khalghat-MP/Maharashtra Border Section on NH-3 from Km84.700 to Km167.500 in the State of Madhya Pradesh under NHDP Phase IIIA through a concession on Build, Operate and Transfer (BOT) basis.
Subsidiaries of Plus Malaysia						
Projek Lebuhraya Usahasama Berhad	Malaysia	51.0	51.0	49.0	49.0	Provision of operation, maintenance and toll collection of the expressways
Teras Teknologi Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Investment holding and engaged in supply, installation and maintenance of toll systems and equipment for expressway projects
Expressway Lingkaran Tengah Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Inactive
Linkedua (Malaysia) Berhad	Malaysia	51.0	51.0	49.0	49.0	Inactive

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Plus Malaysia (cont'd.)						
Lebuhraya Pantai Timur 2 Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Provision of operations, maintenance and toll collection of the East Coast Expressway Phase 2
Penang Bridge Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Inactive
Projek Lebuhraya Utara-Selatan Berhad	Malaysia	51.0	51.0	49.0	49.0	Inactive
Terra Plus Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Inactive
Zoom Interactive Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Inactive
Subsidiaries of UEM Sunrise						
UEM Land Berhad ("UEM Land")	Malaysia	69.6	66.1	30.4	33.9	Property development, property investment, project procurement and management and strategic investment holding
Nusajaya Resort Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Operator of the East Ledang Clubhouse
Sunrise Berhad ("Sunrise")	Malaysia	69.6	66.1	30.4	33.9	Property development and investment holding
UEM Sunrise (Australia) Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Sunrise (cont'd.)						
UEM Sunrise (Canada) Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding, property development and general trading
UEM Sunrise Management Services Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding
UEM Sunrise Properties Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding, property development and general trading
Nusajaya Five O Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Provision of security services.

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Associate of UEM Sunrise**

UEM Sunrise Edgenta TMS Sdn. Bhd. β	Malaysia	69.3	68.2	Equity method	Investment holding
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**Joint ventures of UEM Sunrise**

Nusajaya Lifestyle Sdn. Bhd. x	Malaysia	38.3	36.4	Equity method	Property and real estate development, management and property management
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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

<b>Name</b>	<b>Country of incorporation/ principal place of business</b>	<b>Effective interest~</b>		<b>Accounting model applied</b>	<b>Principal activities</b>
		<b>2020 %</b>	<b>2019 %</b>		
<b>Joint ventures of UEM Sunrise (cont'd.)</b>					
Nusajaya Premier Sdn. Bhd. x	Malaysia	55.7	52.9	Equity method	Property development and investment holding.
Desaru South Course Residences Sdn. Bhd. ("DSCR") x	Malaysia	35.5	33.7	Equity method	Property development
Desaru North Course Residences Sdn. Bhd. ("DNCR") x	Malaysia	35.5	33.7	Equity method	Property development
Desaru South Course Land Sdn. Bhd. ("DSCL") x	Malaysia	35.5	33.7	Equity method	Property development
Malaysian Bio-Xcell Sdn. Bhd. *	Malaysia	27.8	26.4	Equity method	In receivership and liquidation

<b>Name</b>	<b>Country of incorporation/ principal place of business</b>	<b>Effective interest~</b>		<b>Non-controlling interest~</b>		<b>Principal activities</b>
		<b>2020 %</b>	<b>2019 %</b>	<b>2020 %</b>	<b>2019 %</b>	
<b>Subsidiaries of UEM Land</b>						
Bandar Nusajaya Development Sdn. Bhd. ("BND")	Malaysia	69.6	66.1	30.4	33.9	Investment holding, property development, land trading and an agent for its subsidiaries
Finwares Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding
Fleet Group Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Land (cont'd.)						
Hatibudi Nominees (Tempatan) Sdn. Bhd. *	Malaysia	69.6	66.1	30.4	33.9	In members' voluntary liquidation
Marina Management Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Marina management and property management
Mahisa Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property developer and undertaking construction and turnkey development contracts
Marak Unggul Sdn. Bhd.	Malaysia	34.8	33.1	65.2	66.9	Dormant
Nusajaya Development Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Nusajaya Medical Park Sdn. Bhd. *	Malaysia	69.6	66.1	30.4	33.9	Construct, manage and/or operate specialised buildings for long term lease and property development
UEM Sunrise Nusantara Sdn. Bhd. *	Malaysia	69.6	66.1	30.4	33.9	In members' voluntary liquidation
UEM Sunrise Overseas Corporation Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Land (cont'd.)						
Aura Muhibah Sdn. Bhd.	Malaysia	41.8	39.7	58.2	60.3	Property development

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
Associates of UEM Land					
Setia Haruman Sdn. Bhd. *	Malaysia	17.4	16.5	Equity method	Township development, property development, project development and sale of land
Scope Energy Sdn. Bhd.*	Malaysia	27.8	26.4	Equity method	Property development
Inneonusa Sdn. Bhd. *	Malaysia	27.1	25.8	Equity method	Provision of smart insfrastructure, smart safety and security system, smart in-building services and smart wide services including smart tenant services for owners, operators, residents and visitors
Sarandra Malaysia Sdn. Bhd.	Malaysia	27.8	26.4	Equity method	Investment holding, constructing, managing and developing of Club



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

<b>Name</b>	<b>Country of incorporation/ principal place of business</b>	<b>Effective interest~</b>		<b>Accounting model applied</b>	<b>Principal activities</b>
<b>2020</b>	<b>2019</b>	<b>%</b>	<b>%</b>		
<b>Joint Ventures of UEM Land</b>					
Cahaya Jauhar Sdn. Bhd. x	Malaysia	41.8	39.7	Equity method	Undertake the turnkey design and build for the development of Johor State New Administrative Centre known as Kota Iskandar) and State Government Staff Housing in Puteri, Johor, and provision of facilities maintenance and management services
Gerbang Leisure Park Sdn. Bhd. *	Malaysia	34.8	33.1	Equity method	Property development
Haute Property Sdn. Bhd.	Malaysia	27.8	26.4	Equity method	Property development and property marketing
Horizon Hills Development Sdn. Bhd.	Malaysia	34.8	33.1	Equity method	Property development
Nusajaya Consolidated Sdn. Bhd. *	Malaysia	34.8	33.1	Equity method	Property development and related activities
Nusajaya Tech Park Sdn. Bhd.	Malaysia	27.8	26.4	Equity method	Property development
FASTrack Iskandar Sdn. Bhd.	Malaysia	20.9	19.8	Equity method	Property development and to develop, construct, operate and manage motorsport city with related facilities and services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of BND						
Nusajaya Industrial Park Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Nusajaya Gardens Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Land trading and investment holding
Nusajaya Greens Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development, land trading and investment holding
Nusajaya Heights Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development, land trading and investment holding
Nusajaya Rise Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development, land trading, investment holding and money lenden activity
Nusajaya Seaview Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Land trading and investment holding
Nusajaya Land Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Symphony Hills Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development, land trading and investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	

**Subsidiary of UEM**  
**Sunrise Nusantara**  
**Sdn. Bhd.**

P.T. Bias Permata	Indonesia	69.6	66.1	30.4	33.9	Investment holding
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**Subsidiary of UEM**  
**Sunrise Overseas**  
**Corporation Sdn. Bhd.**

UEM Sunrise South Africa (Pty) Ltd. *	South Africa	69.6	66.1	30.4	33.9	Investment holding
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**Subsidiaries of UEM Sunrise**  
**South Africa (Pty) Ltd**

Roc-Union (Proprietary) Limited *	South Africa	55.9	53.1	44.1	46.9	Investment holding
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**Subsidiary of Roc-Union**  
**(Proprietary) Limited**

Rocpoint (Proprietary) Limited *	South Africa	55.9	53.1	44.1	46.9	Acquisition and development of land
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Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Associate of Rocpoint**  
**(Proprietary) Limited**

Durban Point Development Company (Proprietary) Limited	South Africa	28.0	26.6	Equity method	Property development
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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Sunrise						
Arcoris Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property investment and development
Ascot Assets Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Allevia Sdn. Bhd. (formerly known as Aston Star Sdn. Bhd.)	Malaysia	69.6	66.1	30.4	33.9	Property investment, development and construction
Aurora Tower at KLCC Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Ibarat Duta Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Laser Tower Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Lembah Suria Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Lucky Bright Star Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property investment and development
Mega Legacy (M) Sdn. Bhd.	Malaysia	34.8	33.1	65.2	66.9	Property development
Milik Harta Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
New Planet Trading Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property investment and development
Prinsip Eramaju Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
SCM Property Services Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Provision of property management services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Sunrise (cont'd.)						
Solid Performance Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Summer Suites Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sun Victory Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property investment and development and hotel operation
Sunrise Alliance Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Benchmark Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Century Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Hospitality and Leisure Sdn. Bhd. *	Malaysia	69.6	66.1	30.4	33.9	In members' voluntary liquidation
Sunrise Innovations Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Landmark Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Mersing Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Oscar Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Sunrise (cont'd.)						
Sunrise Overseas Corporation Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Investment holding and provision of management services
Sunrise Paradigm Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Pioneer Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Project Services Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development and project management for property development projects
Sunrise Quality Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Region Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development
Sunrise Sovereign Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property development and investment holding
Sunrise International Development Ltd *	The Cayman Islands	69.6	66.1	30.4	33.9	Investment holding
Sunrise Overseas (S) Pte Ltd	Singapore	69.6	66.1	30.4	33.9	Promotion and management services relating to Sunrise Group's properties in Malaysia

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Sunrise MS Pte Ltd	Singapore	69.6	66.1	30.4	33.9	Provision of consultancy, advisory and technical services in relation to project development

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Joint Ventures of Sunrise**

Sime Darby Property Sunrise Development Sdn. Bhd. (formerly known as Sime Darby Sunrise Development Sdn. Bhd.) *	Malaysia	34.8	33.1	Equity method	Property development
Sunrise MCL Land Sdn. Bhd.*	Malaysia	34.8	33.1	Equity method	Property development and property investment

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	

**Subsidiaries of UEM  
Sunrise (Australia)  
Sdn. Bhd.**

UEM Sunrise (Land) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Holding and financing company
UEM Sunrise (Developments) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Holding and financing company

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Sunrise (Land) Pty Ltd						
UEM Sunrise (Mackenzie Street) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Trustee company
UEM Sunrise (Mackenzie Street) Unit Trust	Australia	69.6	66.1	30.4	33.9	Landowning entity
UEM Sunrise (La Trobe Street) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Trustee company
UEM Sunrise (La Trobe Street) Unit Trust	Australia	69.6	66.1	30.4	33.9	Landowning entity
UEM Sunrise (St Kilda Road) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Trustee company
UEM Sunrise (St Kilda Road) Unit Trust	Australia	69.6	66.1	30.4	33.9	Landowning entity
UEM Sunrise (Collingwood) Pty Ltd (incorporated in April 2020)	Australia	69.6	-	30.4	-	Trustee company
UEM Sunrise (Collingwood) Unit Trust (Trust Deed dated April 2020)	Australia	69.6	-	30.4	-	Landowning entity



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Sunrise (Development) Pty Ltd						
UEM Sunrise (Mackenzie Street Development) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Development company
UEM Sunrise (La Trobe Street Development) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Development company
UEM Sunrise (St Kilda Road Development) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Development company
UEM Sunrise (Aurora Melbourne Central Property Management) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Property management Service
UEM Sunrise (Collingwood Development) Pty Ltd (incorporated in April 2020)	Australia	69.6	-	30.4	-	Project Development
UEM Sunrise (Conservatory Melbourne Property Management) Pty Ltd	Australia	69.6	66.1	30.4	33.9	Property management Service

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Sunrise Properties Sdn. Bhd.						
Nusajaya DCS Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Provision of cooling plant facility services
Opera Retreat Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property investment
Puteri Harbour Convention Centre Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Own and operate a convention centre
UEM Sunrise Nusajaya Properties Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property investment
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied		Principal activities
		2020 %	2019 %			
Joint venture of UEM Sunrise Properties Sdn. Bhd.						
UEM Sunrise WOTSO Malaysia Sdn. Bhd. *	Malaysia	34.8	33.1	Equity method		Provision of co-working office and event space

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of UEM Sunrise (Canada) Sdn. Bhd.						
UEM Sunrise (Canada) Development Ltd *	Canada	-	66.1	-	33.9	Dissolved
Subsidiaries of UEM Sunrise Management Services Sdn. Bhd.						
Rise Digital Sdn. Bhd. (formerly known as UEM Sunrise Nusajaya Property Services Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Provision of property digital services
UEM Sunrise Project Services Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Property management for property development
Subsidiary of Sunrise Oscar Sdn. Bhd.						
Sunrise DCS Sdn. Bhd.	Malaysia	69.6	66.1	30.4	33.9	Provision of cooling plant facility services
Subsidiary of Sunrise International Development Ltd						
Sunrise Holdings S.à.r.l. *	The Grand Duchy of Luxembourg	69.6	66.1	30.4	33.9	Investment holding
Subsidiary of Sunrise Holdings S.à.r.l.						
Canada Sunrise Development Corp. *	Canada	69.6	66.1	30.4	33.9	Property investment and development

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Canada						
Sunrise Development Corp.						
Canada Sunrise Developments (Richmond) Limited *	Canada	-	66.1	-	33.9	Dissolved
Subsidiaries of UEM Builders						
Buildcast Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Production of precast concrete products
IBS Iconsis Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
Intria Bina Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Civil engineering and construction works
Hoto Stainless Steel Industries Sdn. Bhd.	Malaysia	-	97.9	-	2.1	Disposed
Pati Sdn. Bhd. ("PATI")	Malaysia	100.0	100.0	-	-	Civil engineering works and building construction
PATI Technologies Sdn. Bhd.*	Malaysia	-	100.0	-	-	Disposed
Total Trade Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
UEM Construction Sdn. Bhd. ("UEMC")	Malaysia	100.0	100.0	-	-	Contractors for the execution of construction and engineering works

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Builders (cont'd.)						
UEM Construction (B) Sdn. Bhd. ///	Brunei	100.0	100.0	-	-	Civil, electrical, mechanical and industrial plant construction and general building and contracting
UEMB – MRCB JV Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Master contractor for the execution of engineering and construction works
UEMB - Najcom JV	Unincorporated	65.0	65.0	35.0	35.0	Master contractor for the execution of engineering and construction works
UEMB-PROPEL Consortium	Unincorporated	100.0	100.0	-	-	Civil engineering works and building construction
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2020 %	2019 %			
Joint Venture of UEM Builders						
Shimizu – Nishimatsu - UEMB – IJM JV	Unincorporated	20.0	20.0	Equity method	Water transfer tunnel and related works for Pahang-Selangor Raw Water Transfer project	

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEMC						
UEM (Mauritius) Co Ltd ("UEMM") *	Mauritius	100.0	100.0	-	-	Investment holding
PT Karabha Gryamandiri	Indonesia	55.0	55.0	45.0	45.0	Subcontractor of construction of CPTR package
UEMC - PPES Works (Sarawak) Sdn. Bhd. JV	Unincorporated	70.0	70.0	30.0	30.0	Design and build for Hospital Lawas project

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
Associate of UEMC					
Samsung C&T Corporation UEM Construction JV Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Main contractor for the execution of civil engineering works and and building construction

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Joint Ventures of UEMC**

UEMC – Bina Puri JV x*	Unincorporated	60.0	60.0	Equity method	Design, construction, completion, testing, commissioning and maintenance of main terminal building, satellite building, sky bridge and piers
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Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	

**Subsidiaries of UEMM**

UE Development India Pvt Ltd ("UEDI") *	India	100.0	100.0	-	-	Construction works and maintenance of expressways
Pati International (India) Pvt. Ltd. *	India	100.0	100.0	-	-	In member's voluntary liquidation
UEM Builders – Ansalapi Contracts Pvt. Ltd. Ω*	India	60.0	60.0	40.0	40.0	Construction, execution and completion of various building and engineering works at Sushant Golf City, Lucknow

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of PT Karabha Gryamandiri						
PT Karabha Gryamandiri & PT Nusa Raya Cipta Consortium μ	Unincorporated	30.3	30.3	69.7	69.7	Design, development, construction, management, maintenance and operation of the CPTR package

**Subsidiary of Pati International (India) Pvt Ltd**

Rushil Constructions (India) Pvt. Ltd. *	India	100.0	100.0	-	-	In members' voluntary liquidation
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**Subsidiary of PATI Sdn. Bhd.**

Pati Pave Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
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Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Associate of PATI Sdn. Bhd.**

Pati Philippines Inc. *	Philippines	40.0	40.0	Equity method	Dormant
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**Joint Ventures of PATI Sdn. Bhd.**

Road Builder (M) Sdn. Bhd. – PATI Sdn. Bhd. JV *	Unincorporated	50.0	50.0	Equity method	Construction and extension of roads
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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Accounting model applied	Principal activities
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**Joint Ventures of PATI Sdn. Bhd. (cont'd.)**

B. Seenayah & Co – Road Builder (M) Sdn. Bhd. – PATI Sdn. Bhd. JV *	Unincorporated	25.0	25.0	Equity method	Construction and extension of roads
PATI Sdn. Bhd. - Bhagheeratha Engineering Ltd JV *	Unincorporated	50.0	50.0	Equity method	Construction and extension of roads

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Non-controlling interest~ 2020    2019 %       %		Principal activities
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**Subsidiaries of CIMA**

Cimaco Readymix Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
I-Mix Concrete Industries Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Inactive
Kuad Sdn. Bhd.	Malaysia	70.0	70.0	30.0	30.0	Quarrying business and its related activities
Kuari Pati Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Quarrying business and its related activities
Matang Pagar Sdn. Bhd.	Malaysia	80.0	80.0	20.0	20.0	Quarrying business and its related activities
Negeri Sembilan Cement Industries Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Manufacture and sale of cement
Pemasaran Simen Negara Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Inactive

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of CIMA (cont'd.)						
Profitlite Holdings Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Quarrying business and its related activities
Unipati Concrete Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Production and sale of ready-mixed concrete
Subsidiaries of Kuari Pati Sdn. Bhd.						
Pati Bukit Perak Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Quarrying business and its related activities
Pati Nilai Quarry Sdn. Bhd.	Malaysia	70.0	70.0	30.0	30.0	Quarrying business and its related activities
Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Edgenta						
Opus Group Berhad ("Opus")	Malaysia	69.1	69.1	30.9	30.9	Investment holding
Edgenta Propel Berhad ("Edgenta Propel")	Malaysia	69.1	69.1	30.9	30.9	Maintenance and repair of civil, mechanical and electrical works of roads, infrastructure and expressways and industrial cleaning services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Edgenta (cont'd.)						
Edgenta Environmental & Material Testing Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Geotechnical investigation, instrumentation and pavement condition assessment works
Faber Development Holdings Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding
Edgenta Healthcare Management Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of hospital support services
Faber Hotels Holdings Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	In member's voluntary liquidation
Faber LLC*	Emirates of Dubai	51.9	51.9	48.1	48.1	Facilities management services in United Arab Emirates
Edgenta Facilities Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding and provision of integrated facilities management services
Edgenta Energy Services Sdn. Bhd.	Malaysia	48.4	48.4	51.6	51.6	Energy performance management services
Edgenta Energy Projects Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Providing energy management services and renewable energy services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM Edgenta (cont'd.)						
Edgenta (Singapore) Pte. Ltd.	Singapore	69.1	69.1	30.9	30.9	Investment holding
Edgenta Township Management Services Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding and management of real estate
Edgenta GreenTech Sdn. Bhd. (formerly known as KFM Holdings Sdn. Bhd.)	Malaysia	69.1	55.3	30.9	44.7	Provision of asset development and facility management services
Sate Yaki Sdn. Bhd.	Malaysia	41.5	41.5	58.5	58.5	In Court's Winding-up
Subsidiaries of Opus						
Builders Credit & Leasing Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding
Opus International (NZ) Limited	New Zealand	69.1	69.1	30.9	30.9	Investment holding
Opus International (M) Berhad ("OIM")	Malaysia	69.1	69.1	30.9	30.9	Management of the planning, design and construction of infrastructure projects and provision of facilities management services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Non-controlling interest~ 2020    2019 %       %		Principal activities
Subsidiaries of OIM						
Opus Management Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Management of the planning, design and construction of infrastructure projects and provision of facilities management services
Opus Consultants (Sarawak) Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of project management and engineering consultancy services
Pengurusan LRT Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	In member's voluntary liquidation
Pengurusan Lintas Berhad	Malaysia	69.1	69.1	30.9	30.9	Provision of technical management support services for the planning, design and construction of projects
Opus International India Pte Ltd *	India	69.1	69.1	30.9	30.9	Provision of asset development and asset management services
Opus Al-Dauliyyah LLC **	Kingdom of Saudi Arabia	69.1	69.1	30.9	30.9	Engineering consultancy services
Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Accounting model applied		Principal activities
Associate of OIM						
Opus Consultants (M) Sdn. Bhd	Malaysia	20.7	20.7	Equity method		Engineering consultancy services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Edgenta Propel						
Edgenta Infrastructure Services Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Maintenance and repair of civil mechanical and electrical works on roads, infrastructure expressways and industrial cleaning services
PT Edgenta PROPEL Indonesia	Indonesia	69.1	69.1	30.9	30.9	Provision of management consultancy and advisory related to management of roads
Name	Country of incorporation/ principal place of business	Effective interest~ 2020 %	2019 %	Accounting model applied	Principal activities	
Jointly controlled operation of Edgenta Propel						
Edgenta Propel-NRC JO	Unincorporated	38.0	38.0	Equity method	Providing highway maintenance services	
Jointly controlled operation of Edgenta Propel Indonesia						
PT Edgenta PROPEL PT Astra Nusantara - Astra Infra Solutions JO	Unincorporated	34.6	34.6	Equity method	Providing highway maintenance services	

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Faber Development Holdings Sdn. Bhd.						
Country View Development Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Property development and provision of facilities management services
Faber Grandview Development (Sabah) Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Property development
Faber Heights Management Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Property management
Faber Union Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Property development
Rimbunan Melati Sdn. Bhd.	Malaysia	38.0	38.0	62.0	62.0	Property development
Subsidiary of Edgenta Healthcare Management Sdn. Bhd.						
Edgenta Mediserve Sdn. Bhd. @	Malaysia	69.1	69.1	30.9	30.9	Provision of hospital support services
Subsidiaries of EMS						
Cermin Cahaya Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of cleansing services to hospitals
Edgenta Healthtronics Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of biomedical electronic engineering maintenance services
Edgenta Mediserve (Sarawak) Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	

**Subsidiaries of EMS (cont'd.)**

Edgenta Mediserve (Sabah) Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding
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Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Associates of Edgenta  
Mediserve (Sarawak)  
Sdn. Bhd.**

One Medicare Sdn. Bhd.*	Malaysia	27.7	27.7	Equity method	Provision of hospital support services
Biomedix Solutions Sdn. Bhd. *	Malaysia	27.7	27.7	Equity method	Provision of biomedical engineering maintenance services

**Associate of Edgenta  
Mediserve (Sabah) Sdn. Bhd.**

Sedafiat Sdn. Bhd.*	Malaysia	27.7	27.7	Equity method	Provision of hospital support services
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Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	

**Subsidiaries of Edgenta  
Facilities Sdn. Bhd.**

Edgenta Facilities Management Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Facilities management services
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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Edgenta Facilities Sdn. Bhd. (cont'd.)						
General Field Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of energy performance management services
Faber Star Facilities Management Limited *	India	69.1	69.1	30.9	30.9	In liquidation

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %        %		Accounting model applied	Principal activities
Associate of Edgenta Facilities Sdn. Bhd.					
Faber Sindoori Management Services Private Limited x*	India	35.3	35.3	Equity method	Facilities management in India

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of Edgenta Township Management Services Sdn. Bhd.						
UEM Sunrise Edgenta TMS Sdn. Bhd. β	Malaysia	68.2	68.2	31.8	31.8	Investment holding and management of real

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of UEM Sunrise						
Edgenta TMS						
Edgenta TMS Sdn. Bhd.	Malaysia	47.7	47.7	52.3	52.3	In member's voluntary liquidation
Subsidiaries of Edgenta						
GreenTech Sdn. Bhd. (formerly known as KFM Holdings Sdn. Bhd.)						
KFM Projects Sdn. Bhd.	Malaysia	69.1	55.3	30.9	44.7	Project management consulting services
KFM Systems Sdn. Bhd.	Malaysia	69.1	55.3	30.9	44.7	Consulting and contractor for building management systems for the built environment
KFM Solutions Sdn. Bhd.	Malaysia	69.1	55.3	30.9	44.7	Consultancy services in green, smart and connected urban ecology and integrated facility management services
KFM Energy Services Sdn. Bhd.	Malaysia	69.1	55.3	30.9	44.7	Provision of consultancy and other services relating to conservation and renewable energy
Veridis PPP One Sdn. Bhd.	Malaysia	69.1	55.3	30.9	44.7	Concession holder specialising in retrofitting works of building utilising green technology

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Edgenta GreenTech Sdn. Bhd. (formerly known as KFM Holdings Sdn. Bhd.) (cont'd.)						
Operon Malaysia Sdn. Bhd.	Malaysia	69.1	55.3	30.9	44.7	Provision of supervising officer for activities related to green technology and other solutions for the built environment
Operon Consulting Sdn. Bhd.	Malaysia	48.4	38.7	51.6	61.3	Asset management consulting services
Operon Middle East Limited	British Virgin Islands	69.1	55.3	30.9	44.7	Facilities management and buildings cleaning services
KFM Middle East Limited *	British Virgin Islands	48.4	38.7	51.6	61.3	Dormant
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied		Principal activities
		2020 %	2019 %			
Associate of Operon Consulting Sdn. Bhd.						
Operon Asset Advisory Sdn. Bhd. *	Malaysia	-	19.0	Equity method		Disposed on 15 October 2020

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of Edgenta (Singapore) Pte Ltd						
UEMS Pte Ltd	Singapore	67.4	67.4	32.6	32.6	Investment holding
Subsidiary of UEMS Pte Ltd						
UEMS Solutions Pte Ltd	Singapore	67.4	67.4	32.6	32.6	Provision of facility management services
Edgenta UEMS Sdn. Bhd.	Malaysia	67.4	67.4	32.6	32.6	Provision of facility management services
Edgenta UEMS Ltd	Taiwan	67.4	67.4	32.6	32.6	Provision of facility management services
ServiceMaster Hong Kong Limited	Hong Kong	67.4	67.4	32.6	32.6	Provision of facility
Subsidiary of Edgenta UEMS Ltd						
Edgenta UEMS SC Ltd	Taiwan	67.4	67.4	32.6	32.6	Provision of cleaning and consulting services for business enterprises, buildings and home service to individuals
Other subsidiaries of UEM						
First Impact Sdn. Bhd. ("FISB")	Malaysia	100.0	100.0	-	-	Investment property holding, provision of maintenance and other related activities of the office building owned by the company
Forte Tech Solutions Sdn. Bhd.	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Other subsidiaries of UEM (cont'd.)						
Intrallogic Sdn. Bhd.	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
Hydron (M) Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Ceased operations
Infrared Advanced Technologies Sdn. Bhd.	Malaysia	75.0	75.0	25.0	25.0	Research, development design, manufacture, implementation, marketing, selling and supplying of electronic toll collection system
MAVTRAC Sdn. Bhd.	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
Pantai Panorama Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Special purpose vehicle incorporated to facilitate the issuance of IMTN Programme by United Growth
Serayin Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding, trading and letting of properties
UEM Group Management Sdn. Bhd.	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
UEM International (West Asia) Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Other subsidiaries of UEM (cont'd.)						
United Growth Berhad	Malaysia	100.0	100.0		-	A special purpose vehicle incorporated specifically for the issuance of IMTN Programme for UEM
Vistajati Holdings Sdn. Bhd.	Malaysia	100.0	100.0		-	Property development
UEM Suria Berhad	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiary of UEM International (West Asia) Sdn. Bhd.						
UEM Al-Dauliyyah LLC *^	Kingdom of Saudi Arabia	100.0	100.0	-	-	Ceased operations
Name	Country of incorporation/ principal place of business	Effective interest~ 2020 %	2019 %	Accounting model applied	Principal activities	
Other associates of UEM						
Puncak Vista Sdn. Bhd. *	Malaysia	30.0	30.0	Equity method	Under compulsory liquidation	
Mekar Idaman Sdn. Bhd.*	Malaysia	45.0	45.0	Equity method	Liquidation by Court	
Other joint venture of UEM						
UEM MMC Joint Venture Sdn. Bhd.	Malaysia	50.0	50.0	Equity method	Investment holding	

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of UEM						
Suria Berhad						
Suria Legenda Development Sdn. Bhd.	Malaysia	-	100.0	-	-	Struck-off
Suria Siena Development Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Property development and land trading

\* Audited by firms other than Ernst & Young PLT.

α Financial year end other than 31 December.

t For the purpose of applying the equity method of accounting for associate and joint ventures with financial year end other than 31 December, the last audited financial statements available and the management financial statements to the end of the accounting period of the associate and joint ventures have been used.

x Deemed to be joint ventures of the Group pursuant to MFRS 11 : Joint Arrangements as the parties involved are undertaking economic activities that are subject to joint control.

// The Group has a total of 64.4% shareholding in JSTPL, comprising 26.0% held via PEIB and 38.4% held via Uniquet.

## The Group has a total of 94.1% shareholding in PLUS BKSP comprising 0.1% held by PEIB and 94.0% held by PLUS Kalyan (Mauritius) Private Limited, a wholly-owned subsidiary of PEIB.

β The Group has a total of 68.2% shareholding in UEM Sunrise Edgenta TMS Sdn. Bhd., comprising 19.8% held by UEM Sunrise and 48.4% held by Edgenta Township Management Services Sdn. Bhd.

< Some of the shares in the company are held in trust by individuals.

++ The Group has a total of 76.3% shareholding in Preferred Resources Sdn. Bhd. comprising 30.0% held via UEM Builders and 46.3% held via BND.

m The non-controlling shareholders assign all their rights to the dividend to UEMC.

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(A) Subsidiaries, associates and joint ventures of UEM (cont'd.)**

- Ω The Group has a total of 60.0% shareholding in UEM Builders – Ansalapi Contracts Pvt Ltd comprising 50.0% held via UEM (Mauritius) Co Ltd and 10.0% held via UE Development India Pvt Ltd.
- @ The Group has a total of 69.1% shareholdings in Edgenta Mediserve Sdn. Bhd., comprising 39.4% held by Edgenta Healthcare Management Sdn. Bhd. and 29.7% held by UEM Edgenta.
- ^ The Group holds 100.0% of the equity in UEM Al-Dauliyyah LLC, comprising 90.0% held by UEM International (West Asia) Sdn. Bhd. and 10.0% held directly by UEM.
- \*\* The Group holds 69.1% of the equity in Opus Al-Dauliyyah LLC, comprising 65.7% held directly by OIM, 3.4% held by Opus Management Sdn. Bhd.
- # Suria Siena Development Sdn. Bhd. is 99% held by UEM Group Berhad and 1% by UEM Suria Berhad.



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(B) Subsidiaries of MAS**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries						
Delima Insurance (Labuan) Limited	Malaysia	100.0	100.0	-	-	Captive insurance business. Ceased operations in prior year.
MASkargo Sdn. Bhd. ^^	Malaysia	100.0	100.0	-	-	Air cargo operations, charter freighter and all warehousing activities relating to air cargo operations. Ceased operations in 2015.
MAS Golden Boutiques Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Carried on the business related to travel retail and mail order. Ceased operations in 2015.
Malaysia Airlines Capital (L) Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Malaysia Airlines Capital II (L) Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Malaysia Airlines Capital III (L) Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Malaysia Airlines Capital IV (L) Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Kelip-Kelip Labuan Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Kelip-Kelip II Labuan Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(B) Subsidiaries of MAS (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries (cont'd.)						
Kelip-Kelip II Cayman Limited	Cayman Islands	100.0	100.0	-	-	Leasing business
Kelip-Kelip III Labuan Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Kunang Kunang Labuan Limited	Malaysia	100.0	100.0	-	-	Dormant
Malaysia Airlines A330 Capital Labuan Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Malaysia Airlines B738 Capital Labuan Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Malaysia Airlines B738 II Capital Labuan Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
Malaysia Airlines Capital IV Cayman Limited	Cayman Islands	100.0	100.0	-	-	Leasing business
Malaysia Airlines Capital V Cayman Limited	Cayman Islands	100.0	100.0	-	-	Leasing business
MAS Academy Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Malaysian Aerospace Engineering Sdn. Bhd. ("MAE")	Malaysia	100.0	100.0	-	-	Dormant
MAS Aerotechnologies Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(B) Subsidiaries of MAS (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020	2019	2020	2019	
		%	%	%	%	

**Subsidiaries (cont'd.)**

MAS Golden Holidays Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
MH Loyalty Programme Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant

<sup>^^</sup> On 25 May 2015, MASkargo Sdn. Bhd. was placed under Administration pursuant to the MAS Act.

**(C) Subsidiaries and associates of MAGB**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020	2019	2020	2019	
		%	%	%	%	

**Subsidiaries of MAGB**

Malaysia Airlines Berhad ("MAB")	Malaysia	100.0	100.0	-	-	Business of air transportation and the provision of related services
AeroDarat Services Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Ground services activities on airfields
FlyFirefly Sdn. Bhd. ("Firefly")	Malaysia	100.0	100.0	-	-	Air transportation and the provision of related
MAB Kargo Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Other cargo holding
MAB Leasing Limited	Malaysia	100.0	100.0	-	-	To carry on business of purchase, sale, lease, obtaining lease financing and refinancing of commercial aircraft

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(C) Subsidiaries and associates of MAGB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Malaysia Airlines Berhad						
MAB Pesawat Sdn. Bhd.	Malaysia	100.0	100.0	-	-	To carry on business of purchase, sale, lease, obtaining lease financing and refinancing of commercial aircraft
MASwings Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Air transportation and the provision of related services
Hijrah Biru Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Air transportation and the provision of related services
MAB Academy Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Other education
Malaysia Airlines Holidays Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Bakawali (Labuan) Limited	Malaysia	100.0	100.0	-	-	Labuan leasing business
MAB Engineering Services Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Other services activities incidental to air
MAS Aero Services Sdn. Bhd.	Malaysia	51.0	51.0	49.0	49.0	Provision of laundry and cleaning related services
MAS Awana Services Sdn. Bhd.	Malaysia	60.0	60.0	49.0	40.0	Provision of catering and cabin handling services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(C) Subsidiaries and associates of MAGB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	

**Subsidiaries of Malaysia Airlines Berhad (cont'd.)**

Impeccable Vintage Properties Sdn. Bhd. ("IVP")	Malaysia	-	100.0	-	-	Activities of holding companies
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**Subsidiary of FlyFirefly  
Sdn. Bhd.**

FlyFirefly Holiday Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Tour and travel related operation
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**Subsidiary of MAB Kargo  
Sdn. Bhd.**

MASkargo Logistics Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Providing trucking, clearance and warehousing services
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Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		

**Associates of MAGB**

Brahim's SATS Food Service Sdn. Bhd.	Malaysia	30.0	30.0	Equity method	Carry on airline catering related services
Pan Asia Pacific Aviation Services Limited ("PAPAS")	Hong Kong	24.0	24.0	Equity method	Provision of aircraft maintenance services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(D) Subsidiaries, associates and joint ventures of IIB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of IIB						
Iskandar Coast Sdn. Bhd. ("ICSB")	Malaysia	48.0	48.0	52.0	52.0	Investment holding and property development
Iskandar Development Management Services Sdn. Bhd. ("IDMS")	Malaysia	60.0	60.0	40.0	40.0	Management services
SJIC Bina Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Construction
Peak Alpha Express Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding
Educity Iskandar Malaysia Sdn. Bhd. ("EIMSB")	Malaysia	60.0	60.0	40.0	40.0	Investment holding, property development and property management services
Iskandar Assets Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property investment
Iskandar Harta Holdings Sdn. Bhd. ("IHHSB")	Malaysia	60.0	60.0	40.0	40.0	Property and investment holding
IIB Ventures Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding, security management services and business venture activity
Medini Land Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property and investment holding
Iskandar Innovations Sdn. Bhd. ("IISB")	Malaysia	60.0	60.0	40.0	40.0	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(D) Subsidiaries, associates and joint ventures of IIB**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of IIB (cont'd.)						
Wurawari Ventures Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding
Iskandar Capital Sdn. Bhd. ("IskCap")	Malaysia	33.3	33.3	66.7	66.7	Investment holding
Subsidiary of ICSB						
River Retreat Sdn. Bhd.	Malaysia	48.0	48.0	52.0	52.0	Property development and investment
Teladan Tekun Sdn. Bhd.	Malaysia	48.0	48.0	52.0	52.0	Investment holding
Iskandar Medical Education Sdn. Bhd.	Malaysia	48.0	48.0	52.0	52.0	Investment holding
Subsidiaries of IDMS						
Iskandar Management Services Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Management services
Medini City Management Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Management services
Subsidiary of IHHSB						
Ujung Medini Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property investment

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(D) Subsidiaries, associates and joint ventures of IIB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of EIMSB						
Iskandar Education Village Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property development and management
Iskandar British Education Sdn. Bhd.	Malaysia	-	60.0	-	40.0	Property development and management
Iskandar Education Enterprise Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property development and management
Subsidiaries of IISB						
Virtua Realm Sdn. Bhd.	Malaysia	30.6	30.6	69.4	69.4	Virtual reality and themed park
Subsidiaries of IskCap						
Iskandar British Education Sdn. Bhd.	Malaysia	60.0	-	40.0	-	Property development and management
Name	Country of incorporation/ principal place of business	Effective interest~ 2020 %	2019 %	Accounting model applied	Principal activities	
Associates of IIB						
Jasmine Acres Sdn. Bhd. ("JASB")	Malaysia	20.0	20.0	Equity method	Investment holding	
Joint ventures of IIB						
Nusajaya Lifestyle Sdn. Bhd.	Malaysia	27.0	27.0	Equity method	Property development	
Metrogold Assets Sdn. Bhd.	Malaysia	12.0	12.0	Equity method	Property development	



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(D) Subsidiaries, associates and joint ventures of IIB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Accounting model applied	Principal activities
Joint ventures of IIB (cont'd.)					
Raffles Iskandar Sdn. Bhd. *	Malaysia	12.0	12.0	Equity method	Property development
Sunway Iskandar Development Sdn. Bhd.*	Malaysia	24.0	24.0	Equity method	Property development
Nusajaya Premier Sdn. Bhd.	Malaysia	9.6	9.6	Equity method	Property development
Inneonusa Sdn. Bhd. *	Malaysia	6.0	6.0	Equity method	Management services
Joint venture of JASB					
Medini Iskandar Malaysia Sdn. Bhd.	Malaysia	12.0	12.0	Equity method	Property investment holding and the provision of construction services

\* Audited by a firm other than Ernst & Young PLT, Malaysia

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of TARHSB						
Themed Attractions and Resorts Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Destination Resorts and Hotels Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Themed Destination IP Sdn. Bhd. ***	Malaysia	-	100.0	-	-	Investment holding
Subsidiaries of Themed Attractions and Resort Sdn. Bhd.						
Rakan Riang Sdn. Bhd. @	Malaysia	-	80.0	-	20.0	Own and operate KidZania educational and entertainment facility
Malaysia Truly Asia Centre Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
TAR PH Holdings Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding and provision of management services
TAR Riverwalk Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding and to own and operate water park (Adventure Waterpark)
Themed Attractions Berhad ***	Malaysia	-	100.0	-	-	Investment holding
LL Malaysia Attractions Holdings Sdn. Bhd. ("LLMAH")	Malaysia	100.0	100.0	-	-	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Themed Attractions and Resort Sdn. Bhd. (cont'd.)						
Rakan Riang Pte Ltd.^	Singapore	-	80.0	-	20.0	Own and operate KidZania educational and entertainment facility
LL Resorts Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Subsidiaries of TAR PH Holdings Sdn. Bhd.						
TAR LBC Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
TAR KB Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
TAR PH Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Own and operate Hotel Jen
TAR PH Family Entertainment Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
TAR Kittown Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
PH Marina Boulevard Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of PH Marina Boulevard Sdn. Bhd.						
PH Marina Boulevard 1 Sdn. Bhd. **	Malaysia	-	100.0	-	-	Dormant
PH Marina Boulevard 4 Sdn. Bhd. **	Malaysia	-	100.0	-	-	Dormant
PH Marina Boulevard 5 Sdn. Bhd. **	Malaysia	-	100.0	-	-	Dormant
PH Marina Boulevard 6 Sdn. Bhd. **	Malaysia	-	100.0	-	-	Dormant
Subsidiaries of TAR Riverwalk Sdn. Bhd.						
Riverwalk Waterpark Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Dolphin Attractions Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Park Three Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Own Land for park development

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of LL Malaysia Attractions Holdings Sdn. Bhd.						
IDR Resorts Sdn. Bhd.	Malaysia	80.0	80.0	20.0	20.0	Investment holding and provision of management services
LL Themed Hotel Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Own and operate Legoland Hotel Malaysia
Subsidiaries of IDR Resorts Sdn. Bhd.						
IDR Assets Sdn. Bhd.	Malaysia	80.0	80.0	20.0	20.0	Own and lease assets of Legoland Malaysia Theme Park
LL Malaysia Taman Tema Sdn. Bhd.	Malaysia	80.0	80.0	20.0	20.0	Manage and operate Legoland Malaysia Theme Park, Water Park and Sealife Aquarium Edutainment facility
Subsidiaries of Destination Resorts and Hotels Sdn. Bhd.						
Stulang Ventures Sdn. Bhd.	Malaysia	78.5	78.5	21.5	21.5	Investment holding
Elite Sun Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Pantai Andaman Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Desaru Estate Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Own and operate an international class hotel (Hard Rock Hotel Desaru Coast)

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Destination Resorts and Hotels Sdn. Bhd. (cont'd.)						
DRH Green Homes (M) Sdn. Bhd.	Malaysia	84.3	84.3	15.7	15.7	Property development
Asia Pioneer Capital Sdn. Bhd. ("APC")	Malaysia	100.0	100.0	-	-	Dormant
ECM Golf Berhad ***	Malaysia	-	100.0	-	-	Dormant
Datai Hotels and Resorts Sdn. Bhd. ("DHR")	Malaysia	100.0	100.0	-	-	Hotel management
Desaru Beach Parks Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Chalet owner
Desaru Theme Hotel Sdn. Bhd. **	Malaysia	-	100.0	-	-	Dormant
Subsidiary of Stulang Ventures Sdn. Bhd.						
Desaru Development Corporation Sdn. Bhd. ("DDC")	Malaysia	55.0	55.0	45.0	45.0	Investment holding and master developer of Desaru Coast
Subsidiary of Elite Sun Sdn. Bhd.						
Crustacea Enterprise Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Pantai Andaman Ventures Sdn. Bhd.						
Teluk Datai Resorts Sdn. Bhd. ("TDR")	Malaysia	100.0	100.0	-	-	Investment holding and own and operate The Datai Langkawi
TD Langkawi Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Subsidiaries of DDC						
DDC Resort Sdn. Bhd. ("DDCR")	Malaysia	55.0	55.0	45.0	45.0	Investment holding
DDC Peladang Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Investment holding
Desaru Development Holdings One Sdn. Bhd. ("DDH1")	Malaysia	66.5	66.5	33.5	33.5	Investment holding company, master developer and provides staff accommodation, destination marketing, common area maintenance and management services to its subsidiaries
Desaru Land 3 Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of DDH1						
Desaru Peace Holdings Sdn. Bhd. ("DPH")	Malaysia	33.9	33.9	66.1	66.1	Investment holding
Desaru North Course Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Owner and operator of golf course and management of golf membership (Els Club Valley Course)
Desaru South Course Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Own and operate golf course (Els Club Ocean Course)
Desaru Riverwalk Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Own and operate retail space (Desaru Coast Riverside)
Desaru Convention Centre Sdn. Bhd.	Malaysia	82.9	82.9	17.1	17.1	Own and operate convention centre (Desaru Coast Conference Centre)
Desaru Corniche Sdn. Bhd.	Malaysia	82.9	82.9	17.1	17.1	Investment holding
Desaru Land Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Ferry Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Ferry terminal operator
DC Resort Marketing Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Operate e-commerce business
Desaru Beachfront 1 Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of DDH1 (cont'd.)						
Desaru Beachfront 2 Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Beachfront 3 Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Beachfront 4 Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Beachfront 5 Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Land 2 Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Boutique Hotel Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Investment holding
Desaru Coast Cuisine Sdn. Bhd.	Malaysia	66.5	66.5	33.5	33.5	Own and operate food and beverage business
Subsidiaries of DPH						
Desaru Peace Holdings Club Sdn. Bhd.	Malaysia	33.9	33.9	66.1	66.1	Own and operate luxury branded resort (One & Only Desaru Coast)
Desaru Peace Holdings Villas Sdn. Bhd.	Malaysia	33.9	33.9	66.1	66.1	Investment holding, property development and construction
Subsidiary of Desaru Peace Holdings Villas Sdn. Bhd.						
Desaru Peace Holdings Villas Two Sdn. Bhd.	Malaysia	30.3	30.3	69.7	69.7	Property development

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Desaru Corniche Sdn. Bhd.						
Desaru Corniche Hotel Sdn. Bhd.	Malaysia	82.9	82.9	17.1	17.1	Own and operate hotel (Westin Desaru Coast Resort)
Desaru Corniche Property Sdn. Bhd.	Malaysia	82.9	82.9	17.1	17.1	Property construction
Subsidiaries of DDC Resort Sdn. Bhd.						
DDC Corporate Services Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Provision of general maintenance services, parking and recreation activities
Desaru Golden Beach Hotel Sdn. Bhd. **	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Golf & Country Club Berhad **	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Golf & Country Resort Berhad **	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Golf (Lake One) Sdn. Bhd. **	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Health Spa Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Marina Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of DDC Resort Sdn. Bhd. (cont'd.)						
Desaru Marina Commercial Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Marina Hotel Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Palace Hotel Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Resort Homes Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Sunny Beach Hotel Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Desaru Tennis Ranch Hotel Sdn. Bhd. **	Malaysia	55.0	55.0	45.0	45.0	Dormant
Variasi Kesuma Sdn. Bhd.	Malaysia	55.0	55.0	45.0	45.0	Dormant
Subsidiaries of Teluk Datai Resorts Sdn. Bhd.						
TDR Villas Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Property developer
Anak Datai Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Kasturi Pasifika Sdn. Bhd.	Malaysia	-	100.0	-	-	Owner of the "Datai" brand

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of TDR Villas Sdn. Bhd.						
TDR Golf Resorts Bhd	Malaysia	100.0	100.0	-	-	Own and operate golf course (Els Club Rainforest Course)
Subsidiary of DHR						
Kasturi Pasifika Sdn. Bhd.	Malaysia	100.0	-	-	-	Owner of the "Datai" brand
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2020 %	2019 %			
Joint ventures of Destination Resorts and Hotels Sdn. Bhd.						
MHG Desaru Villas Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Property development	
MHG Desaru Hotel Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Hotel owner	
Joint ventures of Desaru South Course Sdn. Bhd.						
Desaru South Course Residences Sdn. Bhd. ("DSCR") +++	Malaysia	32.6	32.6	Equity method	Property development	
Desaru South Course Land Sdn. Bhd. ("DSCL") +++	Malaysia	32.6	32.6	Equity method	Property development	

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(E) Subsidiaries, associates and joint ventures of TARHSB (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
Joint venture of Desaru North Course Sdn. Bhd.					
Desaru North Course Residences Sdn. Bhd. ("DNCR") +++	Malaysia	32.6	32.6	Equity method	Property development

\*\* Under voluntary liquidation

\*\*\* Completion of striking off and voluntary liquidation in current year

+++ The Group's effective interest is 68.1%, comprising 35.5% held by UEM Sunrise and 32.6% held by DRH Group.

^^ Rakan Riag Pte. Ltd ("RRPL"), a 80% owned subsidiary of the Group has been placed under Creditors' Voluntary Winding up pursuant to a resolution passed on 4 September 2020 and the appointment of the Liquidators were affirmed by the creditors of the RRPL in a meeting of creditors held on the same day.

@ On 04 November 2020, TAR has entered into a Sale of Shares Agreement to dispose a 80% equity interest in Rakan Riag Sdn. Bhd. ("RRSB"). The disposal was completed on 7 December 2020.

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(F) Subsidiary of MTDC**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Malaysian Technology Consultants Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Provision of technical consultancy and commercialisation of research and development ventures
MTDC-BSF Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Management of start-up fund
MTDC-BGF Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Management of growth fund

**(G) Other subsidiaries, associates and joint ventures of the Group**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of ARHSB						
Agro Treasures Sdn. Bhd. ("ATSB")	Malaysia	100.0	100.0	-	-	Investment holding
Blue Archipelago Berhad ("BAB")	Malaysia	100.0	100.0	-	-	Investment holding and trading of shrimp aquaculture products
Biotropics Malaysia Berhad ("BMB")	Malaysia	100.0	100.0	-	-	Business in the research and development, marketing and sales of products based on Malaysia's biodiversity such as plants and other medicinal herbs

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of ARHSB (cont'd.)						
Malaysian Agrifood Corporation Berhad ("MAFC")	Malaysia	100.0	100.0	-	-	Investment holding, production and trading of agriculture products and management of food supply chain
Subsidiaries of BAB						
Arca Biru Sdn. Bhd.	Malaysia	100.0	100.0	-	-	To carry on the business of shrimp aquaculture
Isharp Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Trade and produce of aquaculture products
Subsidiaries of BMB						
Phytes Biotek Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Formulation and manufacturing of herbal extracts and other herbal products
Subsidiaries of Phytes Biotek Sdn. Bhd.						
Nu-Prep (M) Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Plante Resources Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant
Subsidiaries of MAFC						
Cameron Fresh Farms Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment in agriculture property
Lotus Logistics Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Dormant

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of MAFC (cont'd.)						
MAFC International (M) Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Trading of agricultural produce. The entity became dormant since 31 December 2016
Subsidiary of Aur Investments (Cayman Islands) Limited						
Tuba Investments W.L.L. * +	Kingdom of Bahrain	99.5	99.5	0.5	0.5	Investment holding
Subsidiary of Bukit Damar Investments Limited						
Gobi MAVCAP Asean Superseed Fund, L.P. *	Malaysia	67.0	67.0	33.0	33.0	Micro venture capital
Subsidiary of Bukit Frasers Ventures Sdn. Bhd.						
IDM Lab Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Internet and digital media lab
Subsidiary of Carey Investments Limited						
Tuba Investments W.L.L. * +	Kingdom of Bahrain	0.5	0.5	99.5	99.5	Investment holding
Subsidiaries of Cenviro Sdn. Bhd.						
Abu Dhabi Kualiti Alam Environmental Services LLC ("ADKA") *	Abu Dhabi	100.0	100.0	-	-	Under members voluntary liquidation



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Cenviro Sdn. Bhd. (cont'd.)						
Cenviro Services Sdn Bhd ("CS")	Malaysia	100.0	100.0	-	-	Sole agent for collecting and scheduled waste
Cenviro Special Builders Sdn. Bhd. ("CSB")	Malaysia	100.0	100.0	-	-	Provision of project management consultant for integrated environmental solutions
Cenviro Recycling and Recovery Sdn. Bhd. ("CRR")	Malaysia	100.0	100.0	-	-	Provision of waste recycling and recovery services
Cenviro (Johor) Sdn. Bhd. ("CJSB")	Malaysia	100.0	100.0	-	-	Has not commenced business operations
Cenviro Green Energy Sdn. Bhd. ("CGE")	Malaysia	100.0	100.0	-	-	Investment holding
Environmental, Preservation and Innovation Centre Sdn. Bhd. ("EPIC")	Malaysia	100.0	100.0	-	-	Provision of training, consultancy, research and development, publication, innovation and commercialisation
Kualiti Alam Sdn. Bhd. ("KASB")	Malaysia	100.0	100.0	-	-	Undertake the collection, transportation, treatment and disposal of scheduled waste

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**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
<b>Subsidiary of CRR</b>						
Recycle for Life Sdn. Bhd. ("RFL")	Malaysia	100.0	100.0	-	-	Undertake the collection and handling of recyclable items
<b>Subsidiary of CGE</b>						
Cenviro Green Energy Melaka Sdn. Bhd. ("CEGM")	Malaysia	100.0	100.0	-	-	Has not commenced business operations
<b>Subsidiary of KASB</b>						
Kualiti Alam Lahat Sdn. Bhd. ("KAL")	Malaysia	70.0	70.0	30.0	30.0	Has not commenced business operations
<b>Subsidiary of Cosmos Friendship Limited</b>						
KCS Green Energy International (Group) Investments Company Ltd.	Hong Kong	100.0	100.0	-	-	Investment holding
<b>Subsidiaries of KCS Green Energy International</b>						
KCS Jining Investments Company Limited	Hong Kong	100.0	100.0	-	-	Investment holding
KCS Huai'an Investments Company Limited	Hong Kong	100.0	100.0	-	-	Investment holding
<b>Subsidiaries of Granatum Ventures Sdn. Bhd.</b>						
Candelon Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Under members voluntary liquidation

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Granatum Ventures Sdn. Bhd. (cont'd.)						
Iskandar Malaysia Studios Sdn. Bhd. ("IMS")	Malaysia	100.0	100.0	-	-	Investment holding
Rhizophora Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiary of Candelon Ventures Sdn. Bhd.						
Imagica South East Asia Sdn. Bhd.	Malaysia	100.0	100.0	-	-	In members' voluntary liquidation
Subsidiary of Iskandar Ventures Sdn. Bhd.						
Jasmine Acres Sdn. Bhd.	Malaysia	66.7	66.7	33.3	33.3	Investment holding
Southview Hills Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiary of Khazanah Nasional Consulting (Hong Kong) Company Ltd						
Khazanah Nasional Consulting (Beijing) Company Ltd	China	100.0	100.0	-	-	Consultancy services on business, market information, project management, etc.
Khazanah Nasional Business Consulting (Shanghai) Co. Ltd	China	100.0	100.0	-	-	Consultancy services on business, market information, project management, etc.

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**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of Mantanani Ventures Sdn. Bhd.						
Khazanah Turkey Regional Office Danismanlik Hizmetleri A.S.	Turkey	100.0	100.0	-	-	Investment holding
Subsidiary of Noring Investments (Mauritius) Limited						
Mostyn Investments (Mauritius) Limited	Mauritius	100.0	100.0	-	-	Investment holding
Subsidiary of Ophir Ventures Sdn. Bhd.						
ReGen Rehabilitation International Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Provision of post-acute inpatient rehabilitation services
Subsidiaries of Payar Investments Limited						
Cenergi SEA Sdn. Bhd.	Malaysia	97.0	92.9	3.0	7.1	Investment holding and provision of advisory services
Subsidiaries of Cenergi SEA Sdn. Bhd.						
Cenergi Carbon Ltd.	Malaysia	100.0	100.0	-	-	Emission reduction project operations

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Cenergi SEA Sdn. Bhd. (cont'd.)						
Cenergi EE Holdings Sdn. Bhd. ("CEEH")	Malaysia	100.0	100.0	-	-	Renewable energy developers in solar and energy efficiency and investment holding
Cenergi RE Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding and provision of operation and maintenance services
Cenergi Operations and Maintenance Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Operation and maintenance services of renewable energy power plants
Cenergi Green Utilities Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to develop renewable generation distribution
Cenergi Refuel Sdn. Bhd. (f.k.a. Cenergi Eco Power Sdn. Bhd.)	Malaysia	100.0	100.0	-	-	Intended for development and operations of biomass pellet manufacturing facilities and conducting manufacturing activities to produce biomass pellet.
Subsidiary of Cenergi EE Holdings Sdn. Bhd.						
Cenergi EE Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Energy efficiency project operations

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Cenergi RE Sdn. Bhd.						
Cenergi Palong Sdn. Bhd. (formerly known as ("f.k.a.") Biopower Climate Care Sdn. Bhd.)	Malaysia	100.0	100.0	-	-	Contracting and construction of a renewable energy plant
Cenergi Sua Betong Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi Cheekah Sdn. Bhd. ( f.k.a. GLT Energy Sdn. Bhd.)	Malaysia	60.0	60.0	40.0	40.0	Contracting and construction of a renewable energy plant
Cenergi Tanah Makmur Sdn. Bhd. ( f.k.a. Metro Havana Sdn. Bhd.)	Malaysia	70.0	70.0	30.0	30.0	Contracting and construction of a renewable energy plant
Cenergi Pantai Remis Sdn. Bhd. (f.k.a Pantai Remis Cenergi Sdn. Bhd.)	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi EPC Sdn. Bhd.	Malaysia	100.0	100.0	-	-	To carry on business of engineering procurement and construction
Cenergi Tennamaram Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi Hamparan Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Cenergi RE Sdn. Bhd. (cont'd.)						
Cenergi Elphil Sdn. Bhd. (f.k.a.Cenergi Green Power Sdn. Bhd.)	Malaysia	100.0	100.0	-	-	Dormant
Cenergi Chersonese Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi West Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi Sri Ganda Sdn. Bhd.	Malaysia	75.0	75.0	25.0	25.0	Intended to contract and construct a renewable energy plant
Cenergi Langkap Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi Endah Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Bell Cenergi YP Sdn. Bhd.	Malaysia	80.0	80.0	20.0	20.0	Intended to contract and construct a renewable energy plant
Bell Cenergi BP Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Cenergi Concord Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Cenergi RE Sdn. Bhd. (cont'd.)						
Cenergi Sg Dingin Sdn. Bhd. (f.k.a.Bell Cenergi LD Sdn. Bhd.)	Malaysia	100.0	100.0	-	-	Intended to contract and construct a renewable energy plant
Subsidiary of Cenergi Hamparan Sdn. Bhd.						
PT Gree Hamparan*	Indonesia	95.0	95.0	5.0	5.0	Intended to contract and construct a renewable energy plant
Subsidiary of PMB						
Aircraft Business Malaysia Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Lease of aircraft and provision of related services
Subsidiaries of Pulau Manukan Ventures Sdn. Bhd.						
Xeraya Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment support services
Subsidiary of Xeraya Capital Sdn. Bhd.						
Xeraya Capital Labuan Ltd.	Malaysia	100.0	100.0	-	-	Investment management services
Xeraya Americas Inc. *	State of Delaware	100.0	100.0	-	-	Investment support services



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**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of Pulau Memutik Ventures Sdn. Bhd.						
Pantai Support Services Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	Investment holding
Prince Court Medical Centre Sdn. Bhd.	Malaysia	-	100.0	-	-	Private healthcare
Subsidiary of Pulau Tiga Ventures Sdn. Bhd.						
Continuum Capital Sdn. Bhd.	Malaysia	-	100.0	-	-	Venture capital fund
Subsidiary of Continuum Capital Sdn. Bhd.						
Encipta Ltd.	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiaries of Rhizophora Ventures Sdn. Bhd.						
Angsana Production Services Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Film and television productions consultancy services and production of television series
Rhizophora Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Funding assistance to film or television
Sonneratia Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Stylosa Production Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investing in and co-production of media content

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Rhizophora Ventures Sdn. Bhd. (cont'd.)						
Apareiba Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Under members' voluntary liquidation
Subsidiaries of Angsana Production Services Sdn. Bhd.						
Marco Polo Productions Asia Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Under members' voluntary liquidation
AGT Productions Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Under members' voluntary liquidation
Subsidiaries of Sonneratia Capital Sdn. Bhd.						
Elektra One Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investing and co- production of media content
Elektra Two Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investing and co- production of media content
Elektra Three Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Under members' voluntary liquidation
Subsidiaries of Santubong Ventures Sdn. Bhd.						
PT Pantai Damai	Indonesia	-	99.0	-	-	Under members' voluntary liquidation

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Silterra						
Pembinaan Waferfab Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	Trading of Solid State Drive ("SSD") products
Silterra Sales and Marketing Sdn. Bhd. ("SSM") *	Malaysia	100.0	100.0	-	-	Sale and marketing of advanced semiconductor products
Silterra Capital Berhad ("SCB") *	Malaysia	100.0	100.0	-	-	Providing funding to holding company
Subsidiary of SSM						
Silterra Sales and Marketing (L) Ltd. ("SSML") *	Malaysia	100.0	100.0	-	-	Sale and marketing of advanced semiconductor products
Subsidiary of SSML						
Silterra USA, Inc.	United States of America	100.0	100.0	-	-	Dormant
Subsidiary of Synapse Education Holdings Sdn. Bhd.						
LeapEd Services Sdn. Bhd.	Malaysia	-	100.0	-	-	To provide educational services to the school sector in Malaysia.
Subsidiary of Tanjung Bidara Ventures Sdn. Bhd.						
Tanjong Aru Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Provision of sports facilities

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**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiary of Tanjong Aru Capital Sdn. Bhd.						
Mulu Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Provision of cricket facilities
Subsidiary of Teluk Belanga Investment Ltd.						
Bagan Lalang Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiary of Teluk Cempedak Investments (Mauritius) Limited						
Khazanah India Advisors Private Ltd. ***	India	100.0	100.0	-	-	Investment advisory
Subsidiaries of Titiwangsa Investments (Mauritius) Limited						
Panorama Investments (Mauritius) Limited	Mauritius	100.0	100.0	-	-	Investment holding
Ramunia Investments (Mauritius) Limited	Mauritius	100.0	100.0	-	-	Investment holding
Subsidiary of Tulai Beach Ventures Sdn. Bhd.						
Avicennia Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2020 %	2019 %	2020 %	2019 %	
Subsidiaries of Avicennia Capital Sdn. Bhd.						
Renggis Ventures Sdn. Bhd.	Malaysia	96.0	96.0	4.0	4.0	Investment holding
Kuala Gula Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Pasir Kalong Investments Limited	Malaysia	100.0	100.0	-	-	Investment holding
Tanjung Piai Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Tasik Bera Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Burau Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiaries of Renggis Ventures Sdn. Bhd.						
SunLife Malaysia Assurance Bhd. *	Malaysia	49.0	49.0	51.0	51.0	Underwriting of life insurance and investment-linked business
SunLife Malaysia Takaful Bhd. *	Malaysia	49.0	49.0	51.0	51.0	Management of family takaful, general takaful and investment-linked takaful business

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**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Accounting model applied	Principal activities
Associate of ARHSB					
NL Cold Chain Network (M) Sdn. Bhd. (Formerly known as Cold Chain Network (M) Sdn. Bhd.)	Malaysia	60.0	60.0	Equity method	Business in temperature controlled logistics warehousing services
Associate of Bukit Galla Investments Limited					
WeLab Holdings Ltd *	British Virgin Islands/Hong Kong	9.7	9.7	Equity method	Online credit analytics and lending platform
Associate of CRR					
Shan Poornam Sdn. Bhd. ("SPSB")	Malaysia	40.0	40.0	Equity method	Investment holding
Associate of Cosmos Friendship Limited					
Beijing Enterprises Environment Group Ltd *	Hong Kong	23.1	23.1	Equity method	Investment holding
Associate of Gemia Investments Limited					
Fajr Capital Limited *	Saudi Arabia	19.1	19.1	Equity method	Provision in Islamic finance services

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %        %		Accounting model applied	Principal activities
Associate of MAFC					
Monoluxury Sdn. Bhd.*	Malaysia	20.0	20.0	Equity method	Cultivation, processing and trading of vegetables and related vegetable products
Associate of Mataking Ventures Sdn. Bhd.					
General Fusion Inc.*	Canada	4.3	8.4	Equity method	Nuclear fusion
Associate of Mount Bintang Ventures Sdn. Bhd.					
edotco Group Sdn. Bhd. *	Malaysia	10.6	10.6	Equity method	Integrated telecommunications infrastructure services
Associate of Pantai Air Papan Ventures Sdn. Bhd.					
VTI Group *	Vietnam	16.9	16.9	Equity method	Operates leading local F&B chains and international modern retails brands
Associate of Pantai Cahaya Bulan Ventures Sdn. Bhd.					
Astro Malaysia Holdings Berhad ("AMHB") *	Malaysia	20.7	20.7	Equity method	Media entertainment

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020 2019 % %		Accounting model applied	Principal activities
<b>Associates of Pantai Support Services Sdn. Bhd.</b>					
Unitab Medic Sdn. Bhd. *	Malaysia	30.0	30.0	Equity method	Investment holding and supervision of medical examination of foreign workers in Malaysia
<b>Associate of Panorama Investment (Mauritius) Ltd</b>					
Actoserba Active Wholesale Private Limited *	India	-	22.5	Equity method	Online retailer of women innerwear in India.
<b>Associate of Pasir Salak Investments Limited</b>					
8990 Holdings Inc. *	Philippines	8.8	8.7	Equity method	Housing development
<b>Associate of Pulau Kapas Ventures Sdn. Bhd.</b>					
TIME dotCom Berhad *	Malaysia	8.8	9.1	Equity method	Investment holding, provision of management and marketing/promotional services and retailing of telecommunications products
<b>Associate of Pulau Memutik Sdn. Bhd.</b>					
IHH Healthcare Bhd. *	Malaysia	26.0	26.0	Equity method	Investment holding and healthcare service provider



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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %        %		Accounting model applied	Principal activities
Associate of Pulau Tiga Sdn. Bhd.					
Continuum Capital II Limited Partnership	Malaysia	99.0	99.0	Equity method	Venture capital fund
Fashion Valet Sdn. Bhd.*	Malaysia	9.0	9.0	Equity method	Online fashion platform
Associate of Ramunia Investments (Mauritius) Limited					
Vas Data Services Private Limited *	India	14.6	14.6	Equity method	Online retailer
Associates of Redang Investments Limited					
ACR Capital Holdings Pte. Ltd. *	Singapore	24.7	24.7	Equity method	Provision of reinsurance services
Associate of Shan Poornam Sdn. Bhd.					
Shan Poornam Metals Sdn. Bhd. ("SPM")	Malaysia	40.0	40.0	Equity method	Collection, processing and recycling of scraps
Shan Poornam Global Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Industrial waste recovery

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %        %		Accounting model applied	Principal activities
Associate of Shan Poornam Metals Sdn. Bhd. ("SPM")					
ENS 4R Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Collection, processing and recycling of scraps
Shan Poornam Metals (Sarawak) Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Collection, processing and recycling of scraps
Shan Poornam Metals (Selangor) Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Collection, processing and recycling of scraps
Shan Poornam Metals (Johor) Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Collection, processing and recycling of scraps
Shan Poornam Green Tech Sdn. Bhd.	Malaysia	40.0	40.0	Equity method	Dormant
Associate of Tanjung Tuan Investments Limited					
Blippar.com Limited *	England and Wales	11.4	11.4	Equity method	Mobile visual-search app developer
Joint venture of ARHSB					
Commerce-KNB Agro Teroka Sdn. Bhd. ("CKAT") *	Malaysia	67.0	67.0	Equity method	Agriculture venture capital
The Holstein Milk Company Sdn. Bhd. *	Malaysia	30.0	30.0	Equity method	Involved in dairy farming, processing and distribution of fresh dairy produce

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %        %		Accounting model applied	Principal activities
Joint venture of BAB					
AB Hatchery Sdn. Bhd.	Malaysia	51.0	51.0	Equity method	Post larvae farming and trading
Joint venture of Cenergi SEA					
Cenergi FJP Sdn. Bhd. ("CFJP") *	Malaysia	51.0	51.0	Equity method	Operation of green power generation facilities and plants
Cenergi Sunseap Energy Solutions Sdn. Bhd. ("CSES")	Malaysia	60.0	60.0	Equity method	Renewable energy developer in solar and energy efficiency
Joint venture of Cenviro Sdn. Bhd.					
E-Idaman Sdn. Bhd. ("EISB")	Malaysia	50.0	50.0	Equity method	Investment holding, provision of project management, consultancy and contracting services in the field of solid waste management
Joint venture of EISB					
Environment Idaman Sdn. Bhd.	Malaysia	50.0	50.0	Equity method	Provision of integrated solid waste and public cleansing management any other related business in the Northern Region of Peninsular Malaysia

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Accounting model applied	Principal activities
Joint venture of EISB (cont'd.)					
Environment Idaman (Kedah and Perlis) Sdn. Bhd.	Malaysia	50.0	50.0	Equity method	Provision of integrated solid waste collection and public cleansing management services, including technical expert services in waste management
Green Resources Recovery Sdn. Bhd.	Malaysia	50.0	50.0	Equity method	Provision of project management, consultancy and contracting services in the field of solid waste and public cleansing management services and dealing with recyclable items and facilities
Environment Idaman (Perak) Sdn. Bhd.	Malaysia	50.0	50.0	Equity method	Provision of integrated solid waste collection and public cleansing management services, including technical expert services in waste management
Joint venture of Dayang Bunting Ventures Sdn. Bhd.					
Sunway Iskandar Sdn. Bhd. *	Malaysia	40.0	40.0	Equity method	Investment holding

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2020 %	2019 %		
Joint venture of Pantai Cahaya Bulan Ventures Sdn. Bhd.					
Astro Holdings Sdn. Bhd. *	Malaysia	29.3	29.3	Equity method	Investment holding
Joint venture of Pulau Selangan Investments Limited					
DaVita Care Pte Ltd *	Singapore	-	20.0	Equity method	Healthcare service
Joint venture of Sungai Pulai Investments (Mauritius) Limited					
M+S Pte. Ltd.	Singapore	60.0	60.0	Equity method	Property development
Joint venture of Stylosa Productions Sdn. Bhd.					
Ideate Media Sdn. Bhd. *	Malaysia	50.0	50.0	Equity method	Create platforms to invest,develop, own and monetise intellectual property creative assets

**Khazanah Nasional Berhad**  
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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

**(G) Other subsidiaries, associates and joint ventures of the Group (cont'd.)**

Name	Country of incorporation/ principal place of business	Effective interest~ 2020    2019 %       %		Accounting model applied	Principal activities
Joint venture of Tanjung Bidara Ventures Sdn. Bhd.					
Southern Marina Development Sdn. Bhd. *	Malaysia	30.0	30.0	Equity method	Property development
Joint venture of Teluk Rubiah Ventures Sdn. Bhd.					
Pulau Indah Ventures Sdn. Bhd. *	Malaysia	50.0	50.0	Equity method	Township development
Joint ventures of Pulau Manukan Ventures Sdn. Bhd.					
Malaysian Life Sciences Capital Fund Management Co. Ltd. *	Malaysia	-	-	Equity method	Under liquidation
MLSCF II (DP) Ltd @*	Malaysia	50.0	50.0	Equity method	Investment management holding
MLSCF Management (Labuan), LLP	Malaysia	50.0	50.0	Equity method	Investment management services
MLSCF II (GP) (Labuan), LLP	Malaysia	50.0	50.0	Equity method	General partner of MLS Capital Fund II, LP

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**78. Subsidiaries, associates and joint ventures of the Group (cont'd.)**

- \* Audited by firms of auditors other than Ernst & Young.
- ^^ Although the Company does not hold ordinary shares in the associates, the Company exerts significant influence by virtue of the Company's holding in the preference shares in the respective associates which gives the Company the right to appoint directors on the board of the respective associates.
- + The Group's effective interest in Tuba Investments WLL is 100%, comprising 99.5% held by Aur Investments (Cayman Islands) Limited and 0.5% held by Carey Investments (Cayman Islands) Limited.
- \*\*\* The Group's effective interest in Khazanah India Advisors Private Ltd. is 100%, comprising 99.9% held by Teluk Cempedak Investments (Mauritius) Limited and 0.1% held by Chendering Investments Ltd.
- ^ The Group's effective interest in Invendo Medical GmbH is 21.2%, which is held by Pulau Duyung Ventures (Cayman Islands) Ltd. And ISKA Holding S.à.r.l. of 10.6% each.
- @ In accordance with the respective partnership agreements, the rights to participate in any distributions can only be exercised upon contribution of the partnership capital. As of the reporting date, the Group has yet to make any capital contribution.

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**79. Directors of subsidiaries**

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including Directors of the Company who have been listed in the Directors' Report) are:

Abdul Rashid Karim Mohd Razha  
Adi Saufi bin Mohamad Daud  
Afizul Aezhar Sharifuddin  
Ahmad Fadzli bin Zainudin  
Ahmad Jauhari bin Yahya  
Ahmad Luqman Bin Mohd Azmi  
Amalanathan Thomas  
Aminah Binti Othman  
Aminuddin Bin Zakaria  
Amir Hamzah bin Nordin  
Amiruddin Bin Daud  
Amirul Fares Bin Wan Zahir  
Amlah Binti Yassin  
Amran Hafiz Affifudin  
Andreas Weiss  
(Alternate Director to Helmuth Blasch)  
Anil Thadani  
Anoop Damodar Gupta  
Aqilah Binti Che Azizuddin  
Aubrey Lim Ying Yueh  
Azman bin Mohd Hussein  
Azmin Bin Isa  
Azrie Wong Bin Abdul Karim  
Babar Ali Khan  
Badrul Hisham bin Dahalan  
Ben Chan Wei Beng  
Boo Hui Yee  
Brett Thomas Adolf Rubi  
Bryan Foong Chee Yeong  
Bryan Lim Tsin Lin  
Calvin Razeem R Jacob  
Caroline Goergen  
Chan Cheow Hong  
Chan Chee Yean  
Cheah Jit Pen  
Chen Yen-Yu  
Cheong Su Wei  
Chew Poh Chuan  
Chinta Madhav  
Chong Yit Phin  
Christina Foo



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**79. Directors of subsidiaries (cont'd.)**

Daniel Tan Sze Hun  
Datin Paduka Che Asmah Ibrahim  
Datin Zainabbi Binti Abubacker  
Dato' Ahmad Omar  
Dato' George Stewart LaBrooy  
Dato' Haja Najmudeen K P M Abd Kader  
Dato' Haji Mohd Salleh bin Yeop Abd. Rahman  
(Alternate director to Tan Sri Dato' Sri Haji Esa bin Mohamed)  
Dato' Hj Noorazam bin Dato' Osman  
Dato' Khodijah Binti Abdullah  
Dato' Leong Kin Mun  
Dato' Mohamed Nasri Sallehuddin  
Dato' Mohd Izani Ghani  
Dato' Mohd Khalis Bin Abd Rahim  
Dato' Mohd Salleh Bin Ahmad Tabrani  
Dato' Mohd Shukri Bin Hussin  
Dato' Noorazman Abd Aziz  
Dato' Norhalim bin Yunus  
Dato' Ooi Sang Kuang  
Dato' Quah Thain Khan  
Dato' Roslan Ibrahim  
Dato' Sr. Hisham Jafrey  
Dato' Sri Ghazali Bin Mohd Ali  
Dato' Tan Thean Thye  
Datuk Dr Mohamed Arif Bin Nun  
Datuk Dr Syed Muhamad Bin Syed Abdul Kadir  
Datuk Ir. Khairil Anwar bin Ahmad  
Datuk Mohamad Hishammudin Bin Hamdan  
Datuk Nik Airina Nik Jaffar  
Datuk Ong Siew Swan  
David Lau Nai Pek  
Diyana Binti Abdul Rahim  
Doctor Javier Santiso Guimaras  
Dr. Chan Tuck Leong  
Dr. Farid Mohamed Sani  
Dr Sakina Sofia binti Baharom  
Dumisani Blessing Mnganga  
Dzulkifly Bin Hassan  
(Alternate Director to Tuan Haji Lukman Bin Abu Jari @ Abu Bakar)  
Effizal Faiz bin Zulkifly  
Elakumari a/p Kantilal  
Emily Kok  
Enita Azlina Binti Osman  
Erika Mushtarina Bin Mat Ariffin  
Eysa Zulkifli

**Khazanah Nasional Berhad  
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**79. Directors of subsidiaries (cont'd.)**

Faizal bin Mohd Yusof  
Fardan Abdul Majeed  
Faridah Binti Bakar Ali  
Fatweena Uteene Mahamod  
Fauzidah binti Abdul Rahman  
Festus A Christ Dhas  
Firdaus Bin Abdullah  
Gan Hsiang Lin  
Goh Keat Siang  
Graeme Walwyn  
Guna Segaran A/L Alagappan  
Gurdip Singh Sidhu A/L Gurbachan Singh  
Hafriz Bin Abdul Rahman  
Han Jun Siew  
Hannah Lyana Lee Abdullah  
Harman Faiz Habib Muhamad  
Hau Yean Ching  
Hazurin Harun  
Helmuth Blasch  
Huang Wan Hung  
Ibrahim Bin Mohamed Salleh  
Idjarmizuan bin Ibrahim  
Idris Mohd Noh  
Imran Abdul Rahim  
Ir. Nurul Amani Rashid  
Izham Ismail  
Jalaluddin Bin Dato' Mohd Jarjis  
Jehanne Goh Yen Qi  
Jesudason Selvaraj  
Johari Jalil  
Johari Shukri bin Jamil  
Jose Isidro Navato Camacho  
Juhana Binti Hamzah  
Kamalam Pillay Rungapadiachy  
Kamarudin Bin Kamilin  
Kamarul Anuar Mohamad Kamar  
Karina Binti Ridzuan  
Khairul Anwar Mohd Dewan  
Koay Wen Hoong  
Kutbuddin Asgar Ali  
Kwan Joon Hoe  
Lai Wei Ming  
Lau Yin May  
Lee Heng Meng

**Khazanah Nasional Berhad  
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**79. Directors of subsidiaries (cont'd.)**

Lee Jia Zhang  
Lee Lin Chien  
Lee Siow Woon  
Lee Tong Hee  
Lee Wen Ling  
Leo Michel Grepin  
Lila Azmin Abdullah  
Lim Sooi San  
Lim Tau Kien  
Lim Teck Wee  
Lim Tong Hee  
Lim Wah Seng  
Lim Wei Hsien  
Lim Woong Bin  
Liong Kok Kit  
Lock Jian Wah  
Loh Tzu Anne  
Lok Ngai Heng  
Low Chee Yen  
Marilyn Teoh May Lyn  
(Alternate Director to Badrul Hisham bin Dahalan)  
Marouf Moutairou  
Marzuki Bin Hj Madon  
Mas Adura Binti Awang @ Ab Majid  
Mat Sahwira bin Tamat  
(Alternate Director to Norliza binti Suleiman)  
May Cheong Su Wei  
Mazli Mohamed Ayob  
Megat Shahir Bin Megat Mohamed Supian  
Melanie Muhidin  
Melinda Omar  
Michael (Mike) Robert Ashburn  
Mohamad Affendi Yusoff  
Mohamad Faizal Mohamad  
Mohamad Hanafi Bin Salehuddin  
Mohamad Rafiq Bin Mubarak Ali  
Mohamad Zamani Razali  
Mohd Azarull Ahadi bin Abdullah  
Mohd Azharuddin bin Mat Sah  
Mohd Nadziruddin Bin Mohd Basri  
Mohd Norsuradi bin Man  
Mohd Razif Mohd Yusoff  
Mohd Salehoddin bin Abdul Hamid

**Khazanah Nasional Berhad  
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**79. Directors of subsidiaries (cont'd.)**

Mohd Zulkefly Bin Ujang  
Muhammad Noor Abd Aziz @ Hashim  
Muhammad Syauqi Bin Ab Samad  
Muhd Noor bin Muhd Yunus  
Muntasir Mohamad Zain  
Naiken Veerasamy  
Ng Eu Gin  
Nik Marien Nik Ahmad Kamal  
Nik Nazhah Binti Nik Abdul Aziz  
Nor Azree Bin Md Daros  
Nor Din Abdullah  
Nor Suhaila binti Abdul Latif  
Norhafizah binti Sahari  
(Alternate Director to Zalinah binti A. Hamid)  
Norliza binti Suleiman  
Nubly Zainuham Ambotang  
Nurolamin Abas  
Nurul Iman Mohd Zaman  
Olivier Richard  
Ong Chee Wei  
Ong King How  
Ong Li Mei  
Ooi Say Teng  
Park Jung Hoo  
Paul Sandanasamy Richard  
Pee Boon Hooi  
Philip anak Kevin Akeu  
Philip See Yew Jin  
Philippa Smith Lambert  
Prakash Prasannan  
Preamakanthan A/L D Kanapathy  
Prof Dr Rofina Yasmin Binti Osman  
Prof. Philip Sutton Cox  
Puan Sri Datin Teng Siew Kean  
Pushpanathan A/L S.A. Kanagarayar  
Quek Pei Lynn  
Rahimah Binti Farjan Ali @ Pasan Ali  
Rajgopal Rajkumar  
(Alternate director to Anil Thadani)  
Rakesh Devasish Jena  
(Alternate Director to Dr. Chan Tuck Leong)  
Ramlan Khamis  
Reagan Chan Chung Cheng  
Roli Shukla  
Ronnie Khoo Boo Eam

**Khazanah Nasional Berhad  
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**79. Directors of subsidiaries (cont'd.)**

Roslina Binti Abdul Rahman  
Roslina Binti Arbak  
Rosliza binti Zukkafli  
Rosni Tarip  
Rowina Ghazali Seth  
Ruziah Binti Abdul Latif  
Saeed Abdulla Omar Saeed Al Amoudi  
Samir Balkrishna Pansare  
Samuel Ooi Thean Aun  
Savinilorna Payandi Pillay Ramen  
Saw Seong Keat  
Sawkut Oomarly Bundhoo  
Selvendran Katheerayson  
Seow Hai Yoong  
Shafidz Iswandi Azhar  
Shahin Farouque Bin Jammal Ahmad  
Shahira Binti Ahmed Bazari  
Shahril Ibrahim  
Shamini a/p Veerasingam  
Shankar Menon a/l Krishnan @ Vasuthavan  
Sharmanand Jhurreea  
Sharon Ruba A/P Krishnamurthy  
Sharuddin Omar Hashim  
Siah Boon Kiat  
Siti Aishah Binti Abdul Samad  
Siti Emilia Mamat  
Sitthambaranatha Gandhi Suppiah  
Sivaramakrishnan Narayanan Ayakkad  
Sophia Lim Siew Fay  
Stephanie Saw Ai Lin  
Steward Tew Peng Seng  
Sugu Maran Kailasan  
Suhaimi Jamal  
(Alternate Director to Afizul Aezhar Sharifuddin)  
Sundhiraj Sharma  
Suraya binti Mahmud  
Suriana Abdul Hamid  
Suzanne Ng Bee June  
Syed Ahmad Safarudin Syed Zainal Abidin  
Tan Bee Eng  
Tan Bun Poo  
Tan Cheh Tian  
Tan Sri Dato Abdul Rahman bin Mamat  
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong  
Tan Sri Dato' Lim Kang Hoo

**Khazanah Nasional Berhad  
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**79. Directors of subsidiaries (cont'd.)**

Tan Sri Dato' Sri Haji Esa bin Mohamed  
Tan Sri Dato' Yap Suan Chee  
Tan Sri Datuk Chen Lok Loi  
Tan Sri Dr. Azmil Khalili Dato' Khalid  
Tan Sri Tan Boon Seng @ Krishnan  
Tan Mei Shwen Serena  
Tan Wan San  
(Alternate Director to Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong)  
Tay Ting Nuan Fiona  
Tee Mei Ling Diana  
Tengku Dato' Sri Azmil Zahrudin Bin Raja Abdul Aziz  
Teo Ling Ling, Sharon  
Tuan Haji Lukman Bin Abu Jari @ Abu Bakar  
Victor John Zacharias  
Vinod Kumar Saigal  
Virgine Guillaume  
Wong Ah Kow  
Wan Ahmad Saifuddin bin Wan Ahmad Radzi  
Wong Eugene  
Wong Hee Chai  
Wong Khai Shiun  
(Alternate Director to Tan Sri Dato' Lim Kang Hoo)  
Wong Koon Keng  
Wong Peck Ling  
Wong Shu Hsien  
Wong Wai Seng  
Yaw Choon Yee  
Y.A.M. Tunku Ali Redhaudhin Ibni Tuanku Muhriz  
Yap Tze Khong  
Yap Pooi Choo  
Yeo Kar Peng  
Yeoh Keat Seng  
Yap Kheng Han  
YM Ungku Suseelawati Ungku Omar  
Yogesh Gauba  
Yusnianti Binti Muhamed Yusoff  
Yvonne Ho Wai Sum  
Zadil Hanief Mohamad Zaidi  
Zafarin Abd Ghaffar  
Zaida Khalida Binti Shaari  
Zainul Rahim Bin Mohd Zain  
Zaiviji Ismail Bin Abdullah  
Zakaria Ahmad Zabidi  
Zaki Abdul Aziz bin M.H. Daud  
Zalinah binti A. Hamid

**Khazanah Nasional Berhad  
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**79. Directors of subsidiaries (cont'd.)**

Zamri Yusof	
Zane Qamariah Binti Ambotang	
Zarina Ahmad	
Zul Bahari Abu Bakar	
Zul Hisham Bin Hamzah	
Zulfa Ashida Zulkifli	
Ahmad Fariz Bin Ali	(appointed on 16 March 2020)
Afizi bin Azizan	(appointed on 16 March 2020)
Arnaud Arman Paul Daniel Girodon	(appointed on 26 June 2020)
Azlan Afandi bin Sauffee Afandi	
(Alternate director to Dato' Dr Haji Badrul Hisham bin Kassim)	(appointed on 10 June 2020)
Chua Chin Soon	(appointed on 11 September 2020)
Dato' Dr Haji Badrul Hisham bin Kassim	(appointed on 21 May 2020)
Dr. Nik Fawaz Nik Abdul Aziz	(appointed on 1 January 2020)
Halina Jael binti Abu Bakar	(appointed on 1 January 2021)
Haris Hardi Bin Zakaria	(appointed on 17 July 2020)
Hoe Teck Wei	(appointed on 26 June 2020)
Lau May Yee	(appointed on 14 January 2020)
Laxman Deepak Vaidya	(appointed on 2 February 2021)
Leong Kar Yung	(appointed on 13 January 2020)
Lim Chwee Muei	(appointed on 3 January 2020)
Lim Siew Li	(appointed on 14 February 2020)
Mak Pooi Teng	
(Alternate director to Ronnie Khoo Boo Eam)	(appointed on 27 July 2020)
Mohd Safi bin Wazir	
(Alternate Director to Mohd Salehoddin bin Abdul Hamid)	(appointed on 16 March 2020)
Razman Ismail	(appointed on 13 January 2020)
Saidatul Azrina binti Dzulkifli	(appointed on 26 November 2020)
Siegfried Boerst	(appointed on 28 February 2020)
Stephanie Jane Brooksbank	
(Alternate director to Siegfried Boerst)	(appointed on 1 May 2020)
Tan Sri Wan Zulkiflee bin Wan Ariffin	(appointed on 1 July 2020)
Tan Yi Ling	
(Alternate director to Shahin Farouque Bin Jammal Ahmad )	(appointed on 5 April 2021)
Tinesh Thambaiya A/L Yogarajah	(appointed on 25 August 2020)
Tsen Lee Yee	(appointed on 27 July 2020)
Wong Chin See	(appointed on 26 June 2020)
Zulfiqar Bin Zainuddin	(appointed on 17 July 2020)
Ahmad Zamri Said	(resigned on 28 February 2020)
Ahmad Zulqarnain Bin Che On	(resigned on 30 June 2020)
Alwin Tan Wee Giat	(appointed on 14 February 2020, resigned on 25 August 2020)

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**79. Directors of subsidiaries (cont'd.)**

Amirsham Bin A Aziz	(resigned on 1 January 2021)
Anupum Khaitan	(resigned on 2 February 2021)
Azzam bin Mohamed	(resigned on 21 February 2020)
Azmy Bin Mahbot	(resigned on 22 January 2020)
Budi Mahatma Kusumawardhana	(resigned on 1 April 2020)
Carol Lyn Charmichael Edmuns	
(Alternate Director to Hans Aksel Pedersen)	(resigned on 28 February 2020)
Chang Li Kwon	(resigned on 26 June 2020)
Chang Li Li	(resigned on 14 January 2020)
Datin Teh Ija Binti Mohd Jalil	(resigned on 5 November 2020)
Dato' Ahmad Pardas Bin Senin	(resigned on 1 January 2021)
Dato' Azmir Merican Bin Azmi Merican	(resigned on 21 April 2020)
Dato' Borhanuddin Bin Osman	(resigned on 29 May 2020)
Dato' Dr Nirmala Menon A/P Y.B. Menon	(resigned on 15 January 2020)
Dato' Ramlee bin A Rahman	(resigned on 21 May 2020)
Datuk Akmal bin Ahmad	(resigned on 17 July 2020)
Datuk Khoo Boo Seng	(demised on 15 March 2020)
Datuk Zainun Aishah Binti Ahmad	(appointed on 28 February and resigned on 28 May 2020)
Dr Mohamadon Bin Abdullah	(retired on 31 March 2021)
Dzulkeflie bin Ja'apar	(resigned on 31 January 2021)
Fizulin Binti Mohamed Zin	
(Alternate Director to Suhaimi Bin Halim)	(resigned on 1 January 2020)
Haji Mohd Yazid bin Baharudin	
(Alternate Director to Dato' Ramlee Bin A Rahman)	(resigned on 21 May 2020)
Hans Aksel Pedersen	(resigned on 21 May 2020)
Juniwati Rahmat Hussin	(resigned on 31 March 2020)
Justin Mahmud Hashim	(resigned on 10 April 2020)
Lim Chong Mow	(resigned on 26 June 2020)
Lim Tian Huat	(retired on 9 July 2020)
Loh Wai Yee	(resigned on 26 June 2020)
Low Guat Peng	(resigned on 13 January 2020)
Lynette Yeow Su-Yin	(resigned on 1 January 2021)
Mohamed bin Rastam Shahrom	(resigned on 15 January 2020)
Mohd Fauzi Moh Sakroni	(resigned on 1 April 2020)
Mohd Hasri Bin Haron	(resigned on 29 January 2021)
Mohd Nukman bin Abdul Rahman	(resigned on 16 March 2020)
Muhinder Singh A/L Dasoundha Singh	(resigned on 26 June 2020)
Mustafa Kemal Olgac	(resigned on 15 January 2020)
Nik Rizal Kamil Bin Nik Ibrahim Kamil	(resigned on 3 March 2021)
Norazalina Sham Binti Abdullah	(resigned on 26 June 2020)
Norlymalis Jazmi Bin Kamarudin	
(Alternate Director to Datuk Zainun Aishah Binti Ahmad)	(appointed on 28 February and resigned on 28 May 2020)
(Alternate Director to Dato' Sri Ghazali bin Mohd)	(resigned on 28 February 2020)



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**79. Directors of subsidiaries (cont'd.)**

Nurazeyan Khalis Binti Mohd Khalis (Alternate Director to Roni Lihawa Bin Abdul Wahab)	(resigned on 30 April 2020)
Patrick Cheah Gim Guan	(resigned on 14 January 2020)
Philip John Whittaker	(resigned on 6 May 2020)
Primoehadi Notowidigdo	(resigned on 28 February 2020)
Roni Lihawa Bin Abdul Wahab	(resigned on 30 April 2020)
Shatiran Bin Mohd Idrus	(resigned on 26 June 2020)
Sofia Zakaria	(resigned on 14 January 2020)
Subimal Sen Gupta	(resigned on 7 October 2020)
Suhaimi Bin Halim	(resigned on 1 January 2021)
Tan Sri Dato' Sri Zamzamzairani Mohd Isa	(resigned on 10 November 2020)
Vallo A/L Mutto	(resigned on 25 September 2020)
Y.M. Raja Tan Sri Dato' Seri Arshad Bin Raja Tun Uda	(resigned on 15 January 2020)
Yong Lee Lian	(resigned on 26 June 2020)



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**KHAZANAH NASIONAL BERHAD**  
199301020767 (275505-K)

Level 22, Mercu UEM, Jalan Stesen Sentral 5,  
Kuala Lumpur Sentral, 50470 Kuala Lumpur

T: +603 2034 0000  
F: +603 2034 0300  
E: [info@khazanah.com.my](mailto:info@khazanah.com.my)