



KHAZANAH
NASIONAL



ADVANCING
MALAYSIA



DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

31 DECEMBER 2021

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

Contents	Page
Directors' report	1 - 5
Statement by directors	6
Statutory declaration	6
Independent auditors' report	7 - 10
Corporate information and significant accounting policies	11 - 84
Statement of comprehensive income	85
Statement of financial position	86
Statement of changes in equity	87
Statement of cash flows	88 - 89
Notes to the Company financial statements	90 - 135
Consolidated statement of comprehensive income	136 - 137
Consolidated statement of financial position	138 - 139
Consolidated statement of changes in equity	140 - 141
Consolidated statement of cash flows	142 - 144
Notes to the Consolidated financial statements	145 - 364

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

Directors' report

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2021.

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

	Group RM'000	Company RM'000
Profit for the financial year, net of tax	<u>296,643</u>	<u>416,044</u>
Profit attributable to:		
Owners of the Company	688,953	416,044
Non-controlling interests	<u>(392,310)</u>	<u>-</u>
	<u>296,643</u>	<u>416,044</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 2020:	RM'000
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>

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

Dividends (cont'd.)

The amounts of dividends declared or paid by the Company were as follows (cont'd.):

In respect of the financial year ended 31 December 2021:	RM'000
Interim single-tier dividend on 5,443,953,229 ordinary shares, declared on 25 October 2021 and paid on 28 October 2021	1,500,000
Interim single-tier dividend on 5,443,953,229 ordinary shares, declared on 27 November 2021 and paid on 22 December 2021	500,000
	<u>2,000,000</u>

The Directors do not recommend the payment of any final dividend for the financial year ended 31 December 2021.

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. Dato' Sri Ismail Sabri bin Yaakob (Appointed on 29 September 2021)
Y.A.B. Tan Sri Dato' Mahiaddin bin Hj Mohd Yassin (Resigned on 20 September 2021)
Y.B. Dato' Seri Mohamed Azmin bin Ali
Y.B. Senator Tengku Datuk Seri Utama Zafrul bin Tengku Abdul Aziz
Y. Bhg. Tan Sri Mohammed Azlan bin Hashim
Y. Bhg. Datuk Azian binti Mohd Aziz
Y. Bhg. Dato' Zainal Abidin bin Putih
Mr. Goh Ching Yin
Mr. Lau Seng Yee
Y. Bhg. Dato' Amirul Feisal bin Wan Zahir (Appointed on 16 July 2021)
Y. Bhg. Tan Sri Shahril Ridza bin Ridzuan (Resigned on 15 July 2021)

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.

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 RM2,822,221 and RM630,043 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.

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

Redemption of redeemable cumulative convertible preference shares ("RCCPS")

During the financial year, the Company has redeemed 1,000,000 units of RCCPS of RM1 each out of profits and had been transferred to the share capital.

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 28 April 2022.

Signed

Goh Ching Yin

Signed

Dato' Amirul Feisal bin Wan Zahir

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

We, Goh Ching Yin and Dato' Amirul Feisal bin Wan Zahir, 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 364 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 2021 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 28 April 2022.

Signed

Goh Ching Yin

Signed

Dato' Amirul Feisal bin Wan Zahir

**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 364 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
(Incorporated in Malaysia)

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 2021 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 364.

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 2021, 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
Khazanah Nasional Berhad (cont'd.)
(Incorporated in Malaysia)

Information other than the financial statements and auditors' report thereon (cont'd.)

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

199301020767 (275505-K)

Independent auditors' report to the members of
Khazanah Nasional Berhad (cont'd.)
(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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.

199301020767 (275505-K)

Independent auditors' report to the members of
Khazanah Nasional Berhad (cont'd.)
(Incorporated in Malaysia)

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
28 April 2022

Signed

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

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 28 April 2022.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.2 Changes in accounting policies

On 1 January 2021, the Group and the Company adopted the new and amended MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2021.

Effective for financial periods beginning on or after 1 January 2021

Amendment to MFRS 4	Insurance Contracts (on Interest Rate Benchmark Reform - Phase 2)
Amendment to MFRS 7	Financial Instruments: Disclosures (on Interest Rate Benchmark Reform - Phase 2)
Amendments to MFRS 9 and MFRS 139	Financial Instruments (on Interest Rate Benchmark Reform - Phase 2)
Amendments to MFRS 16	Leases (on Interest Rate Benchmark Reform - Phase 2) (COVID-19 Related Rent Concessions)

The adoption of the above amendments did not have any material impact on the financial performance or position of the Group and of the Company.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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:

Intangible asset	Nature	Useful life
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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%
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>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 are 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.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 relationships 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 are 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
Leasehold land	15 - 99 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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").

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

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 separate performance obligation based on the stand-alone selling price ("SSP"), by allocating the SSP adjusted by expected forfeiture (breakage) 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 liability (contract liabilities) in the statement of financial position until they are redeemed and utilised.

Revenue from the award points is recognised at the point in time when the points are expired. Revenue from the award points which are redeemed into flight tickets is recognised over time in line with passenger revenue. The amount of revenue recognised when the points are redeemed is based on the number of points redeemed relative to the total number of points expected to be redeemed.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.25 Revenue and income recognition (cont'd.)

(k) Hotel, themed parks and golf revenues

Hotel room revenue is recognised when service is rendered to the customer over their stay at the hotel. Advance deposits on hotel rooms are recorded as contract liability until services are provided to the customer.

Revenue from sale of goods or services is recognised when the food, beverage, entertainment and retail goods are delivered, rendered or control transferred to the customers. Payment of the transaction price is due immediately when the customer purchases the food and beverage or retail goods. Ticket revenue and green fees are recognised at point of entry and advance ticket sales for theme parks are recorded as contract liability until services are rendered.

Revenue from annual passes that entitle a customer to continued visits to the parks or golf courses over a period of time is deferred and then recognised evenly over the period that the pass is valid.

Revenue from sponsorship which consists of initial and annual fees from sponsors are amortised across the tenure of the contracts or accrual basis subject to the terms and conditions of individual contract.

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.25 Revenue and income recognition (cont'd.)

(l) Revenue on public-private service arrangements (cont'd.)

(ii) Operation services

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

(m) Training income

Income from training is recognised in the year the services are provided. Advance payment received from training is recognised as deferred income under current liabilities in the statement of financial position.

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.

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.26 Income tax (cont'd.)

(b) Deferred tax (cont'd.)

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

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

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

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.

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.

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

2.27 Foreign currencies (cont'd.)

(c) Foreign operations (cont'd.)

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")).

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

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.

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.30 Insurance business (cont'd.)

(a) Product classification (cont'd.)

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.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.30 Insurance business (cont'd.)

(a) Product classification (cont'd.)

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.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.30 Insurance business (cont'd.)

(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.

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

2.30 Insurance business (cont'd.)

(c) Insurance/Takaful receivables (cont'd.)

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.

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.)

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.

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 are 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 review 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 consider all contractual cash flows and compare 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 are 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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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.

Description	Effective for financial periods beginning on or after
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
MFRS 1: First-time Adoption of International Financial Reporting Standards - Subsidiary as a First-Time Adopter	1 January 2022
MFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities	1 January 2022
MFRS 41 Agriculture – Taxation in fair value measurements	1 January 2022
Amendments to MFRS 108 – Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 101 and MFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
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 Group and of the Company.

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

(a) 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.

(b) 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.

(c) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

(d) MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards - Subsidiary as a First-Time Adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of MFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to MFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of MFRS 1.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

(e) MFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

(f) MFRS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of MFRS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of MFRS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

(g) Amendments to MFRS 108 – Definition of Accounting Estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

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

(g) Amendments to MFRS 108 – Definition of Accounting Estimates (cont'd.)

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

(h) Amendments to MFRS 101 and MFRS Practice Statement 2: Disclosure of Accounting Policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to MFRS 101 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

(i) Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

(j) 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);
- (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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

(j) 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.

(k) 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.

(l) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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).

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 RM328 million (2020: RM1,066 million) and RM2,086 million (2020: RM5,220 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 2021 is RM1,415 million (2020: RM1,410 million). Further details are disclosed in Note 46 to the financial statements.

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

5. Significant accounting estimates (cont'd.)

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

(iii) Impairment of aircraft included in property, plant and equipment (cont'd.)

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.

(vi) Net realisable value of completed property units held for sale classified as inventories

Properties held for sale classified as inventories are stated at the lower of cost or net realisable value. The Group estimates the net realisable value based on an assessment of expected sales prices. Properties held for sale are reviewed on a regular basis and the Group will make an allowance for impairment primarily based on historical trends and management estimates of expected and future product demand and related pricing. Demand and pricing levels could change from time to time. If such factors result in an adverse effect on the Group's products, the Group provides additional allowances for slow moving inventories.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

5. Significant accounting estimates (cont'd.)

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

(vii) 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.

(viii) 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.

(ix) 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.

(x) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

5. Significant accounting estimates (cont'd.)

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

(x) 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.

(xi) 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.)

(xii) Amortisation of concession intangible assets

Concession intangibles assets are 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.

(xiii) 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.

(xiv) 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.

(xv) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

5. Significant accounting estimates (cont'd.)

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

(xvi) 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.

(xvii) 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.

(xviii) 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.

(xix) Impairment of investment properties

The Group carry its investment properties at cost. The Group engaged independent valuation specialists to assess fair value as at 31 December 2021 to determine the impairment assessment. Market comparison and income approach were used and the key assumptions used to determine the fair value of the investment properties are disclosed in Note 22 and Note 44 to the financial statements.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

5. Significant accounting estimates (cont'd.)

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

(xx) 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.

(xxi) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

5. Significant accounting estimates (cont'd.)

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

(xxii) 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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Statement of comprehensive income
For the year ended 31 December 2021

	Note	Company	
		2021 RM'000	2020 RM'000
Income	6	4,911,220	9,307,027
Dividend income		3,883,924	6,816,015
Gain from divestments		801,881	1,932,612
Other operating income		225,415	558,400
Operating expenses		(498,973)	(528,163)
Net unrealised gain on financial assets designated as fair value through profit or loss		102,023	1,114,372
Net (loss)/gain on revaluation of derivatives		(38,178)	46,510
Foreign exchange effect (loss)/gain, net		(142,641)	442,575
Allowance for impairment losses on investments and receivables, net of writebacks		(2,085,792)	(5,219,589)
Operating profit	7	2,247,659	5,162,732
Finance costs	11	(1,813,848)	(1,891,152)
Profit before taxation		433,811	3,271,580
Taxation	12	(17,767)	(21,533)
Net profit for the year		416,044	3,250,047
Other comprehensive income ("OCI")			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net (loss)/profit on fair value through other comprehensive income - (Loss)/profit on fair value changes, net of tax representing other comprehensive (loss)/income for the year		(9,704)	21,000
Total comprehensive income for the year		406,340	3,271,047

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

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

**Statement of financial position
As at 31 December 2021**

		Company	
	Note	2021	2020
		RM'000	RM'000
Assets			
Cash and bank balances	14	1,279,258	3,388,329
Investment in money market instruments	15	34,896	64,921
Other financial assets	16	4,241,730	3,756,473
Other receivables	17	916,281	871,802
Tax recoverable	18	26,223	26,634
Interest in subsidiaries	19	41,935,344	40,273,004
Interest in associates	20	25,378,931	25,713,966
Property and equipment	21	15,727	10,225
Investment property	22	-	352,569
Computer software	23	766	372
Total assets		73,829,156	74,458,295
Liabilities			
Other payables	24	2,019,939	3,544,768
Borrowings	25	45,062,668	42,610,496
Derivative liabilities	26	166,587	128,409
Total liabilities		47,249,194	46,283,673
Equity attributable to Owners of the Company			
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
Retained profits		11,971,338	13,535,998
Total equity		26,579,962	28,174,622
Total equity and liabilities		73,829,156	74,458,295

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

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Statement of changes in equity
For the year ended 31 December 2021

	Share capital (Note 27) RM'000	Capital contribution from shareholders RM'000	Fair value adjustment reserve RM'000	Distributable retained profits RM'000	Total equity RM'000
At 1 January 2020	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)
At 31 December 2020	<u>12,284,201</u>	<u>2,324,423</u>	<u>30,000</u>	<u>13,535,998</u>	<u>28,174,622</u>
At 1 January 2021	12,284,201	2,324,423	30,000	13,535,998	28,174,622
Total comprehensive income for the year	-	-	(9,704)	416,044	406,340
Transfer from/(to) retained earnings	1,000	-	(20,296)	19,296	-
Redemption of RCCPS	(1,000)	-	-	-	(1,000)
Dividends (Note 13)	-	-	-	(2,000,000)	(2,000,000)
At 31 December 2021	<u>12,284,201</u>	<u>2,324,423</u>	<u>-</u>	<u>11,971,338</u>	<u>26,579,962</u>

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

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Statement of cash flows
For the year ended 31 December 2021

	Company	
	2021	2020
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	433,811	3,271,580
Adjustments for:		
Gain from divestments	(801,881)	(1,932,612)
Dividend income	(3,883,924)	(6,816,015)
Interest income	(113,626)	(127,938)
Unrealised loss/(gain) on foreign exchange, net	142,641	(442,575)
Depreciation on property and equipment	1,793	7,133
Depreciation on investment property	6,118	2,691
Computer software written off	85	-
Amortisation of computer software	229	355
Allowance for impairment losses in investments and receivables, net of writebacks	2,085,792	5,219,589
(Gain)/loss on disposal of property and equipment	(278)	48
Amortisation of discounts on Khazanah bonds	365,213	438,883
Amortisation of discounts on Exchangeable Trust Certificates	59,004	55,919
Interest expense on Term Loans, Medium Term Notes ("MTN") and others	1,389,631	1,396,350
Net gain on financial assets designated as fair value through profit or loss	(102,023)	(1,114,372)
Net loss/(gain) on revaluation of derivatives	38,178	(46,510)
Operating loss before working capital changes	<u>(379,237)</u>	<u>(87,474)</u>
Changes in receivables	2,699,792	(1,407,200)
Changes in payables	(4,503,658)	1,138,693
Income tax paid	(17,355)	(20,000)
Net cash used in operating activities	<u>(2,200,458)</u>	<u>(375,981)</u>
Cash flows from investing activities		
(Purchase)/sale of investments, net	(1,333,714)	1,528,680
Purchase of property and equipment	(10,627)	(11,462)
Purchase of computer software	(708)	(178)
Proceeds from sale of property and equipment	3,610	18,319
Dividend received	3,883,924	6,816,015
Interest received	74,760	127,938
Net cash generated from investing activities	<u>2,617,245</u>	<u>8,479,312</u>

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

**Statement of cash flows
For the year ended 31 December 2021 (cont'd.)**

	Company	
	2021	2020
	RM'000	RM'000
Cash flows from financing activities		
Redemption of Khazanah Bonds	(2,300,000)	(1,200,000)
Repayment of Islamic MTN	(3,508,616)	(5,752,233)
Repayment of revolving credit facilities	(800,000)	(5,500,000)
Repayment of term loan	(852,200)	-
Redemption of Exchangeable Trust Certificates	(12,907)	-
Proceeds from issuance of Islamic MTN	7,018,121	4,500,000
Proceeds from issuance of MTN	-	2,551,251
Drawdown of term loan	810,000	852,200
Drawdown of revolving credit facilities	1,500,000	1,000,000
Dividends paid	(3,000,000)	(1,000,000)
Interest paid	(1,380,256)	(1,375,111)
Net cash used in financing activities	<u>(2,525,858)</u>	<u>(5,923,893)</u>
Net changes in cash and cash equivalents	(2,109,071)	2,179,438
Cash and cash equivalents at the beginning of year	<u>3,388,329</u>	<u>1,208,891</u>
Cash and cash equivalents at the end of year	<u>1,279,258</u>	<u>3,388,329</u>
Cash and cash equivalents comprise (Note 14):		
Cash and bank balances	161,630	196,564
Deposits with licensed banks	<u>1,117,628</u>	<u>3,191,765</u>
	<u>1,279,258</u>	<u>3,388,329</u>

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

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Notes to the Company financial statements

6. Income

	Note	Company	
		2021 RM'000	2020 RM'000
Dividend income:			
- from subsidiaries		1,772,377	4,557,500
- from associates		2,069,257	2,225,470
- from financial assets designated as fair value through other comprehensive income		1,327	1,810
- financial assets designated as fair value through profit or loss		40,963	31,235
Gain from divestments of subsidiaries and associates		801,881	1,932,612
Interest income on:			
- loans and receivable		42,580	-
- financial assets designated as fair value through profit or loss		71,046	127,938
Directors' fees	(i)	5,054	6,249
Others		106,735	424,213
		<u>4,911,220</u>	<u>9,307,027</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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

7. Operating profit

Included in operating profit are the following:

	Note	Company	
		2021 RM'000	2020 RM'000
Staff costs	8	154,046	174,423
Auditors' remuneration			
- statutory audit		1,062	885
- others		292	473
Expenses relating to short-term leases		14,873	22,006
Repair and maintenance		80	14,246
Depreciation of property and equipment	21	1,793	7,133
Depreciation of investment property	22	6,118	2,691
Amortisation of computer software	23	229	355
Computer software written off	23	85	-
Unrealised loss/(gain) on foreign exchange		142,641	(442,575)
(Gain)/loss on disposal of property and equipment		(278)	48
		<u>154,046</u>	<u>174,423</u>

8. Staff costs

	Company	
	2021 RM'000	2020 RM'000
Wages, salaries and statutory contributions to EPF and social security	149,708	171,639
Others	4,338	2,784
	<u>154,046</u>	<u>174,423</u>

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

Khazanah Nasional Berhad
(Incorporated in Malaysia)

9. Directors' remuneration

	Company	
	2021	2020
	RM'000	RM'000
Executive Directors of the Company:		
Wages and salaries	6,784	3,797
Statutory contribution to EPF	908	722
	<u>7,692</u>	<u>4,519</u>
Non-Executive Directors of the Company:		
Fees and allowances	441	299
	<u>441</u>	<u>299</u>
	<u>8,133</u>	<u>4,818</u>

10. Key management personnel remuneration

	Company	
	2021	2020
	RM'000	RM'000
Wages and salaries	35,169	38,127
Statutory contribution to EPF	6,285	7,190
	<u>41,454</u>	<u>45,317</u>

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

11. Finance costs

	Company	
	2021	2020
	RM'000	RM'000
Interest expense on term loans	167,825	136,588
Interest expense on revolving credit facility	28,969	43,080
Interest expense on Medium and Islamic Medium Term Notes ("MTN and IMTN")	1,192,837	1,216,682
Amortisation of discounts on Khazanah Bonds (Note 25(a))	365,213	438,883
Amortisation of discounts on Exchangeable Trust Certificates	59,004	55,919
	<u>1,813,848</u>	<u>1,891,152</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

12. Taxation

	Company	
	2021	2020
	RM'000	RM'000
Malaysian income tax	14,868	20,373
Foreign income tax	-	2,734
Under/(over) provision in prior years	2,899	(1,574)
	<u>17,767</u>	<u>21,533</u>
Total income tax expense	<u>17,767</u>	<u>21,533</u>

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% (2020: 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 2021 and 2020 are as follows:

	Company	
	2021	2020
	RM'000	RM'000
Profit before taxation	<u>433,811</u>	<u>3,271,580</u>
Taxation at Malaysian statutory tax rate of 24% (2020: 24%)	104,115	785,179
Effect of income not subject to tax	(1,318,321)	(1,907,251)
Effect of expenses not deductible for tax purposes	1,229,074	1,145,179
Under/(over) provision in prior years	2,899	(1,574)
Tax expense for the year	<u>17,767</u>	<u>21,533</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

13. Dividends

	Company	
	Dividends in respect of year/ Dividends recognised in year	
	2021	2020
	RM'000	RM'000
Dividends on ordinary shares:		
Interim single-tier dividend on 5,443,953,229 ordinary shares	2,000,000	1,000,000
Special single-tier dividend on 5,443,953,229 ordinary shares	-	1,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

14. Cash and bank balances

	Company	
	2021	2020
	RM'000	RM'000
Cash on hand and at bank	161,630	196,564
Deposits with licensed banks	1,117,628	3,191,765
	<u>1,279,258</u>	<u>3,388,329</u>

15. Investment in money market instruments

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

16. Other financial assets

Company	Current RM'000	Non-current RM'000	Total RM'000
2021			
Financial assets designated as fair value through profit or loss			
At fair value:			
Quoted shares outside Malaysia	1,781,842	-	1,781,842
Quoted equity funds outside Malaysia	1,644,179	-	1,644,179
Unquoted money market funds outside Malaysia	-	217,279	217,279
Unquoted bonds in Malaysia	107,463	488,637	596,100
	<u>3,533,484</u>	<u>705,916</u>	<u>4,239,400</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

16. Other financial assets (cont'd.)

Company (cont'd.)	Current RM'000	Non-current RM'000	Total RM'000
2021 (cont'd.)			
Loans receivable			
At amortised cost:			
Loans receivable	(i) -	2,330	2,330
	-	2,330	2,330
	<u>3,533,484</u>	<u>708,246</u>	<u>4,241,730</u>
2020			
Financial assets designated as fair value through profit or loss			
At fair value:			
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>
Financial assets designated as fair value through other comprehensive income			
At fair value:			
Quoted shares in Malaysia	-	130,000	130,000
Loans receivable			
At amortised cost:			
Loans receivable	(ii) -	718,869	718,869
Less: Allowance for impairment losses	(iii) -	(718,869)	(718,869)
	-	-	-
	<u>3,367,526</u>	<u>388,947</u>	<u>3,756,473</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

16. Other financial assets (cont'd.)

- (i) The loans receivable consist of amount due from a subsidiary which is unsecured, with 5% interest rate per annum for a period until 30 September 2025.
- (ii) The loans receivable consist of amount due from a subsidiary which is unsecured, interest free and has no fixed terms of repayment.
- (iii) A reconciliation of the allowance for impairment losses on loans receivable is as follows:

	Individually impaired	
	2021	2020
	RM'000	RM'000
At 1 January	718,869	1,131,445
Writeback for the year	-	(412,576)
Bad debt written off	(718,869)	-
At 31 December	<u>-</u>	<u>718,869</u>

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

17. Other receivables

		Company	
	Note	2021	2020
		RM'000	RM'000
Interest income receivable		47,969	9,103
Deposits		2,760	2,759
Amount due from related companies	(i)	12,232	7,315
Amount due from MoF Inc.	(ii)	851,580	851,580
Others		1,740	1,045
		<u>916,281</u>	<u>871,802</u>

- (i) The amount due from related companies is unsecured, interest free 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 Board ("IRB") agreement.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

19. Interest in subsidiaries

	Company	
	2021	2020
	RM'000	RM'000
Unquoted shares in Malaysia		
- at cost	45,016,278	43,495,391
- at FVTPL	1,246,143	350,000
Unquoted shares outside Malaysia	2,218,698	2,683,610
	<u>48,481,119</u>	<u>46,529,001</u>
Less: Accumulated allowance for impairment losses	<u>(25,997,542)</u>	<u>(25,730,536)</u>
	22,483,577	20,798,465
Amount due from subsidiaries *	19,451,767	19,474,539
	<u>41,935,344</u>	<u>40,273,004</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 an additional 896,143,025 redeemable convertible cumulative secured loan stocks and 798,269,361 preference shares in Themed Attractions Resorts & Hotels Sdn. Bhd. ("TAR&H"), for a total cash consideration of RM1,694.41 million, resulting in the Company maintaining its equity interest of 100%. TAR&H, an unlisted company incorporated in Malaysia, is an investment holding company.
- (ii) The Company subscribed to an additional 29,720,249 ordinary shares in Malaysia Aviation Group Berhad ("MAGB"), for a total cash consideration of RM1,330.0 million. Government of Malaysia through Turus Pesawat Sdn. Bhd. ("TPSB") has converted the loan due from MAB Pesawat Sdn. Bhd. ("MABP") of RM5.3 billion into ordinary shares of MAGB, resulting in a dilution of the Company's equity interest to 86.6%. MAGB, an unlisted company incorporated in Malaysia, is an investment holding company.
- (iii) The Company subscribed to an additional 355,300,000 preference shares in Impeccable Vintage Properties Sdn. Bhd. ("IVP"), for a total consideration of RM355.3 million, resulting in the Company maintaining its equity interest of 100%. IVP, an unlisted company incorporated in Malaysia, is an investment holding company.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

19. Interest in subsidiaries (cont'd.)

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

- (iv) The Company subscribed to an additional 1,711,599,318 preference shares in Kuala Selangor Ventures Sdn. Bhd. ("KSVSB"), for a total consideration of RM186.97 million, resulting in the Company maintaining its equity interest of 100%. KSVSB, an unlisted company incorporated in Malaysia, is an investment holding company.
- (v) The Company subscribed to an additional 158,800,000 preference shares in Teluk Rubiah Ventures Sdn. Bhd. ("TRVSB"), for a total consideration of RM158.8 million, resulting in the Company maintaining its equity interest of 100%. TRVSB, an unlisted company incorporated in Malaysia, is an investment holding company.
- (vi) The Company subscribed to an additional 102,531,728 preference shares in Khazanah Asset Management Sdn. Bhd. ("KAM"), for a total consideration of RM102.53 million, resulting in the Company maintaining its equity interest of 100%. KAM, an unlisted company incorporated in Malaysia, is an investment holding company.
- (vii) The Company subscribed to an additional 187,900,000 preference shares in Pantai Melawi Ventures Sdn. Bhd. ("Pantai Melawi"), for a total cash consideration of RM187.9 million, resulting in the Company maintaining its equity interest of 100%. Pantai Melawi, unlisted company incorporated in Malaysia, is an investment holding company.
- (viii) The Company subscribed to an additional 42,000,000 preference shares in Tanjung Bidara Ventures Sdn. Bhd. ("Tanjung Bidara"), for a total consideration of RM42.0 million, resulting in the Company maintaining its equity interest of 100%. Tanjung Bidara, an unlisted company incorporated in Malaysia, is an investment holding company.

(b) Disposal/divestment in existing subsidiary

- (i) On 26 July 2021, the Company had completed the disposal of its entire 100% equity interest in Silterra Malaysia Sdn. Bhd. ("Silterra") for a total cash consideration of RM273 million.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

19. Interest in subsidiaries (cont'd.)

(c) 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:

	Extended Company	
	2021	2020
	RM'000	RM'000
Revenue #	5,352,857	8,364,466
Profit from operations*	670,275	2,896,651
Cash, bank balances and investment in money market	6,460,771	7,518,143
Other financial assets	32,243,346	28,923,875
Interest in subsidiaries	11,490,071	10,427,085
Interest in associates	32,446,617	32,560,607
Interest in joint ventures	598,805	440,790
Borrowings	48,478,318	43,066,017
Retained profits	15,119,471	16,675,194
Currency translation reserve	2,381,843	1,862,329
Fair value adjustment reserve	3,208,572	3,267,338
Capital contribution from shareholders	2,324,423	2,324,423
Total assets	84,821,552	81,887,709
Total liabilities	49,504,042	45,474,224

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 and realised divestment gains.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

20. Interest in associates

	Company	
	2021	2020
	RM'000	RM'000
Shares at cost,		
Quoted shares in Malaysia	24,591,188	24,926,224
Unquoted shares in Malaysia	788,076	932,407
	<u>25,379,264</u>	<u>25,858,631</u>
Less: Accumulated allowance for impairment losses	(333)	(144,665)
	<u>25,378,931</u>	<u>25,713,966</u>
Market values of quoted shares in Malaysia	<u>50,407,529</u>	<u>48,032,400</u>

Details of the associates are shown in Note 77.

During the current financial year:

- (i) The Company elected to participate in the dividend reinvestment plan of CIMB Group Holdings Berhad ("CIMB"), resulting in the Company acquiring an additional 94,815,557 ordinary shares. The Company also disposed 170,803,776 ordinary shares of CIMB, for a total cash consideration of RM806.8 million. Pursuant to the disposal, the Company's equity interest in CIMB reduced to 25.72%. CIMB, a company incorporated in Malaysia, is listed on Bursa Malaysia Main Market and is involved in investment holding, financial services, property management, provision of consultancy services and dealing in securities.
- (ii) The Company disposed 53,800,000 ordinary shares of Telekom Malaysia Berhad ("TM"), for a total cash consideration of RM310.4 million. Pursuant to the disposal, the Company's equity interest in TM reduced to 20.11%. TM, a company incorporated in Malaysia, is listed on Bursa Malaysia Main Market and is involved in telecommunication and related services.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

21. Property and equipment

Company	Office equipment, furniture and fittings and computer equipment RM'000	Motor vehicles RM'000	Renovation and capital work-in- progress RM'000	Total RM'000
2021				
Cost				
At 1 January	33,456	1,463	28,411	63,330
Additions	179	-	10,448	10,627
Disposal	(7,146)	(1,463)	-	(8,609)
At 31 December	<u>26,489</u>	<u>-</u>	<u>38,859</u>	<u>65,348</u>
Accumulated depreciation				
At 1 January	26,893	1,463	24,749	53,105
Charge for the year	1,258	-	535	1,793
Disposal	(3,814)	(1,463)	-	(5,277)
At 31 December	<u>24,337</u>	<u>-</u>	<u>25,284</u>	<u>49,621</u>
Net carrying amount				
At 31 December	<u>2,152</u>	<u>-</u>	<u>13,575</u>	<u>15,727</u>
2020				
Cost				
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>
Accumulated depreciation				
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>
Net carrying amount				
At 31 December	<u>6,563</u>	<u>-</u>	<u>3,662</u>	<u>10,225</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

22. Investment property

Company	2021 RM'000	2020 RM'000
Leasehold land		
Cost		
At 1 January	355,260	-
Additions	-	355,260
Disposal	(355,260)	-
At 31 December	<u>-</u>	<u>355,260</u>
Accumulated depreciation		
At 1 January	2,691	-
Charge for the year	6,118	2,691
Disposal	(8,809)	-
At 31 December	<u>-</u>	<u>2,691</u>
Net carrying amount	<u>-</u>	<u>352,569</u>
Fair value	<u>-</u>	<u>417,110</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. Prior to disposal, 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

Company	2021 RM'000	2020 RM'000
Cost		
At 1 January	12,612	12,434
Additions	708	178
Write off	(4,879)	-
At 31 December	<u>8,441</u>	<u>12,612</u>
Accumulated amortisation		
At 1 January	12,240	11,885
Charge for the year	229	355
Write off	(4,794)	-
At 31 December	<u>7,675</u>	<u>12,240</u>
Net carrying amount		
At 31 December	<u>766</u>	<u>372</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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

	Note	Company	
		2021 RM'000	2020 RM'000
Interest payable	(i)	413,558	404,183
Dividend payable		-	1,000,000
Amount due to related companies	(ii)	1,413,606	1,950,842
Other payables and accruals	(iii)	192,775	189,743
		<u>2,019,939</u>	<u>3,544,768</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 (2020: average term of 60 to 90 days).

25. Borrowings

	Note	Company		Total RM'000
		Short term RM'000	Long term RM'000	
2021				
Khazanah Bonds - secured Exchangeable Trust Certificates	(a) (b)	2,443,710 -	5,499,418 3,283,747	7,943,128 3,283,747
Danga Capital Berhad	(c)	-	10,000,000	10,000,000
Danum Capital Berhad	(d)	900,000	7,500,000	8,400,000
Dua Capital Ltd	(e)	-	4,152,921	4,152,921
Rantau Abang Capital Berhad	(f)	1,500,000	3,000,000	4,500,000
Medium term notes	(g)	-	2,572,872	2,572,872
Term loans - unsecured	(h)	810,000	2,500,000	3,310,000
Revolving credit facilities	(i)	700,000	-	700,000
Ihsan Sukuk Berhad	(j)	100,000	100,000	200,000
		<u>6,453,710</u>	<u>38,608,958</u>	<u>45,062,668</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

	Note	Short term RM'000	Company Long term RM'000	Total RM'000
2020				
Khazanah Bonds - secured Exchangeable Trust	(a)	2,284,364	7,593,551	9,877,915
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	(f)	-	4,500,000	4,500,000
Medium term notes	(g)	-	2,562,114	2,562,114
Term loans - unsecured	(h)	852,200	2,500,000	3,352,200
Ihsan Sukuk Berhad	(j)	-	200,000	200,000
		<u>6,620,132</u>	<u>35,990,364</u>	<u>42,610,496</u>

(a) Khazanah Bonds - secured

	Company	
	2021 RM'000	2020 RM'000
At 1 January	9,877,915	10,639,032
Amortisation of discounts for the year (Note 11)	365,213	438,883
Less: Redeemed during the year	(2,300,000)	(1,200,000)
At 31 December	<u>7,943,128</u>	<u>9,877,915</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 Government of Malaysia; and
- Are irrevocably guaranteed by the Government of Malaysia.

Khazanah Bonds of RM2.3 billion (2020: RM1.2 billion) was fully redeemed during the year.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

25. Borrowings (cont'd.)

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

The maturity structure of Khazanah Bonds is as follows:

	Company	
	2021	2020
	RM'000	RM'000
Due within one year		
Zero coupon Khazanah bonds, at nominal value	2,500,000	2,300,000
Less: Unamortised discount *	(56,290)	(15,636)
	<u>2,443,710</u>	<u>2,284,364</u>
Due after one year, and within five years		
Zero coupon Khazanah bonds, at nominal value	4,500,000	7,000,000
Less: Unamortised discount *	(433,462)	(781,517)
	<u>4,066,538</u>	<u>6,218,483</u>
Due after five years		
Zero coupon Khazanah bonds, at nominal value	2,000,000	2,000,000
Less: Unamortised discount *	(567,120)	(624,932)
	<u>1,432,880</u>	<u>1,375,068</u>
	<u>7,943,128</u>	<u>9,877,915</u>
* The total unamortised discount is derived as follows:		
Total discount upon issuance	(7,819,164)	(7,819,164)
Total amortisation to date	6,762,292	6,397,079
Total unamortised discount at 31 December	<u>(1,056,872)</u>	<u>(1,422,085)</u>

(b) Exchangeable Trust Certificates ("ETC")

		Company	
	Note	2021	2020
		RM'000	RM'000
USD320.8 million 5-year ETC	(i)	1,286,777	1,229,987
USD500 million 5-year ETC	(ii)	1,996,970	1,904,712
		<u>3,283,747</u>	<u>3,134,699</u>

The maturity structure of the ETCs is as follows:

	Company	
	2021	2020
	RM'000	RM'000
Due after one year, and within five years	<u>3,283,747</u>	<u>3,134,699</u>

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 HKD562.89 cash as capital distribution for each USD1,000 nominal value of Certificates effective 20 August 2021.

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

USD3,108,000 in nominal value of the certificates have been redeemed on 8 February 2021.

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").

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 717.0179 shares and RM83.00 cash as capital distribution for each USD1,000 nominal value of Certificates effective 27 October 2021.

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

25. Borrowings (cont'd.)

(c) Danga Capital Berhad ("Danga")

	Note	Company	
		2021 RM'000	2020 RM'000
Islamic Medium Term Note 1 ("IMTN 1")	(i)	1,500,000	1,500,000
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
Islamic Medium Term Note 7 ("IMTN 7")	(i)	500,000	-
Islamic Medium Term Note 8 ("IMTN 8")	(i)	1,500,000	-
Multicurrency Islamic Medium Term Note 2 ("MIMTN 2")	(ii)	-	2,983,568
		<u>10,000,000</u>	<u>10,983,568</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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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:

	IMTN 1	IMTN 3	IMTN 4	IMTN 5	IMTN 6	IMTN 7	IMTN 8
Issuance date	29-Jan-15	23-Feb-16	6-Sep-17	26-Jan-18	21-Mar-18	25-Jan-21	25-Jan-21
Maturity date	29-Jan-30	23-Feb-26	6-Sep-27	26-Jan-33	21-Sep-33	25-Jan-24	25-Jan-28
Tenure	15 years	10 years	10 years	15 years	15.5 years	3 years	3 years
Yield to maturity	4.88%	4.60%	4.52%	4.94%	5.02%	2.32%	2.96%
Nominal amount	RM1.5 billion	RM1.5 billion	RM1.5 billion	RM1.5 billion	RM2.0 billion	RM0.5 billion	RM1.5 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:

	Company	
	2021	2020
	RM'000	RM'000
Due after one year, and within five years	2,000,000	-
Due after five years	8,000,000	8,000,000
	<u>10,000,000</u>	<u>8,000,000</u>

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

The details of the MIMTNs are as follows:

	MIMTN 1	MIMTN 2
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.

Danga MIMTN2 of USD750 million were fully redeemed during the year.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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:

	Company	
	2021	2020
	RM'000	RM'000
Due within one year	-	2,983,568

(d) Danum Capital Berhad ("Danum")

	Company	
	2021	2020
	RM'000	RM'000
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	500,000
Islamic Medium Term Note 5 ("IMTN 5")	1,500,000	1,500,000
Islamic Medium Term Note 6 ("IMTN 6")	-	500,000
Islamic Medium Term Note 7 ("IMTN 7")	500,000	500,000
Islamic Medium Term Note 8 ("IMTN 8")	500,000	500,000
Islamic Medium Term Note 9 ("IMTN 9")	1,000,000	1,000,000
Islamic Medium Term Note 10 ("IMTN 10")	400,000	-
Islamic Medium Term Note 11 ("IMTN 11")	500,000	-
	8,400,000	8,000,000

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:

	IMTN 1	IMTN 2	IMTN 3	IMTN 4	IMTN 5	IMTN 6	IMTN 7	IMTN 8	IMTN 9	IMTN 10	IMTN 11
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	9-Mar-21	21-Apr-21
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	10-Mar-22	22-Apr-22
Tenure	7 years	15 years	4 years	5 years	15 years	1 year	5 years	7 years	10 years	1 year	1 year
Yield to maturity	4.30%	4.68%	3.96%	3.07%	3.42%	2.64%	2.97%	3.14%	3.29%	2.12%	2.24%
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	RM0.4 billion	RM0.5 billion

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 10 and IMTN 11 for investment, refinancing of borrowings and general working capital requirements.

Danum IMTN6 of RM500 million was fully redeemed during the year.

The maturity structure of the IMTNs is as follows:

	Company	
	2021	2020
	RM'000	RM'000
Due within one year	900,000	500,000
Due after one year, and within five years	3,500,000	3,000,000
Due after five years	4,000,000	4,500,000
	<u>8,400,000</u>	<u>8,000,000</u>

(e) Dua Capital Ltd. ("Dua")

	Company	
	2021	2020
	RM'000	RM'000
Islamic Medium Term Note 1 ("IMTN 1")	1,661,160	-
Islamic Medium Term Note 2 ("IMTN 2")	2,491,761	-
	<u>4,152,921</u>	<u>-</u>

On 11 May 2021, the Company has issued a dual-tranche Sukuk comprising a 5-year USD400 million in nominal value Sukuk due 2026 and a 10-year USD600 million in nominal value Sukuk due 2031 via a special purpose vehicle, Dua Capital Ltd.

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

The details of the Sukuk financing are as follows:

	IMTN 1	IMTN 2
Issuance date	11-May-21	11-May-21
Maturity date	11-May-26	11-May-31
Tenure	5 years	10 years
Yield to maturity	1.66%	2.78%
Nominal amount	USD0.4 billion	USD0.6 billion

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

(e) Dua Capital Ltd. ("Dua") (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.

The maturity structure of the Sukuk financing is as follows:

	2021	2020
	RM'000	RM'000
Due within one year	-	-
Due after one year, and within five years	1,661,160	-
Due after five years	2,491,761	-
	<u>4,152,921</u>	<u>-</u>

(f) Rantau Abang Capital Berhad ("RACB")

	Company	
	2021	2020
	RM'000	RM'000
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 6 ("MTN 6")	1,000,000	1,000,000
	<u>4,500,000</u>	<u>4,500,000</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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

(f) Rantau Abang Capital Berhad ("RACB") (cont'd.)

The details of the Sukuk financing are as follows:

	MTN 1	MTN 2	MTN 4	MTN 5	MTN 6
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 and redemption made during the year.

The maturity structure of the Sukuk financing is as follows:

	2021 RM'000	2020 RM'000
Due within one year	1,500,000	-
Due after one year, and within five years	-	1,500,000
Due after five years	3,000,000	3,000,000
	<u>4,500,000</u>	<u>4,500,000</u>

(g) 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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

(g) Medium term notes ("MTN") (cont'd.)

The maturity structure of the MTN is as follows:

	2021	2020
	RM'000	RM'000
Due after five years		
MTN at nominal value	2,901,000	2,901,000
Less: Unamortised discount	(328,128)	(338,886)
	<u>2,572,872</u>	<u>2,562,114</u>

(h) Term loans - unsecured

	Short term	Company	Total
	RM'000	Long term	RM'000
		RM'000	
2021			
Unsecured fixed term loans	<u>810,000</u>	<u>2,500,000</u>	<u>3,310,000</u>
2020			
Unsecured fixed term loans	<u>852,200</u>	<u>2,500,000</u>	<u>3,352,200</u>

The unsecured fixed term loans bear interest ranging between 2.35% to 4.641% (2020: 2.99% to 4.641%) per annum.

The maturity structure of the term loans are as follows:

	Company	2020
	2021	RM'000
	RM'000	
Due within one year	810,000	852,200
Due after one year, and within five years	2,500,000	-
Due after five years	-	2,500,000
	<u>3,310,000</u>	<u>3,352,200</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

(i) Revolving credit facility

The Company utilised RM0.7 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.

The revolving credit bears interest ranging from 2.33% to 2.47% per annum.

The maturity structure of the revolving credit is as follows:

	Company	
	2021	2020
	RM'000	RM'000
Due within one year	700,000	-

(j) Ihsan Sukuk Berhad

	Company	
	2021	2020
	RM'000	RM'000
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:

	MTN 1	MTN 2
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

(j) 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:

	Company	
	2021	2020
	RM'000	RM'000
Due within one year	100,000	-
Due after one year, and within five years	100,000	200,000
	<u>200,000</u>	<u>200,000</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

25. Borrowings (cont'd.)

The movement in the borrowings are as follows:

	Company	
	2021	2020
	RM'000	RM'000
At 1 January	42,610,496	45,769,258
Drawdown	9,328,121	8,903,451
Repayment	(7,460,816)	(12,452,233)
Redemption of Exchangeable Trust Certificates	(12,907)	-
Unrealised loss/(gain) on foreign exchange	232,561	(48,863)
Amortisation of discounts on Khazanah Bonds (Note 25(a))	365,213	438,883
	<u>45,062,668</u>	<u>42,610,496</u>

26. Derivative financial instruments

	Company	
	Nominal	Liability
	RM'000	RM'000
2021		
Non-hedging derivative:		
Embedded derivatives		
Long term	<u>3,283,748</u>	<u>166,587</u>
2020		
Non-hedging derivative:		
Embedded derivatives		
Long term	<u>3,134,699</u>	<u>128,409</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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

27. Ordinary and preference shares

Issued and fully paid-up:

	Number of ordinary shares		Amount	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	5,443,953	5,443,953	12,283,201	12,283,201
Redeemed out of profits	-	-	1,000	-
At 31 December	<u>5,443,953</u>	<u>5,443,953</u>	<u>12,284,201</u>	<u>12,283,201</u>

Issued and fully paid-up:

	Number of RCCPS		Amount	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	1,000	1,000	1,000	1,000
Redemption of RCCPS	(1,000)	-	(1,000)	-
At 31 December	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total ordinary and preference shares	<u>5,443,953</u>	<u>5,444,953</u>	<u>12,284,201</u>	<u>12,284,201</u>

The salient terms of the RCCPS are as follows:

- Under the Companies Act, 2016 in Malaysia which came into effect on 31 January 2017, the concept of authorised share capital no longer exists.
- 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.
- 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;
- The RCCPS shall rank for dividend in priority to the ordinary shares;
- Redemption of the RCCPS shall be at the discretion of the Company and shall be redeemed at the par value;
- Conversion of the RCCPS shall be at the discretion of the Company at any time after the issuance of the RCCPS;

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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:

	2021 RM'000	2020 RM'000
7 March 2021	-	<u>1,000</u>

- (j) The Company has redeemed the RCCPS during the year.

28. Financial instruments by category

31 December 2021

	Amortised cost RM'000	Financial assets designated as fair value through profit or loss RM'000	Financial assets designated as fair value through OCI RM'000	Total RM'000
Financial assets				
Cash and bank balances	1,279,258	-	-	1,279,258
Other financial assets	2,330	4,239,400	-	4,241,730
Other receivables	916,281	-	-	916,281
Investment in money market instruments	34,896	-	-	34,896
Total	<u>2,232,765</u>	<u>4,239,400</u>	<u>-</u>	<u>6,472,165</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

28. Financial instruments by category (cont'd.)

31 December 2021 (cont'd.)

	Financial liabilities designated as fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Financial liabilities			
Borrowings	-	45,062,668	45,062,668
Derivative liabilities	166,587	-	166,587
Other payables	-	2,019,939	2,019,939
Total	166,587	47,082,607	47,249,194

31 December 2020

	Amortised cost RM'000	Financial assets designated as fair value through profit or loss RM'000	Financial assets designated as fair value through OCI RM'000	Total RM'000
Financial assets				
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
Total	4,325,052	3,626,473	130,000	8,081,525

	Financial liabilities designated as fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Financial liabilities			
Borrowings	-	42,610,496	42,610,496
Derivative liabilities	128,409	-	128,409
Other payables	-	3,544,768	3,544,768
Total	128,409	46,155,264	46,283,673

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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

	2021		2020	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Financial liabilities				
Khazanah Bonds	7,943,128	8,277,853	9,877,915	10,536,934
Exchangeable Trust Certificates	3,450,334	3,379,220	3,263,108	3,284,108
Islamic Medium Term Notes				
- Danga	10,161,307	11,118,342	11,120,056	9,705,033
- Danum	8,473,458	8,720,471	8,072,526	8,723,605
- Dua	4,166,367	3,988,001	-	-
- RACB	4,557,199	4,559,021	4,557,199	4,559,629
- Ihsan Sukuk	204,124	204,286	204,111	204,209
Medium Term Notes	2,623,095	3,272,182	2,612,337	3,630,485
Term loans - unsecured	3,362,596	3,503,721	3,405,378	3,648,213
Revolving credit facility	701,341	701,318	-	-

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

29. Fair values (cont'd.)

(c) Fair value measurement hierarchy

Quantitative disclosures fair value measurement hierarchy for asset and liabilities as at 31 December 2021:

Assets and liabilities measured at fair value	Carrying amount RM'000	<u>Fair value measurement using</u>		
		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				
- Quoted shares	1,781,842	1,781,842	-	-
- Quoted equity funds	1,644,179	1,644,179	-	-
- Unquoted money market funds	217,279	-	217,279	-
- Unquoted bonds	596,100	-	596,100	-
Financial liability				
Embedded derivatives	166,587	-	166,587	-
Assets and liabilities for which fair values are disclosed				
Assets				
Investments in associates				
- Quoted shares	24,591,188	50,407,529	-	-

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 2021: (cont'd.)

Assets and liabilities for which fair values are disclosed	Carrying amount RM'000	Fair value measurement using		
		Quoted market price Level 1 RM'000	Observable input Level 2 RM'000	Unobservable input Level 3 RM'000
Liabilities				
Khazanah Bonds	7,943,128	-	8,277,853	-
Exchangeable Trust Certificates	3,450,334	3,379,220	-	-
Islamic Medium Term Notes				
- Danga	10,161,307	-	11,118,342	-
- Danum	8,473,458	-	8,720,471	-
- Dua	4,166,367	-	3,988,001	-
- RACB	4,557,199	-	4,559,021	-
- Ihsan Sukuk	204,124	-	204,286	-
Medium Term Notes	2,623,095	-	3,272,182	-
Term loans				
- unsecured	3,362,596	-	3,503,721	-

Quantitative disclosures fair value measurement hierarchy for asset and liabilities as at 31 December 2020:

Assets and liabilities measured at fair value	Carrying amount RM'000	Fair value measurement using		
		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				
- 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	-

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 measured at fair value (cont'd.)	Carrying amount RM'000	Fair value measurement using		
		Quoted market price Level 1 RM'000	Observable input Level 2 RM'000	Unobservable input Level 3 RM'000
Financial assets designated as fair value through other comprehensive income				
- Quoted shares	130,000	130,000	-	-
Financial liability				
Embedded derivatives	128,409	-	128,409	-
Assets and liabilities for which fair values are disclosed				
Assets				
Investment property	352,569	-	-	417,110
Investments in associates				
- Quoted shares	24,926,224	48,032,400	-	-
Liabilities				
Khazanah Bonds	9,877,915	-	10,536,934	-
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 Notes	2,612,337		3,630,485	
Term loans -unsecured	3,405,378	-	3,648,213	-

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

	Effect on profit or loss RM'000
2021	
Increase in 25 basis points	(3,775)
Decrease in 25 basis points	3,775
	<hr/>
2020	
Increase in 25 basis points	(2,131)
Decrease in 25 basis points	2,131
	<hr/>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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:

	2021		2020	
	Weighted average interest rates %	Average days to maturity	Weighted average interest rates %	Average days to maturity
Licensed banks	1.87	19	2.32	34

(ii) Financial liabilities

The interest rates per annum and the remaining maturity of borrowings and term loans as at 31 December were as follows:

	2021		2020	
	Interest rates %	Years to maturity	Interest rates %	Years to maturity
Term loans	2.35 to 4.64	0.21 to 3.06	2.99 to 4.64	0.21 to 4.06
Bonds and notes	1.66 to 5.20	0.19 to 18.09	2.64 to 5.33	0.15 to 19.09

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

	Changes in rate	Effect on profit or loss RM'000
2021		
USD/RM - Strengthened	5%	(380,000)
USD/RM - Weakened	5%	380,000
SGD/RM - Strengthened	5%	-
SGD/RM - Weakened	5%	-
CNY/RM - Strengthened	5%	189,000
CNY/RM - Weakened	5%	(189,000)
2020		
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)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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).

	Effect on equity RM'000	Effect on profit or loss RM'000
2021		
Increase of 10% in equity price	-	407,300
Decrease of 10% in equity price	-	(407,300)
	<hr/>	<hr/>
2020		
Increase of 10% in equity price	13,000	349,800
Decrease of 10% in equity price	(13,000)	(349,800)
	<hr/>	<hr/>

(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.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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.

31 December 2021	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
Non-interest bearing financial liabilities						
Amount due to related companies	1,413,606	-	-	-	-	1,413,606
Other payables and accruals	-	192,775	-	-	-	192,775
Khazanah Bonds - secured	-	-	2,500,000	4,500,000	2,000,000	9,000,000
Exchangeable Trust Certificates ("ETC") #	-	-	-	3,283,747	-	3,283,747
	<u>1,413,606</u>	<u>192,775</u>	<u>2,500,000</u>	<u>7,783,747</u>	<u>2,000,000</u>	<u>13,890,128</u>
Interest bearing financial liabilities *						
Islamic Medium Term Notes						
- Danga	-	221,111	219,235	3,700,638	9,576,362	13,717,346
- Danum	-	471,519	715,382	4,276,856	4,910,881	10,374,638
- Dua	-	-	96,810	2,034,590	2,803,389	4,934,789
- RACB	-	51,000	1,670,050	610,000	3,632,250	5,963,300
- Ihsan Sukuk	-	-	108,876	109,213	-	218,089
Medium Term Notes	-	60,007	60,007	420,050	4,581,201	5,121,265
Fixed term loans	-	872,865	57,536	2,790,857	-	3,721,258
	<u>-</u>	<u>1,676,502</u>	<u>2,927,896</u>	<u>13,942,204</u>	<u>25,504,083</u>	<u>44,050,685</u>
Total undiscounted financial liabilities	<u>1,413,606</u>	<u>1,869,277</u>	<u>5,427,896</u>	<u>21,725,951</u>	<u>27,504,083</u>	<u>57,940,813</u>

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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
31 December 2020						
Non-interest bearing financial liabilities						
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>
Interest bearing financial liabilities *						
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>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>

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 2021 and 31 December 2020.

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.

		Extended Company	
	Note	2021	2020
		RM'000	RM'000
Borrowings	19(b)	48,478,318	43,066,017
Less: Cash, bank balances and investment in money market	19(b)	<u>(6,460,771)</u>	<u>(7,518,143)</u>
Net debt		<u>42,017,547</u>	<u>35,547,874</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)	15,119,471	16,675,194
Fair value adjustment reserve	19(b)	3,208,572	3,267,338
Currency translation reserve	19(b)	<u>2,381,843</u>	<u>1,862,329</u>
Equity attributable to the owners of the Company		<u>35,318,510</u>	<u>36,413,485</u>
Gearing ratio (times)		<u>1.19</u>	<u>0.98</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

32. Commitments

	Company	
	2021	2020
	RM'000	RM'000
Approved but not contracted for:		
Capital injection planned for investments	13,785,000	13,114,000
Property and equipment	20,940	37,817
	<u>13,805,940</u>	<u>13,151,817</u>

33. Contingent liabilities

	Company	
	2021	2020
	RM'000	RM'000
Guarantee given to certain subsidiaries for term loan facilities with licensed banks	<u>3,397,634</u>	<u>456,210</u>

34. Subsequent events

The following are significant subsequent events of the Company after the financial year ended 31 December 2021:

- (i) Gunung Korbu Investments (Cayman Islands) Limited has disposed off 732,000 units of shares in Alibaba Group Holding Ltd. ("Alibaba") in January 2022, for a total consideration of USD98mil, resulting in a gain of disposal of USD76mil.
- (ii) On 21 January 2022, the Ophir Ventures Sdn. Bhd. has further subscribed to 1,096,667 Ordinary Shares and 5,903,333 RCPS issued at RM1 per share for a total consideration of RM7,000,000 in ReGen Rehabilitation International Sdn. Bhd. ("ReGen").
- (iii) On 1 December 2021, Pulau Kaca Investments Limited has entered into a Share Purchase Agreement ("SPA") with Medlab Asset Management Pte. Ltd. and TPG Helipad L.P to purchase the secondary ordinary shares in Pathology Asia Holdings Pte. Ltd. ("Pathology"), to invest up to USD44,497,182.

The conditions precedent of the SPA were only met and completed on 7 January 2022.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of comprehensive income
For the year ended 31 December 2021

		Group	
	Note	2021	2020
		RM'000	RM'000
Continuing operations			
Revenue	35	12,866,885	12,674,836
Operating expenses		(13,753,452)	(18,577,097)
Other income		994,676	4,918,678
Operating profit/(loss)	36	108,109	(983,583)
Finance costs	39	(2,814,737)	(3,058,359)
Share of results of associates and joint ventures		3,462,854	1,504,185
Profit/(loss) before taxation		756,226	(2,537,757)
Taxation	40	(459,583)	(319,167)
Profit/(loss) for the year, net of taxation		<u>296,643</u>	<u>(2,856,924)</u>
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences		685,405	(1,145,335)
Net gain on fair value of cash flow hedges		13,553	17,650
		<u>698,958</u>	<u>(1,127,685)</u>

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of comprehensive income
For the year ended 31 December 2021 (cont'd.)

	Note	Group	
		2021	2020
		RM'000	RM'000
Other comprehensive income (cont'd.):			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Net gain on fair value through other comprehensive income financial assets, net of tax		806,345	945,965
Actuarial gain/(loss) on defined benefit plans	65	342,983	(114,583)
		<u>1,149,328</u>	<u>831,382</u>
Other comprehensive income/(loss) for the year		<u>1,848,286</u>	<u>(296,303)</u>
Total comprehensive income/(loss) for the year		<u>2,144,929</u>	<u>(3,153,227)</u>
Profit/(loss) attributable to:			
Owners of the Company		688,953	(2,675,399)
Non-controlling interests		(392,310)	(181,525)
		<u>296,643</u>	<u>(2,856,924)</u>
Total comprehensive income/(loss) attributable to:			
Owners of the Company		2,537,239	(3,084,357)
Non-controlling interests		(392,310)	(68,870)
		<u>2,144,929</u>	<u>(3,153,227)</u>

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

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of financial position
As at 31 December 2021

		Group	
	Note	2021	2020
		RM'000	RM'000
Assets			
Non-current assets			
Property, plant and equipment	42	6,498,643	7,942,399
Land held for property development	43	6,088,104	6,517,775
Investment properties	44	3,420,233	3,553,752
Concession intangible assets	45	248,713	218,803
Goodwill on consolidation	46	1,415,337	1,410,204
Other intangible assets	47	571,247	662,382
Interest in associates	49	58,138,565	57,144,574
Interest in joint ventures	50	3,354,817	3,344,280
Other non-current financial investments	51	39,792,039	35,431,044
Other non-current assets	52	3,120,466	2,752,742
Right-of-use-assets	53	7,240,441	10,407,260
Derivative assets	54	-	12
Deferred tax assets	55	385,071	333,226
		<u>130,273,676</u>	<u>129,718,453</u>
Current assets			
Property development-in-progress	56	893,217	1,018,939
Inventories and work-in-progress	57	864,910	1,159,767
Trade receivables	58	2,138,277	1,740,988
Other receivables	59	2,406,354	2,415,549
Tax recoverable		60,405	66,700
Derivative assets	54	22,409	-
Other current financial investments	51	975,126	1,723,226
Cash and bank balances	60	11,966,285	11,902,527
		<u>19,326,983</u>	<u>20,027,696</u>
Assets held for sale and assets of disposal group classified as held for sale	41	174,722	103,141
		<u>19,501,705</u>	<u>20,130,837</u>
Total assets		<u>149,775,381</u>	<u>149,849,290</u>

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of financial position
As at 31 December 2021 (cont'd.)

		Group	
	Note	2021	2020
		RM'000	RM'000
Equity and liabilities			
Current liabilities			
Borrowings	61	10,048,680	10,615,979
Trade payables	62	1,719,521	3,904,058
Other current liabilities	63	8,616,729	8,937,598
Lease liabilities	67	738,192	1,615,450
Tax payable		353,008	154,442
Derivative liabilities	54	22	72,063
		<u>21,476,152</u>	<u>25,299,590</u>
Liabilities of disposal group classified as held for sale	41	1,228	95
		<u>21,477,380</u>	<u>25,299,685</u>
Non-current liabilities			
Borrowings	61	47,364,875	49,422,384
Other non-current liabilities	66	9,834,354	8,696,341
Deferred tax liabilities	55	488,937	513,725
Lease liabilities	67	6,862,425	8,092,642
Derivative liabilities	54	196,303	158,625
		<u>64,746,894</u>	<u>66,883,717</u>
Total liabilities		<u>86,224,274</u>	<u>92,183,402</u>
Equity attributable to owners of the Company:			
Share capital	27	12,284,201	12,284,201
Capital contribution from shareholders		2,683,223	4,483,223
Reserves		36,836,899	35,493,328
Shareholders' funds		<u>51,804,323</u>	<u>52,260,752</u>
Non-controlling interests		11,746,784	5,405,136
Total equity		<u>63,551,107</u>	<u>57,665,888</u>
Total equity and liabilities		<u>149,775,381</u>	<u>149,849,290</u>

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

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of changes in equity
For the year ended 31 December 2021

<----- 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
2021							
At 1 January	12,284,201	4,483,223	(146,108)	35,639,436	52,260,752	5,405,136	57,665,888
Loss for the year	-	-	-	688,953	688,953	(392,310)	296,643
Other comprehensive loss	-	-	1,848,286	-	1,848,286	-	1,848,286
- arising during the year	-	-	1,848,286	-	1,848,286	-	1,848,286
Total comprehensive loss	-	-	1,848,286	688,953	2,537,239	(392,310)	2,144,929
Transactions with owners							
Acquisition of subsidiaries	-	-	-	(16,745)	(16,745)	(5,951)	(22,696)
Dilution of interest in subsidiaries	-	-	-	-	-	6,731,241	6,731,241
Disposal of subsidiaries	-	(1,800,000)	689,642	-	(1,110,358)	13,230	(1,097,128)
Disposal of associates	-	-	1,787	-	1,787	-	1,787
Disposal of other financial investments	-	-	(1,111,459)	1,111,459	-	-	-
Share of reserves of associates and joint ventures	-	-	97,597	35,051	132,648	-	132,648
Transfer from/(to):							
- distributable retained profits	1,000	-	-	(1,000)	-	-	-
- statutory reserve	-	-	(34,783)	34,783	-	-	-
- general reserve	-	-	(905)	905	-	-	-
Redemption of preference shares	(1,000)	-	-	-	(1,000)	-	(1,000)
Issuance of shares by subsidiaries	-	-	-	-	-	306	306
Dividend paid to non-controlling interests	-	-	-	-	-	(4,868)	(4,868)
Dividends paid to owners	-	-	-	(2,000,000)	(2,000,000)	-	(2,000,000)
Total transactions with owners	-	(1,800,000)	(358,121)	(835,547)	(2,993,668)	6,733,958	3,740,290
At 31 December	12,284,201	2,683,223	1,344,057	35,492,842	51,804,323	11,746,784	63,551,107

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of changes in equity
For the year ended 31 December 2021 (cont'd.)

<----- 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
At 1 January	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)
Transactions with owners							
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	-	-	-	-	-	-	-
Dividends paid to owners	-	-	-	(2,000,000)	(2,000,000)	(91,398)	(91,398)
Total transactions with owners	-	358,800	(656,665)	(580,372)	(878,237)	(63,887)	(2,000,000)
At 31 December	12,284,201	4,483,223	(146,108)	35,639,436	52,260,752	5,405,136	57,665,888

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

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of cash flows
For the year ended 31 December 2021

	Group	
	2021	2020
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before taxation	756,226	(2,537,757)
Adjustments for:		
Gain from divestments of investments	(1,360,130)	(715,907)
Dividend income from other investments	(146,294)	(149,071)
Interest income	(398,755)	(550,615)
Unrealised loss/(gain) on foreign exchange, net	250,661	(230,835)
Depreciation for property, plant and equipment	729,707	552,035
Depreciation for right-of-use assets	1,014,012	1,653,570
Net fair value loss/(gain) on financial assets at fair value through profit or loss	46,635	(3,421,596)
Net fair value loss on derivatives	22,000	22,978
Allowance for impairment losses on investments and receivables, net	328,485	1,065,702
Allowance for impairment losses on property, plant and equipment	142,834	407,756
Allowance for impairment on investment properties	37,768	135,441
Allowance for impairment on right-of-use assets	110,880	389,565
Allowance for impairment on property development-in-progress	20,605	-
Net amortisation charge for concession assets	27,328	16,111
Amortisation of other intangible assets	234,265	84,783
Amortisation of government grants	(3,795)	(6,752)
Inventories written off	29,206	144,365
Property, plant and equipment written off	3,505	324
Loss/(gain) on disposal of property, plant and equipment	543,739	(67,718)
Loss/(gain) on disposal of investment properties	160,000	(24,417)
Interest expense	2,814,737	3,058,359
Amortisation of deferred income	(109,031)	(20,979)
Depreciation of investment properties	93,011	42,101
Reversal of provision for foreseeable losses	-	888
Provision for aircraft maintenance and overhaul	38,445	64,082
Share of results from associates and joint ventures	(3,462,854)	(1,504,185)
Operating profit/(loss) before working capital changes	<u>1,923,190</u>	<u>(1,591,772)</u>

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of cash flows
For the year ended 31 December 2021 (cont'd.)

	Group	
	2021	2020
	RM'000	RM'000
Cash flows from operating activities (cont'd.)		
Increase in property development-in-progress	(449,927)	(363,199)
Decrease in inventories and work-in-progress	294,857	496,048
Decrease in trade and other receivables	6,288,241	9,803,312
(Decrease)/increase in trade and other payables	(4,368,713)	10,458,180
Interest paid	(2,679,706)	(3,058,041)
Interest received	398,765	550,576
Dividend received	146,294	149,071
Income tax refund/(paid)	304,963	(253,284)
Net cash (used in)/generated from operating activities	<u>1,857,964</u>	<u>16,190,891</u>
Cash flows from investing activities		
Net outflow of investments	(28,461)	(6,703,040)
Net cash inflow from disposal of subsidiaries	331,471	935,902
Purchase of property, plant and equipment	(208,522)	(1,558,205)
Purchase of other intangible assets	(168,699)	(24,561)
Proceeds from disposal of other intangible assets	40,493	39,088
Proceeds from disposal of property, plant and equipment	63,805	95,613
Proceeds from disposal of investment properties	14,245	34,916
Proceeds from disposal of right-of-use assets	323	-
Addition in concession assets	(54,567)	(36,985)
Addition in land held for property development	(735,197)	(362,155)
Proceeds from disposal of land held for property development	4,543	4,548
Addition in investment properties	(68,358)	(393,609)
Net cash used in investing activities	<u>(808,924)</u>	<u>(7,968,488)</u>
Cash flows from financing activities		
Drawdown of borrowings	15,374,573	11,061,844
Repayment of borrowings	(12,286,304)	(15,842,628)
Dividends paid	(3,202,868)	(1,091,398)
Lease payment	(845,980)	(1,602,210)
Net cash generated from/(used in) financing activities	<u>(960,579)</u>	<u>(7,474,392)</u>

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Consolidated statement of cash flows
For the year ended 31 December 2021 (cont'd.)

	Group	
	2021	2020
	RM'000	RM'000
Net changes in cash and cash equivalents	88,461	748,011
Cash and cash equivalents at the beginning of year	11,902,527	11,144,088
Exchange rate effects	(24,703)	10,428
Cash and cash equivalents at the end of year	<u>11,966,285</u>	<u>11,902,527</u>
Cash and cash equivalents comprise:		
Cash and bank balances	5,209,433	10,747,983
Short term placements	6,756,852	1,154,544
	<u>11,966,285</u>	<u>11,902,527</u>

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

Khazanah Nasional Berhad
(Incorporated in Malaysia)

Notes to the consolidated financial statements

35. Revenue

Revenue of the Group consists of the following:

	Group	
	2021	2020
	RM'000	RM'000
Investment-related revenue:		
Gain from divestments of investments and investment properties	1,360,130	715,907
Dividend income from fair value through other comprehensive income investments	53,491	83,913
Dividend income from fair value through profit or loss investments	92,803	65,158
Interest income	398,755	550,615
Lease and rental income	43,551	53,716
Others	58,496	54,274
	<u>2,007,226</u>	<u>1,523,583</u>
Engineering and construction-related revenue:		
Toll collection	28,557	25,225
Construction contracts	53,525	36,678
Land and property development sales	1,110,423	1,040,690
Sale of goods	809,172	720,647
Others	118,922	597,170
	<u>2,120,599</u>	<u>2,420,410</u>
Services-related revenue:		
Revenue from airlines and airport operations	3,894,263	4,129,989
Rendering of services	2,818,028	3,072,191
Insurance related services	1,844,777	1,400,351
Others	181,992	128,312
	<u>8,739,060</u>	<u>8,730,843</u>
Total Revenue	<u>12,866,885</u>	<u>12,674,836</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

35. Revenue (cont'd.)

	Group	
	2021	2020
	RM'000	RM'000
Timing of revenue recognition:		
- At a point in time	4,074,300	3,907,315
- Over time	8,792,585	8,767,521
	<u>12,866,885</u>	<u>12,674,836</u>

36. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting) the following:

	Note	Group	
		2021	2020
		RM'000	RM'000
Staff costs	37	2,748,829	2,999,009
Auditors' remuneration:			
Statutory audits			
- to member firms of Ernst & Young Global		10,996	10,840
- to other firms		2,364	2,567
Unrealised foreign exchange loss/(gain), net		250,661	(230,835)
Fuel cost		1,071,458	1,564,848
Handling, landing, parking, enroute charges, catering and other related costs		414,009	526,821
Aircraft maintenance and overhaul		396,303	1,310,954
Provision for aircraft maintenance and overhaul costs	63	38,445	64,082
Depreciation for property, plant and equipment	42	729,707	552,035
Depreciation for right-of-use assets	53	1,014,012	1,653,570
Allowance for impairment losses on investments and receivables, net		328,485	1,065,702
Allowance for impairment losses on property, plant and equipment	42	142,834	407,756
Allowance for impairment losses on right-of-use assets	53	110,880	389,565
Net amortisation charge for concession assets	45	27,328	16,111
Amortisation of deferred income		(109,031)	(20,979)
Amortisation of other intangible assets	47	234,265	84,783
Amortisation of Government grants	66(i)	(3,795)	(6,752)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

36. Operating profit/(loss) (cont'd.)

Operating profit/(loss) is stated after charging/(crediting) the following: (cont'd.)

	Note	Group 2021 RM'000	2020 RM'000
Depreciation of investment properties	44	93,011	42,101
Allowance for impairment losses on investment properties	44	37,768	135,441
Allowance for impairment losses on property development-in-progress	56	20,605	-
Expenses arising from leases			
- variable lease	67	-	687
- low value assets	67	7,187	16
- short-term lease	67	23,646	25,900
- operating lease	67	-	5,018
Inventories written off		29,206	144,365
Reversal of provision for foreseeable losses		-	888
Loss/(gain) on disposal of investment properties		160,000	(24,417)
Loss/(gain) on disposal of property, plant and equipment		543,739	(67,718)
Property, plant and equipment written off	42	3,505	324
Net fair value loss/(gain) on financial assets at fair value through profit or loss		46,635	(3,421,596)
Net fair value loss on derivatives		22,000	22,978
		<u>22,000</u>	<u>22,978</u>

37. Staff costs

	Note	Group 2021 RM'000	2020 RM'000
Wages, salaries, statutory contributions to EPF and social security		2,580,804	2,781,884
Employees service entitlement and retirement benefits	64	1,466	3,436
Others		166,559	213,689
		<u>2,748,829</u>	<u>2,999,009</u>

- (i) Included in the staff costs of the Group and of the Company is Executive Directors remuneration amounting to RM7,692,000 (2020: RM4,519,000) as disclosed in Note 38.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

38. Directors' remuneration

	Group	
	2021	2020
	RM'000	RM'000
Executive Director of the Company:		
Wages and salaries	6,784	3,797
Statutory contribution to EPF	908	722
	<u>7,692</u>	<u>4,519</u>
Non-Executive Directors of the Company:		
Fees and allowances	441	299
	<u>441</u>	<u>299</u>
	<u>8,133</u>	<u>4,818</u>

39. Finance costs

	Group	
	2021	2020
	RM'000	RM'000
Interest expense on term loans and borrowings	640,346	755,428
Interest expense on bonds and Medium Term Notes	1,132,184	1,225,102
Interest expense on lease liabilities	354,709	502,326
Amortisation of discount on Khazanah Bonds	365,213	438,883
Amortisation of discount on Exchangeable Trust Certificates	59,004	55,919
Others	263,281	80,701
	<u>2,814,737</u>	<u>3,058,359</u>

40. Taxation

	Group	
	2021	2020
	RM'000	RM'000
Continuing operations		
Current income tax:		
Malaysian income tax	538,938	264,245
Foreign income tax	4,487	1,154
	<u>543,425</u>	<u>265,399</u>
Overprovision in prior year:		
Malaysian income tax	(3,489)	(3,493)
	<u>539,936</u>	<u>261,906</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

40. Taxation (cont'd.)

	Group	
	2021	2020
	RM'000	RM'000
Continuing operations (cont'd.)		
Deferred tax (Note 55):		
Relating to origination and reversal of temporary differences	(49,336)	67,777
Overprovision in prior year	(31,017)	(10,516)
	<u>(80,353)</u>	<u>57,261</u>
Income tax expense recognised in profit or loss	<u>459,583</u>	<u>319,167</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit/(loss) 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 profit/(loss) multiplied by the applicable corporate tax rate for the years ended 31 December 2021 and 2020 are as follows:

	Group	
	2021	2020
	RM'000	RM'000
Profit/(loss) before taxation	<u>756,226</u>	<u>(2,537,757)</u>
Taxation at Malaysian statutory tax rate of 24% (2020: 24%)	181,494	(609,062)
Effect of different tax rates in foreign jurisdiction	(2,260)	1,432
Effect of (non-taxable income)/expenses not deductible for tax purposes	(1,720,015)	1,620,548
Effect of utilisation of previously unrecognised tax losses	-	(161,053)
Effect of utilisation of previously unrecognised other deductible temporary differences	(34,004)	(157,685)
Deferred tax assets not recognised	2,899,959	-
Tax effect on share of associates and joint ventures' profit attributable to the equity holders	(831,085)	(361,004)
Overprovision of income tax expense in prior year	(3,489)	(3,493)
Overprovision of deferred tax expense in prior year	(31,017)	(10,516)
Income tax expense recognised in profit or loss	<u>459,583</u>	<u>319,167</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 2021 RM'000	2020 RM'000
Assets:			
Land held for property development	43	24,600	25,615
Investment in joint venture		736	493
Property, plant and equipment	42	97,266	41,138
Investment properties	44	1,854	12,699
Right-of-use assets	53	-	11,334
Receivables		18,521	88
Cash and bank balances		31,745	11,774
Assets held for sale and assets of disposal group classified as held for sale		174,722	103,141
Liabilities:			
Payables representing the Liabilities of disposal group classified as held for sale		1,228	95

(A) UEM Group Berhad ("UEM")

- (i) In 2019, the Board of Directors of UEM Builders Berhad ("UEM Builders") approved the proposed disposal of 100% equity interest in Buildcast Sdn. Bhd. ("Buildcast"). On 26 January 2022, the Board of Directors of UEM Builders approved dissolution of Buildcast via members' voluntary liquidation.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

41. Assets held for sale (cont'd.)

(A) UEM Group Berhad ("UEM") (cont'd.)

- (ii) In prior year, the Board of Directors of UEM Builders approved the proposed disposal of 55% equity interest in PT Karabha Gryamandiri ("PTKG") upon fulfilment of specific conditions. The disposal completed in January 2022.
- (iii) In prior year, the Board of Directors of UEM Construction Sdn Bhd ("UEMC") approved the following subsidiaries to be dissolved via members' voluntary liquidation:
 - Pati International (India) Pvt Ltd
 - Rushil Constructions (India) Pvt Ltd
- (iv) In 2021, the management committee of Shimizu-Nishimatsu-UEMB-IJM JV, a joint venture of UEM Builders, proposed to dissolve the joint venture upon fulfilment of specific conditions. The conditions precedent have been fulfilled as at March 2021.
- (v) 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.

During the year, Suria Siena Development Sdn Bhd recognised an impairment loss of RM1.0 million (2020: NIL) on its land held for property development based on valuation performed by a certified external valuer.

- (vi) On 16 October 2020, a wholly owned subsidiary of Cement Industries of Malaysia Berhad ("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 RM3.5 million. The disposal was completed in February 2021 with a net gain of RM2.1 million.
- (vii) On 28 February 2022, a wholly-owned subsidiary of CIMA, Kuari Pati Sdn Bhd, had entered into a sales and purchase agreement with an external party to dispose a property for a cash consideration of RM210,000. The disposal will be completed within 1 year from the date of agreement upon the receipt of the sale proceed.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

41. Assets held for sale (cont'd.)

(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") to sell part of the freehold land under HS(D) 446619 PTD 154087 (Plot A) of approximately 19.49 acres.

On 15 August 2019, IskCap entered into a Sale and Purchase Agreement with DVSB to sell part of the freehold land held under HS(D) 446619 PTD 154087 (Plot B) of approximately 11.92 acres. Upon completion of the conditions stipulated in the agreement, IIB has recognised revenue of RM28,201,439 and cost of sales of RM3,912,887 during the year.

On 5 December 2019, IskCap entered into a Sale and Purchase Agreement with Paragon Globe Properties Sdn. Bhd. to sell part of the freehold land 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.

On 20 December 2021, IskCap entered into a Sale and Purchase Agreement with Marquis Oil (M) Sdn. Bhd. ("MOSB") in respect of freehold land under PTD 217870 for an aggregate area of 5.38 acres.

On 22 December 2021, IskCap entered into a Sale and Purchase Agreement with Country View Resources Sdn. Bhd. ("CVSB") in respect of freehold land under PTD 1759870 for an aggregate area of 21.63 acres.

The completion of the agreements above is pending fulfilment of certain conditions precedent as at 31 December 2021. 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 RM29,730,568 (2020: RM28,700,000) have been classified under assets held for sale.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

42. Property, plant and equipment

Group	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
2021						
Cost						
At 1 January	6,959,350	12,233,494	2,746,301	4,874,066	747,008	27,560,219
Additions	31,710	11,050	42,194	22,175	101,393	208,522
Currency translation differences	1	-	353	-	-	354
Disposals	(45,014)	(594,062)	(14,513)	-	(118,440)	(772,029)
Write-offs	(212)	-	(1,901)	-	(1,552)	(3,665)
Disposal of subsidiaries (Note 48 (v))	-	-	(884,789)	(129,253)	(12,914)	(1,026,956)
Transfer to investment properties (Note 44)	-	-	-	-	(1,241)	(1,241)
Transfer to assets held for sale (Note 41)	-	(148,501)	(254,370)	-	-	(402,871)
Transfer to other intangible assets (Note 47)	-	-	-	-	(13,081)	(13,081)
Transfer from right-of-use assets (Note 53)	-	187,967	-	-	-	187,967
Reclassification	4,554	181,554	81,093	5,225	(272,426)	-
At 31 December	6,950,389	11,871,502	1,714,368	4,772,213	428,747	25,737,219

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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
Group (cont'd.)						
2021 (cont'd.)						
Accumulated depreciation and impairment losses						
At 1 January	5,178,359	10,331,855	2,072,297	2,012,397	22,912	19,617,820
Charge for the year (Note 36)	51,899	357,878	153,897	147,044	18,989	729,707
Allowance for impairment losses (Note 36)	12,419	123,433	(560)	7,674	(132)	142,834
Currency translation differences	-	-	(7)	337	-	330
Disposals	(23,087)	(131,732)	(9,236)	-	(430)	(164,485)
Write-offs	(160)	-	-	-	-	(160)
Disposal of subsidiaries (Note 48 (v))	-	-	(756,309)	(70,060)	-	(826,369)
Transfer to assets held for sale (Note 41)	-	(53,401)	(181,876)	(70,328)	-	(305,605)
Transfer from right-of-use assets (Note 53)	-	43,793	-	711	-	44,504
At 31 December	5,219,430	10,671,826	1,278,206	2,027,775	41,339	19,238,576

Net book value

At 31 December	1,730,959	1,199,676	436,162	2,744,438	387,408	6,498,643
----------------	-----------	-----------	---------	-----------	---------	-----------

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

42. Property, plant and equipment (cont'd.)

Group	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
2020						
Cost						
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	(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

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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
Group (cont'd.)						
2020 (cont'd.)						
Accumulated depreciation and impairment losses						
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	(145,776)	-	(61,886)	-	-	(207,662)
Transfer to assets held for sale (Note 41)	-	(8,518)	-	(671)	-	(9,189)
Transfer from investment properties (Note 44)	-	-	-	(38,422)	-	(38,422)
At 31 December	5,178,359	10,331,855	2,072,297	2,012,397	22,912	19,617,820

Net book value

At 31 December	1,780,991	1,901,639	674,004	2,861,669	724,096	7,942,399
----------------	-----------	-----------	---------	-----------	---------	-----------

Khazanah Nasional Berhad
(Incorporated in Malaysia)

43. Land held for property development

	Note	Group 2021 RM'000	2020 RM'000
At cost			
At 1 January		6,517,775	6,335,546
Additions		735,197	362,155
Disposals		(4,543)	(4,548)
Disposal of subsidiaries	48(v)	(901,373)	-
Transfer to property, plant and equipment	42	-	(14)
Transfer to assets held for sale	41	(24,600)	(25,615)
Transfer to investment properties	44	(50,817)	-
Transfer to property development-in-progress	56	(183,535)	(149,749)
At 31 December		<u>6,088,104</u>	<u>6,517,775</u>

As at the reporting date, freehold land and related development expenditure of:

- (a) RM755.8 million (2020: RM749.4 million) are pledged as securities for the borrowing facilities granted to UEM Sunrise's subsidiaries.

Included in the current year additions are the following:

	Group 2021 RM'000	2020 RM'000
Staff costs	2,008	2,345
Interest expense	45,513	41,033

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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. As at the end of the financial year, 399 acres of land remain unsold and the option lapsed.

44. Investment properties

	Note	Group 2021 RM'000	2020 RM'000
Land and building			
Cost			
At 1 January		3,956,660	3,272,166
Additions		68,358	393,609
Disposals/write-offs		(199,722)	(20,697)
Transfer to assets held for sale	41	(1,854)	(13,764)
Transfer from property, plant and equipment	42	1,241	322,488
Transfer from land held for property development	43	50,817	-
Transfer from right-of-use assets	53	52,943	2,858
At 31 December		<u>3,928,443</u>	<u>3,956,660</u>
Accumulated depreciation and impairment losses			
At 1 January		402,908	198,207
Depreciation	36	93,011	42,101
Disposals/write-offs		(25,477)	(10,198)
Allowance for impairment losses	36	37,768	135,441
Transfer from property, plant and equipment	42	-	38,422
Transfer to assets held for sale	41	-	(1,065)
At 31 December		<u>508,210</u>	<u>402,908</u>
Carrying amount at 31 December		<u>3,420,233</u>	<u>3,553,752</u>
Fair value		<u>9,067,305</u>	<u>9,183,973</u>

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 RM17.2 million (2020: RM20.9 million) and RM6.1 million (2020: RM7.4 million) respectively.

The direct operating expenses arising from investment properties of the Group that generate rental income is RM3.2 million (2020: RM3.2 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 data.

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

45. Concession intangible assets

	Note	Group 2021 RM'000	2020 RM'000
Cost			
At 1 January		374,640	69,693
Additions		54,567	36,985
Acquisition of subsidiaries		-	68,913
Disposal		-	(7,784)
Exchange differences		4,578	(9,145)
Reclassified from asset held for sale		-	215,978
At 31 December		<u>433,785</u>	<u>374,640</u>
Accumulated amortisation and impairment losses			
At 1 January		155,837	17,443
Charge for the year, net of reversal	36	27,328	16,111
Acquisition of subsidiaries		-	8,701
Disposal		-	(2,668)
Exchange differences		1,907	(3,706)
Reclassified from asset held for sale		-	119,956
At 31 December		<u>185,072</u>	<u>155,837</u>
Net carrying amount			
At 31 December		<u>248,713</u>	<u>218,803</u>

As at the reporting date, the Group has the following concession intangible assets:

Concession intangible asset	Concession companies	Concession period
Padalur-Trichy Highway, India ("PTH")	Trichy Padalur Tollways Private Limited ("TPTPL")	up to 2031
REPPA arrangement	Kualiti Alam Sdn. Bhd. and Cenergi SEA Berhad	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 PEIB Capital Sdn. Bhd. ("PEIBC") in August 2015.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

46. Goodwill on consolidation

	Group	
	2021	2020
	RM'000	RM'000
At 1 January	1,410,204	2,045,205
Disposal of subsidiary	-	(641,970)
Exchange differences	5,133	6,969
At 31 December	<u>1,415,337</u>	<u>1,410,204</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:

	2021	2020
	RM'000	RM'000
Goodwill - Business Segment		
Engineering, construction and expressway	1,018,887	1,013,754
Financial services	392,339	392,339
	<u>1,411,226</u>	<u>1,406,093</u>
Other business segments	4,111	4,111
	<u>1,415,337</u>	<u>1,410,204</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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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
2021							
At 1 January		27,573	99,108	16,098	339,786	179,817	662,382
Additions		14,342	120,945	-	13	33,399	168,699
Disposal		(35,245)	(4,848)	-	-	(400)	(40,493)
Disposal of subsidiaries	48(v)	-	(10)	-	-	-	(10)
Transfer from property, plant and equipment	42	13,081	-	-	-	-	13,081
Foreign exchange difference		-	1,853	-	-	-	1,853
		19,751	217,048	16,098	339,799	212,816	805,512
Less: Amortisation	36	(37)	(93,443)	-	(41,496)	(99,289)	(234,265)
At 31 December		19,714	123,605	16,098	298,303	113,527	571,247
2020							
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		-	(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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

48. Investment in subsidiaries

Details of the subsidiaries are shown in Note 77 and Note 78.

(i) Additional acquisition/subscription in existing subsidiaries

- (i) Khazanah Nasional Berhad subscribed to an additional 896,143,025 redeemable convertible cumulative secured loan stocks and 798,269,361 preference shares in Themed Attractions Resorts & Hotels Sdn. Bhd. ("TAR&H"), for a total cash consideration of RM1,694.41 million, resulting in the Company maintaining its equity interest of 100%. TAR&H, an unlisted company incorporated in Malaysia, is an investment holding company.
- (ii) Khazanah Nasional Berhad subscribed to an additional 29,720,249 ordinary shares in Malaysia Aviation Group Berhad ("MAGB"), for a total cash consideration of RM1,330.0 million. Government of Malaysia through Turus Pesawat Sdn. Bhd. ("TPSB") has converted the loan due from MAB Pesawat Sdn. Bhd. ("MABP") of RM5.3 billion into ordinary shares of MAGB, resulting in a dilution of the Company's equity interest to 86.6%. MAGB, an unlisted company incorporated in Malaysia, is an investment holding company.

(ii) Issuance and redemption of RCPS by subsidiaries

- (i) On 14 September 2021, UEM Construction Sdn. Bhd. ("UEMC") issued 8,600,000 Class B RCPS at an issue price of RM1.00 each, which were fully subscribed by UEM via cash of RM8.6 million.

(iii) Incorporation of subsidiaries

- (i) On 5 February 2021, Edgenta PROPEL (Sarawak) Sdn Bhd ("EPS") was incorporated as a wholly-owned subsidiary of Edgenta Propel. On 31 December 2021, Edgenta Propel's equity interest in EPS was diluted to 49% after EPS issued additional shares to non-controlling shareholder. Notwithstanding that, UEM have the substantive rights and power to direct the relevant activities of EPS and the ability to use the power to significantly affect its returns as stipulated in the shareholders' agreement.
- (ii) On 11 October 2021, Edgenta FIRST Sdn Bhd was incorporated as a wholly owned subsidiary of UEM Edgenta.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(iv) Accretion of interests in subsidiaries

On 30 July 2021, a wholly-owned subsidiary of UEM Edgenta, Edgenta (Singapore) Pte Ltd, a wholly-owned subsidiary of UEM Edgenta, acquired the remaining 2.54% equity interest in UEMS Pte Ltd and UEMS Pte Ltd became an indirect wholly-owned subsidiary of UEM Edgenta.

(v) Disposal, dissolution or dilution of interests in subsidiaries

(a) On 26 July 2021, Khazanah Nasional Berhad had completed the disposal of its entire 100% equity interest in Silterra Malaysia Sdn. Bhd. for a total cash consideration of RM273 million.

The value of the assets and liabilities of subsidiaries disposed at the respective dates as follows:

	2021 RM'000
Property, plant and equipment	195,266
Cash and bank balances	105,153
Other assets	177,667
Borrowings	(263,972)
Trade and other payables	(837,090)
Net liabilities	(622,976)
Inter-company balances	718,869
Transfer from reserves	(1,110,358)
Gain on disposal	1,287,250
Proceeds from disposal	272,785
Less: Cash and bank balances	(105,153)
Net cash flow from disposal of subsidiary	167,632

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(v) Disposal, dissolution or dilution of interests in subsidiaries (cont'd.)

- (b) On 17 June 2021, UEM Land completed the Share Sale Agreement with KLK Land Sdn Bhd ("KLKL") for the disposal of 50,000 ordinary shares and 180 million redeemable non-convertible non-cumulative preference shares in Aura Muhibah Sdn. Bhd. ("AMSB") representing UEM Land's 20% equity interest in AMSB to KLKL ("SSA") for a total purchase consideration of RM182.6 million. A new shareholders agreement between UEM Land and KLKL was entered and consequently, UEM Land's interest in AMSB was diluted from a 60%-owned subsidiary to a 40%-owned associate.

UEM Land granted KLKL call option, and KLKL granted UEM Land put option, respectively, on UEM Land's remaining 40% equity interest in AMSB. The option price will be based on AMSB's adjusted net tangible assets at the point of exercising the option.

The impact of dilution of AMSB is as follows:

	2021
	RM'000
Land held for property development	901,373
Receivables	1,138
Cash and bank balances	16,354
Payables	(1,437)
Total value of net assets deconsolidated	<u>917,428</u>
Less: Non-controlling interests	<u>(366,971)</u>
40% equity interest transferred to associate	550,457
Less: Dilution of 20% equity interest	<u>(183,486)</u>
40% equity interest transferred to associate	366,971
Fair value of 40% equity interest, including option	<u>362,442</u>
Fair value adjustment	<u>(4,529)</u>
Carrying value of 20% interest in AMSB diluted	183,486
Proceeds from dilution, satisfied in cash	<u>182,644</u>
Loss on dilution	<u>(842)</u>

The effect of dilution on cash flow is as follows:

Proceeds from dilution, satisfied in cash	182,644
Less: Retention sum	(5,479)
Deposit received in prior year	(12,785)
Cash and bank balances deconsolidated	<u>(16,354)</u>
Net cash flow from dilution of a subsidiary	<u>148,026</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(v) Disposal, dissolution or dilution of interests in subsidiaries (cont'd.)

- (c) CIMA disposed its 80% equity interest in Matang Pagar Sdn Bhd and 70% equity interest in Kuad Sdn Bhd for cash consideration of RM500,000 and RM1.2 million respectively.
- (d) During the year, a wholly owned subsidiary of CIMA, Kuari Pati Sdn. Bhd., disposed its 70% equity interest in Pati Nilai Quarry Sdn Bhd for total cash consideration of RM1.1 million.
- (e) The following subsidiaries were dissolved via voluntary dissolution or struck off:
- Sunrise Hospitality and Leisure Sdn Bhd
 - MAVTRAC Sdn Bhd
 - IBS Iconsis Sdn Bhd
 - Total Trade Sdn Bhd
 - Pati Pave Sdn Bhd
 - Faber Hotels Holdings Sdn Bhd
 - Faber LLC
 - Forte Tech Solutions Sdn Bhd
 - Intralogic Sdn Bhd

The carrying amount of the assets and liabilities of subsidiaries disposed and dissolved are as follows:

	2021
	RM'000
Property, plant and equipment	944
Right-of-use assets	562
Inventories	1,394
Receivables	4,178
Cash, bank balances and deposits	2,513
Payables	(1,367)
Other provisions	(1,938)
Total value of net assets disposed	<u>6,286</u>
Less: Non-controlling interests	<u>(2,601)</u>
Group's share of net assets disposed	3,685
Reserves reclassified to profit or loss	3,679
Consideration received, offset against payables	152
Consideration received, satisfied in cash	<u>2,826</u>
Net loss on disposal and dissolution of subsidiaries	<u>(4,386)</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(v) Disposal, dissolution or dilution of interests in subsidiaries (cont'd.)

- (e) The carrying amount of the assets and liabilities of subsidiaries disposed and dissolved are as follows (cont'd.):

The effect of the disposal and dissolution on cash flows is as follows:

	2021
	RM'000
Consideration received, satisfied in cash	2,826
Less: Cash and bank balances disposed	<u>(2,513)</u>
Net cash flow from disposal and dissolution of subsidiaries	<u>313</u>

(vi) Disposal of business operations

- (a) During the financial year, CIMA has completed the disposal of its quarry and premix business operations to external parties for a cash consideration of RM15.5 million.

- (i) The disposal had the following effects on the financial results:

	2021
	RM'000
Net assets derecognised	
Property, plant and equipment	4,377
Intangible assets	10
Inventories	<u>8,219</u>
Total value of assets disposed	12,606
Consideration received, satisfied in cash	<u>15,500</u>
Gain on disposal of business operations	<u>2,894</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(vii) Segments with material non-controlling interests

Segments which have non-controlling interests that are material to the Group are listed below:

2021

(a) Summarised consolidated statement of comprehensive income

	Infrastructure & Construction RM'mil	Property RM'mil	Total RM'mil
Revenue	3,477	29	3,506
(Loss)/profit for the year	<u>(169)</u>	<u>(27)</u>	<u>(196)</u>
(Loss)/profit attributable to:			
Owners of the Company	(119)	(15)	(134)
Non-controlling interests	<u>(50)</u>	<u>(12)</u>	<u>(62)</u>
	<u>(169)</u>	<u>(27)</u>	<u>(196)</u>

(b) Summarised consolidated statement of financial position

	Infrastructure & Construction RM'mil	Property RM'mil	Total RM'mil
Non-current assets	11,035	3,168	14,203
Current assets	<u>4,772</u>	<u>12</u>	<u>4,784</u>
Total assets	<u>15,807</u>	<u>3,180</u>	<u>18,987</u>
Non-current liabilities	4,086	-	4,086
Current liabilities	<u>3,386</u>	<u>51</u>	<u>3,437</u>
Total liabilities	<u>7,472</u>	<u>51</u>	<u>7,523</u>
Net assets	<u>8,335</u>	<u>3,129</u>	<u>11,464</u>
Non-controlling interests	2,618	1,393	4,011
Non-controlling interests which are immaterial to the Group			<u>7,736</u>
			<u>11,747</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(vii) 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.):

2021 (cont'd.)

(c) Summarised consolidated statement of cash flows

	Infrastructure & Construction RM'mil	Property RM'mil	Total RM'mil
Net cash (used in)/generated from:			
Operating activities	(8)	(6)	(14)
Investing activities	(175)	14	(161)
Financing activities	(125)	(2)	(127)
Net changes in cash and cash equivalents	(308)	6	(302)
Cash and cash equivalents at beginning of year	1,719	3	1,722
Cash and cash equivalents at end of year	1,411	9	1,420

2020

(a) Summarised consolidated statement of comprehensive income

	Infrastructure & Construction RM'mil	Property RM'mil	Total RM'mil
Revenue	3,166	1	3,167
Loss for the year	(252)	(280)	(532)
Loss attributable to:			
Owners of the Company	(278)	(155)	(433)
Non-controlling interests	26	(125)	(99)
	(252)	(280)	(532)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

48. Investment in subsidiaries (cont'd.)

(vii) 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.)

(b) Summarised consolidated statement of financial position

	Infrastructure & Construction RM'mil	Property RM'mil	Total RM'mil
Non-current assets	11,084	3,126	14,210
Current assets	5,213	87	5,300
Total assets	<u>16,297</u>	<u>3,213</u>	<u>19,510</u>
Non-current liabilities	3,773	-	3,773
Current liabilities	3,634	57	3,691
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>

(c) Summarised consolidated statement of cash flows

	Infrastructure & Construction RM'mil	Property RM'mil	Total RM'mil
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	<u>1,595</u>	<u>-</u>	<u>1,595</u>
Cash and cash equivalents at end of year	<u>1,719</u>	<u>3</u>	<u>1,722</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

49. Interest in associates

	Group	
	2021	2020
	RM'000	RM'000
Shares at cost,		
Quoted shares in Malaysia	38,757,363	38,663,955
Quoted shares outside Malaysia	729,023	542,302
Unquoted shares in Malaysia	2,779,777	2,874,465
Unquoted shares outside Malaysia	1,760,384	1,697,394
	<u>44,026,547</u>	<u>43,778,116</u>
Share of post acquisition reserves	20,496,950	19,597,744
	<u>64,523,497</u>	<u>63,375,860</u>
Less: Allowance for impairment losses	(6,384,932)	(6,231,286)
	<u>58,138,565</u>	<u>57,144,574</u>
Market value of quoted shares		
In Malaysia	68,199,875	61,572,701
Outside Malaysia	531,723	430,056
	<u>68,731,598</u>	<u>62,002,757</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.

2021**Summarised consolidated statement of comprehensive income**

	Investment holding RM'mil	Infrastructure & construction RM'mil	Transportation & logistics RM'mil	Total RM'mil
Revenue	126,907	62	75	127,044
Profit/(loss) for the year	<u>12,439</u>	<u>44</u>	<u>(35)</u>	<u>12,448</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

49. Interest in associates (cont'd.)

2021 (cont'd.)

Summarised consolidated statement of financial position

	Investment holding RM'mil	Infrastructure & construction RM'mil	Transportation & logistics RM'mil	Total RM'mil
Non-current assets	921,033	1,217	47	922,297
Current assets	60,354	585	42	60,981
Total assets	<u>981,387</u>	<u>1,802</u>	<u>89</u>	<u>983,278</u>
Non-current liabilities	722,769	-	3	722,772
Current liabilities	63,442	248	144	63,834
Total liabilities	<u>786,211</u>	<u>248</u>	<u>147</u>	<u>786,606</u>

Reconciliation of the summarised financial information presented above

	Investment holding RM'mil	Infrastructure & construction RM'mil	Transportation & logistics RM'mil	Total RM'mil
Net assets	<u>195,176</u>	<u>1,554</u>	<u>(58)</u>	<u>196,672</u>
Share of net assets	47,244	524	8	47,776
Goodwill	11,502	-	-	11,502
	<u>58,746</u>	<u>524</u>	<u>8</u>	<u>59,278</u>
Carrying amount of the Group's immaterial interest in associates				<u>5,245</u>
				<u>64,523</u>

2020

Summarised consolidated statement of comprehensive income

	Investment holding RM'mil	Infrastructure & construction RM'mil	Transportation & logistics RM'mil	Total RM'mil
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>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

49. Interest in associates (cont'd.)**2020 (cont'd.)****Summarised consolidated statement of financial position**

	Investment holding RM'mil	Infrastructure & construction RM'mil	Transportation & logistics RM'mil	Total RM'mil
Non-current assets	896,749	2,007	65	898,821
Current assets	60,168	1,603	56	61,827
Total assets	956,917	3,610	121	960,648
Non-current liabilities	706,496	1,881	6	708,383
Current liabilities	60,537	218	108	60,863
Total liabilities	767,033	2,099	114	769,246

Reconciliation of the summarised financial information presented above

	Investment holding RM'mil	Infrastructure & construction RM'mil	Transportation & logistics RM'mil	Total RM'mil
Net assets	189,884	1,512	7	191,403
Share of net assets	47,107	513	8	47,628
Goodwill	11,502	-	-	11,502
	58,609	513	8	59,130
Carrying amount of the Group's immaterial interest in associates				4,246
				63,376

Details of the associates, are shown in Note 77 and Note 78.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

50. Interest in joint ventures

	Note	Group	
		2021	2020
		RM'000	RM'000
Shares at cost,			
Unquoted shares in Malaysia	(i)	5,226,753	5,136,266
Unquoted shares outside Malaysia		28,273	27,920
Investments in unincorporated entities		<u>141,146</u>	<u>141,146</u>
		5,396,172	5,305,332
Share of post-acquisition reserves and others		<u>(1,817,703)</u>	<u>(1,824,574)</u>
		3,578,469	3,480,758
Less: Accumulated impairment losses		<u>(408,159)</u>	<u>(281,001)</u>
		3,170,310	3,199,757
Amount due from joint ventures		<u>184,507</u>	<u>144,523</u>
		<u><u>3,354,817</u></u>	<u><u>3,344,280</u></u>

(i) Acquisition/accretion of interest in joint ventures by the Group

- (a) During the year, UEM Land subscribed to additional 900,000 RPS at an issue price of RM1.00 each in FASTrack for a cash consideration of RM0.9 million.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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.

2021

Summarised consolidated statement of comprehensive income

	Investment holding RM'mil	Infrastructure & construction RM'mil	Property RM'mil	Total RM'mil
Revenue	1,519	182	11	1,712
Profit/(loss) for the year	<u>1,841</u>	<u>36</u>	<u>(77)</u>	<u>1,800</u>

Summarised consolidated statement of financial position

	Investment holding RM'mil	Infrastructure & construction RM'mil	Property RM'mil	Total RM'mil
Non-current assets	17,647	626	378	18,651
Current assets	<u>2,140</u>	<u>886</u>	<u>44</u>	<u>3,070</u>
Total assets	<u>19,787</u>	<u>1,512</u>	<u>422</u>	<u>21,721</u>
Non-current liabilities	10,374	230	2	10,606
Current liabilities	<u>311</u>	<u>118</u>	<u>18</u>	<u>447</u>
Total liabilities	<u>10,685</u>	<u>348</u>	<u>20</u>	<u>11,053</u>

Reconciliation of the summarised financial information presented above

	Investment holding RM'mil	Infrastructure & construction RM'mil	Property RM'mil	Total RM'mil
Net assets	<u>9,102</u>	<u>1,164</u>	<u>402</u>	<u>10,668</u>
Share of net assets	<u>5,159</u>	<u>369</u>	<u>201</u>	<u>5,729</u>
Carrying amount of the Group's immaterial interest in joint ventures				<u>(2,151)</u>
				<u>3,578</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

50. Interest in joint ventures (cont'd.)**2020****Summarised consolidated statement of comprehensive income**

	Investment holding RM'mil	Infrastructure & construction RM'mil	Property RM'mil	Total RM'mil
Revenue	2,047	209	20	2,276
Profit/(loss) for the year	<u>981</u>	<u>11</u>	<u>(45)</u>	<u>947</u>

Summarised consolidated statement of financial position

	Investment holding RM'mil	Infrastructure & construction RM'mil	Property RM'mil	Total RM'mil
Non-current assets	16,423	641	800	17,864
Current assets	<u>2,919</u>	<u>911</u>	<u>294</u>	<u>4,124</u>
Total assets	<u>19,342</u>	<u>1,552</u>	<u>1,094</u>	<u>21,988</u>
Non-current liabilities	11,409	231	80	11,720
Current liabilities	<u>575</u>	<u>240</u>	<u>578</u>	<u>1,393</u>
Total liabilities	<u>11,984</u>	<u>471</u>	<u>658</u>	<u>13,113</u>

Reconciliation of the summarised financial information presented above

	Investment holding RM'mil	Infrastructure & construction RM'mil	Property RM'mil	Total RM'mil
Net assets	<u>7,358</u>	<u>1,081</u>	<u>436</u>	<u>8,875</u>
Share of net assets	<u>4,116</u>	<u>661</u>	<u>163</u>	4,940
Carrying amount of the Group's immaterial interest in joint ventures				<u>(1,459)</u>
				<u>3,481</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

51. Other financial investments**Group - 2021**

	Note	Current RM'000	Non-current RM'000	Total RM'000
Financial assets designated as fair value through profit or loss				
At fair value:				
Quoted shares		-	13,965,919	13,965,919
Unquoted shares		-	2,199,057	2,199,057
Quoted bonds		-	159	159
Unquoted bonds		7,560	4,961,774	4,969,334
Unquoted structured products		-	51,490	51,490
Unquoted fund		937,560	1,126,645	2,064,205
		<u>945,120</u>	<u>22,305,044</u>	<u>23,250,164</u>
Financial assets designated as fair value through other comprehensive income				
At fair value:				
Quoted shares		6	2,102,955	2,102,961
Unquoted shares		-	13,259,074	13,259,074
Unquoted bonds		-	1,604,377	1,604,377
Unquoted fund		-	87,947	87,947
		<u>6</u>	<u>17,054,353</u>	<u>17,054,359</u>
Amortised cost				
Loans receivable		30,000	508,558	538,558
Less: Allowance for impairment losses	(i)	-	(75,916)	(75,916)
Total		<u>975,126</u>	<u>39,792,039</u>	<u>40,767,165</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

51. Other financial investments (cont'd.)

Group - 2020

	Note	Current RM'000	Non-current RM'000	Total RM'000
Financial assets designated as fair value through profit or loss				
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 funds		136,750	-	136,750
		<u>1,723,174</u>	<u>19,862,930</u>	<u>21,586,104</u>
Financial assets designated as fair value through other comprehensive income				
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>
Amortised cost				
Loans receivable		<u>52</u>	<u>558,986</u>	<u>559,038</u>
Less: Allowance for impairment losses	(i)	-	(36,611)	(36,611)
Total		<u>1,723,226</u>	<u>35,431,044</u>	<u>37,154,270</u>

(i) The movement of the allowance accounts used to record the impairment are as follows:

	2021 RM'000	2020 RM'000
At 1 January	36,611	-
Charge for the year	<u>39,305</u>	<u>36,611</u>
At 31 December	<u>75,916</u>	<u>36,611</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

52. Other non-current assets

		Group	
	Note	2021	2020
		RM'000	RM'000
Receivables under finance lease	(i)	193,819	172,250
Trade receivables		512,309	500,780
Prepaid land lease payments		271	-
Staff loans		24,310	25,061
Cash and bank balances	60, (ii)	24,663	-
Contract assets	(iii)	77,694	67,751
Concession receivables	(iv)	1,197,871	1,226,456
Others		1,089,529	760,444
		<u>3,120,466</u>	<u>2,752,742</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:

	Group	
	2021	2020
	RM'000	RM'000
Minimum lease receivables:		
Within one year	7,628	11,389
Between one and five years	29,256	32,524
More than five years	36,229	312,765
Total minimum lease payments	<u>73,113</u>	<u>356,678</u>
Less: Unearned finance revenues	<u>(33,270)</u>	<u>(181,993)</u>
Present value of minimum lease receivables	<u>39,843</u>	<u>174,685</u>
Present value of receivables:		
Within one year	2,508	7,610
Between one and five years	169,248	14,112
More than five years	24,571	158,138
	<u>196,327</u>	<u>179,860</u>
Less: Amount due within one year (Note 59)	<u>(2,508)</u>	<u>(7,610)</u>
Amount due after one year	<u>193,819</u>	<u>172,250</u>

- (ii) Relates to security for banking facilities granted to UEM Group's subsidiaries.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

52. Other non-current assets (cont'd.)

(iii) Contract assets

Group	Note	2021 RM'000	2020 RM'000
Contract assets			
Current	58	738,200	536,096
Non-current		77,694	67,751
		<u>815,894</u>	<u>603,847</u>
Contract liabilities			
Current	62	(92,419)	(100,827)
Non-current	66	(240,635)	(227,799)
		<u>(333,054)</u>	<u>(328,626)</u>

Group	Note	2021 RM'000	2020 RM'000
Contract assets			
Contract assets from property development and strategic land sales	(a)	430,550	252,147
Contract assets from construction contracts	(b)	715	-
Contracts assets from rendering services	(c)	384,629	351,700
		<u>815,894</u>	<u>603,847</u>
Contract liabilities			
Contract assets from property development and strategic land sales	(a)	(302,742)	(297,963)
Contracts liabilities from rendering services	(c)	(30,312)	(30,663)
		<u>(333,054)</u>	<u>(328,626)</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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:

Group	2021 RM'000	2020 RM'000
Contract assets	430,550	252,147
Contract liabilities	(302,742)	(297,963)
	<u>127,808</u>	<u>(45,816)</u>
At 1 January	(45,816)	(143,176)
Revenue recognised during the financial year	866,362	519,903
Deferred during the financial year	(692,738)	(422,543)
At 31 December	<u>127,808</u>	<u>(45,816)</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

52. Other non-current assets (cont'd.)

(iii) Contract assets (cont'd.)

(b) Contract assets from construction contracts

Group	2021 RM'000	2020 RM'000
Contract assets	715	-
Construction work in progress ("WIP"), at cost	134,422	-
Add : Attributable profit	(3,725)	-
	130,697	-
Less :		
- Progress billings	(129,982)	-
	715	-

(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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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.

Group	2021 RM'000	2020 RM'000
Contract assets	384,629	351,700
Contract liabilities	<u>(30,312)</u>	<u>(30,663)</u>
	<u>354,317</u>	<u>321,037</u>
Revenue recognised from amounts included in contract liabilities at the beginning of the year	<u>5,578</u>	<u>4,383</u>

(iv) Concession receivables

Concession receivables are in relation to:

	Note	2021 RM'000	2020 RM'000
Non-current		1,197,871	1,226,456
Current	58	<u>124,214</u>	<u>124,214</u>
		<u>1,322,085</u>	<u>1,350,670</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. This amount is to be repaid over the remaining period of the concession.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

53. Right-of-use assets

	Aircraft RM'000	Land and Building RM'000	Others RM'000	Total RM'000
Costs				
2021				
At 1 January	11,396,064	2,573,130	129,269	14,098,463
Additions	279,731	34,008	15,379	329,118
Lease modification	(1,427,767)	(645,588)	(99)	(2,073,454)
Transfer to property, plant and equipment (Note 42)	(187,967)	-	-	(187,967)
Transfer to investment properties (Note 44)	-	(52,943)	-	(52,943)
Disposal of subsidiaries (Note 48(v))	-	(562)	-	(562)
Disposal	-	(629)	-	(629)
At 31 December	10,060,061	1,907,416	144,549	12,112,026
Accumulated depreciation				
At 1 January	3,430,926	211,303	48,974	3,691,203
Charge for the year (Note 36)	937,952	60,798	15,262	1,014,012
Foreign exchange difference	-	(68)	-	(68)
Lease modification	99,521	235	-	99,756
Impairment (Note 36)	110,880	-	-	110,880
Transfer to property, plant and equipment (Note 42)	(43,793)	(711)	-	(44,504)
Disposal	-	306	-	306
At 31 December	4,535,486	271,863	64,236	4,871,585
Net carrying amount	5,524,575	1,635,553	80,313	7,240,441

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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

	Aircraft RM'000	Land and Building RM'000	Others RM'000	Total RM'000
Costs				
2020				
At 1 January	10,993,809	2,598,052	105,370	13,697,231
Additions	735,157	5,405	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	-	-	(3,834)	(3,834)
Disposal	-	(4,413)	-	(4,413)
Derecognition	(332,902)	-	-	(332,902)
At 31 December	11,396,064	2,573,130	129,269	14,098,463
Accumulated depreciation				
At 1 January	1,480,791	146,470	26,070	1,653,331
Charge for the year (Note 36)	1,563,120	66,724	23,726	1,653,570
Foreign exchange difference	-	72	-	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	-	-	(3,071)	(3,071)
Disposal	-	(911)	-	(911)
At 31 December	3,430,926	211,303	48,974	3,691,203
Net carrying amount	7,965,138	2,361,827	80,295	10,407,260

186

Khazanah Nasional Berhad
(Incorporated in Malaysia)
54. Derivative financial instruments

		Nominal amount RM'000	Group	
			Assets RM'000	Liabilities RM'000
2021				
Forward exchange rate contracts	(i)	-	-	(22)
Fuel hedging contracts (barrels)	(ii)	-	-	-
Foreign currency hedging contracts	(iii)	-	-	-
Interest rate derivatives	(iv)	323,993	22,409	(29,716)
Embedded derivatives		-	-	(166,587)
			<u>22,409</u>	<u>(196,325)</u>
Analysed as:				
Current		79,744	22,409	(22)
Non-current		244,249	-	(196,303)
			<u>22,409</u>	<u>(196,325)</u>
		Nominal amount RM'000	Group	
			Assets RM'000	Liabilities RM'000
2020				
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			12	(158,625)
			<u>12</u>	<u>(230,688)</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

54. Derivative financial instruments (cont'd.)

(i) Forward exchange rate contracts

Cement Industries of Malaysia Berhad's ("CIMA") outstanding forward exchange rate contracts with notional amount totalling RM6.3 million which are used to manage portion of CIMA's transaction exposure denominated in USD.

(ii) Fuel hedging contracts (barrels)

The Group hold swaps designated as hedge of highly probable forecast fuel purchases to reduce the volatility of cash flows. The contracts are intended to hedge the volatility of the purchase price of fuel for a period up to 12 months forward.

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 RM85,393,000 recognised in the profit or loss in prior year. As at 31 December 2021, the Group has no outstanding balance in the reserves.

(iii) Foreign currency hedging contracts

Malaysia Aviation Group Berhad ("MAGB") has forward currency contracts outstanding as at 31 December 2021 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 2021 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.

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 2021, a net unrealised loss of RM118,000 (2020: net unrealised gain of RM7,016,000) 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 RM121,000 (2020: gain of RM3,545,000).

(iv) Interest rate derivatives

As at 31 December 2021, MAGB has interest rate caps and swaps at contracted interest rates varying from 2.1% to 2.2% (2020: 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 2021 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 2021, a net unrealised gain of RM9,079,000 (2020: net unrealised loss of RM15,300,000) 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 RM7,307,000 (2020: gain of RM4,411,000).

Khazanah Nasional Berhad
(Incorporated in Malaysia)

55. Deferred taxation

	Note	Group	
		2021	2020
		RM'000	RM'000
As 1 January		(180,499)	(122,698)
Disposal of subsidiaries (net)		-	(540)
Recognised in profit or loss	40	80,353	(57,261)
Exchange differences		(3,720)	-
At 31 December		<u>(103,866)</u>	<u>(180,499)</u>

Presented after appropriate offsetting as follows:

Deferred tax assets	385,071	333,226
Deferred tax liabilities	(488,937)	(513,725)
	<u>(103,866)</u>	<u>(180,499)</u>

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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:

	Accelerated capital allowances RM'000	Fair value adjustment of land and building RM'000	Interest capitalised RM'000	Other temporary differences RM'000	Total RM'000
At 1 January 2021	(197,453)	(227,594)	(73,254)	(15,424)	(513,725)
Recognised in profit or loss	41,688	2,337	1,634	(20,871)	24,788
At 31 December 2021	(155,765)	(225,257)	(71,620)	(36,295)	(488,937)
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	(197,453)	(227,594)	(73,254)	(15,424)	(513,725)

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

55. Deferred taxation (cont'd.)

Deferred tax assets of the Group:

At 1 January 2021					
Recognised in profit or loss					
Exchange differences					
At 31 December 2021					
	Provision for liabilities RM'000	Unutilised tax losses and unabsorbed capital allowance RM'000	Other temporary differences RM'000	Total RM'000	
	232,004	95,954	5,268	333,226	
	7,344	48,303	(82)	55,565	
	69	(3,789)	-	(3,720)	
	239,417	140,468	5,186	385,071	
At 1 January 2020					
Recognised in profit or loss					
Disposal of subsidiaries					
At 31 December 2020					
	345,029	105,283	14,652	464,964	
	(108,997)	(6,642)	(9,384)	(125,023)	
	(4,028)	(2,687)	-	(6,715)	
	232,004	95,954	5,268	333,226	

Khazanah Nasional Berhad
(Incorporated in Malaysia)

55. Deferred taxation (cont'd.)

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

	Group	
	2021	2020
	RM'000	RM'000
Unutilised tax losses	12,872,686	5,004,181
Unabsorbed capital allowances and investment tax allowance	8,287,440	8,429,122
Other temporary differences	5,707,100	1,492,442
	<u>26,867,226</u>	<u>14,925,745</u>

The unutilised tax losses carried forward are available for offset against future taxable profit of the subsidiaries subject to no substantial changes in the shareholdings of the subsidiaries under Section 44(5A) and (5B) of the Income Tax Act, 1967 and guidelines issued by the tax authorities. With effect from 1 January 2022, any unabsorbed business losses from the year of assessment 2019 onwards can be carried forward for a maximum period of 10 consecutive years of assessment to be utilised against income from any source. The amendment is based on Finance Bill 2021 which was gazetted on 31 December 2021.

56. Property development-in-progress

		Group	
	Note	2021	2020
		RM'000	RM'000
Cumulative property development			
At 1 January		3,482,968	4,685,175
Development costs incurred during the year		449,927	363,199
Transfers from/(to)			
- Land held for property development	43	183,535	149,749
- Property, plant and equipment	42	-	4,610
- Inventories		(32,796)	(24,251)
Impairment for the year	36	(20,605)	-
Reversal of costs arising from completed projects		-	(1,695,514)
At 31 December		<u>4,063,029</u>	<u>3,482,968</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

56. Property development-in-progress (cont'd.)

	Group	
	2021	2020
	RM'000	RM'000
Cumulative costs recognised in statement of comprehensive income		
At 1 January	(2,464,029)	(3,781,163)
Reversal of costs arising from completed projects	-	1,695,514
Recognised during the year	(705,783)	(378,380)
At 31 December	<u>(3,169,812)</u>	<u>(2,464,029)</u>
At 31 December	<u>893,217</u>	<u>1,018,939</u>

Included in costs incurred during the year are:

	Group	
	2021	2020
	RM'000	RM'000
Staff costs	12,786	6,163
Interest expense	<u>6,024</u>	<u>9,794</u>

As at the reporting date, freehold land and related development expenditure totalling RM102.7 million (2020: RM150.2 million) are pledged as security for the banking facilities granted to UEM Sunrise Group.

57. Inventories and work-in-progress

	Group	
	2021	2020
	RM'000	RM'000
At cost:		
Raw materials	18,033	19,981
Work-in-progress	33,160	39,204
Finished goods	26,878	27,326
Consumables	193,544	127,590
Catering and general stores	21,632	22,518
Trading stocks	-	672
Property held for sale	146,584	196,169
Others	122,481	413,170
	<u>562,312</u>	<u>846,630</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

57. Inventories and work-in-progress (cont'd.)

	Group	
	2021	2020
	RM'000	RM'000
At net realisable value:		
Work-in-progress	-	776
Consumable aircraft spares	-	179,052
Property held for sale	273,530	104,798
Golf memberships*	28,211	28,211
Others	857	300
	<u>302,598</u>	<u>313,137</u>
	<u>864,910</u>	<u>1,159,767</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 WIP recognised as cost of sales during the year amounted to RM701.7 million (2020: RM674.4 million), excluding any impairment or write down of inventories.

58. Trade receivables

		Group	
	Note	2021	2020
		RM'000	RM'000
Trade receivables	(i)	1,481,069	1,277,508
Less: Allowance for doubtful debts		<u>(205,206)</u>	<u>(196,830)</u>
		1,275,863	1,080,678
Contract assets	52(iii)	738,200	536,096
Concession receivables	52(iv)	124,214	124,214
		<u>2,138,277</u>	<u>1,740,988</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 (2020: 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:

	2021 RM'000	2020 RM'000
Group		
Neither past due nor impaired	776,078	776,535
1 to 30 days past due not impaired	279,476	122,474
31 to 60 days past due not impaired	44,592	41,819
More than 60 days past due not impaired	175,717	139,850
	499,785	304,143
Impaired	205,206	196,830
	<u>1,481,069</u>	<u>1,277,508</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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

58. Trade receivables (cont'd.)

(i) Trade receivables (cont'd.)

The movement of the allowance account used to record impairment is as follows:

	Group	
	2021	2020
	RM'000	RM'000
At 1 January	196,830	182,615
Charge for the year	8,376	14,215
At 31 December	<u>205,206</u>	<u>196,830</u>

59. Other receivables

		Group	
	Note	2021	2020
		RM'000	RM'000
Interest income receivable		263	273
Amount due from a former director and shareholder of a subsidiary	(i)	2,315,979	2,315,979
Amount due from MoF Inc.		851,580	851,580
Amount due from associates	(ii)	89,219	21,825
Amount due from joint ventures		12,480	45,405
Amount due from related companies		61,937	150,144
Insurance receivables	(iii)	-	24,376
Receivable under finance lease	52(i)	2,508	7,610
Other deposits and prepayments		20,254	32,501
Accrued income		2,353	3,799
Others	(iv)	<u>1,462,813</u>	<u>1,375,089</u>
		4,819,386	4,828,581
Less: Allowance for impairment losses		<u>(2,413,032)</u>	<u>(2,413,032)</u>
		<u>2,406,354</u>	<u>2,415,549</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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

	Group	
	2021	2020
	RM'000	RM'000
Net insurance receivables	-	24,376

Khazanah Nasional Berhad
(Incorporated in Malaysia)

59. Other receivables (cont'd.)

(iv) Included in others are:

- (a) An amount of RM22.9 million (2020: RM22.9 million) representing tax penalty paid to IRB.
- (b) PLUS BKSP Toll Limited net carrying value of concession intangible assets of RM124.3 million or INR2,212.1 million (2020: RM121.6 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) Advance of RM56.0 million (2020: RM56.0 million) provided to a corporate shareholder of a subsidiary which is bearing interest rate at 6% (2020: 6%) per annum.

60. Cash and bank balances

	Group	
	2021	2020
	RM'000	RM'000
Cash in hand and at bank	5,234,096	10,747,983
Deposits with licensed banks	6,669,749	1,091,335
Deposit with other financial institutions	87,103	63,209
	<u>11,990,948</u>	<u>11,902,527</u>
Analysed as:		
Non-current (Note 52)	24,663	-
Current	11,966,285	11,902,527
	<u>11,990,948</u>	<u>11,902,527</u>

The range of interest rates and maturities of the term deposits as at 31 December 2021 is disclosed in Note 68(c).

61. Borrowings

Group	Note	Short term	Long term	Total
		RM'000	RM'000	RM'000
2021				
Secured bonds and notes	(i)	2,493,710	6,179,418	8,673,128
Unsecured bonds and notes	(ii)	3,202,111	30,378,501	33,580,612
Exchangeable Trust Certificates	25(b)	-	3,283,747	3,283,747
Other borrowings	(iii)	4,352,859	7,523,209	11,876,068
		<u>10,048,680</u>	<u>47,364,875</u>	<u>57,413,555</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

61. Borrowings (cont'd.)

Group	Note	Short term RM'000	Long term RM'000	Total RM'000
2020				
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>

(i) Secured bonds and notes

Group	Note	Short term RM'000	Long term RM'000	Total RM'000
2021				
Khazanah Bonds	25(a)	2,443,710	5,499,418	7,943,128
Prohawk	(A)	50,000	680,000	730,000
		<u>2,493,710</u>	<u>6,179,418</u>	<u>8,673,128</u>
2020				
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>

(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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

61. Borrowings (cont'd.)**(i) Secured bonds and notes (cont'd.)****(A) Konsortium ProHAWK Sdn. Bhd. ("Prohawk") (cont'd.)****IMTN (cont'd.)**

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	During the year	At
			1 January 2021	Repayment RM'million	31 December 2021
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	6.0 - 12.0	5.00 - 5.26	315	(25)	290
			<u>755</u>	<u>(25)</u>	<u>730</u>

(ii) Unsecured bonds and notes

Group	Note	Short term RM'000	Long term RM'000	Total RM'000
2021				
Islamic CP/MTN Programme				
Khazanah	25(c)-(g)	2,400,000	27,225,793	29,625,793
UEM Sunrise	(a)	450,000	3,152,708	3,602,708
UEM Edgenta	(b)	252,184	-	252,184
UGB	(c)	99,927	-	99,927
		<u>3,202,111</u>	<u>30,378,501</u>	<u>33,580,612</u>
2020				
Islamic CP/MTN Programme				
Khazanah	25 (c),(d),(f),(g)	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>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

61. Borrowings (cont'd.)

(ii) Unsecured bonds and notes (cont'd.)

(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)	1 January	During the year		31 December
			2021	Issuance	Repayment	2021
			RM'million			
30 June 2014	7	4.90	200	-	(200)	-
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
20 May 2021	5	4.60	-	300	-	300
8 September 2021	5	4.40	-	290	-	290
21 September 2021	4	4.25	-	143	-	143
			<u>1,655</u>	<u>733</u>	<u>(435)</u>	<u>1,953</u>

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 2021	Issuance	Repayment	31 December 2021
			RM'million			
20 May 2016	7	5.00	500	-	-	500
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
18 February 2021	3	4.00	-	230	-	230
18 February 2021	5	4.30	-	170	-	170
			<u>1,600</u>	<u>400</u>	<u>(350)</u>	<u>1,650</u>

In 2021, the Company established its third programme: ICP Programme and IMTN Programme with a combined aggregate limit of up to RM4.0 billion in nominal value.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

61. Borrowings (cont'd.)

(ii) Unsecured bonds and notes (cont'd.)

(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 RM1.0 billion in nominal value and a sub-limit on the ICP Programme of RM300.0 million in nominal value. The tenure for the ICP Programme and IMTN Programme are 7 and 30 years, respectively from the date of the first issue.

The details of the IMTN and ICP issuance and repayment are as follows:

Issuance date	Tenure (Years)	Profit rate (% per annum)	At	Repayment	At
			1 January 2021	during the year	31 December 2021
			RM'million		
26 April 2017	5	4.85	252	-	252
24 April 2020	1	3.40	50	(50)	-
			<u>302</u>	<u>(50)</u>	<u>252</u>

As at 31 December 2021, the remaining tenure of the IMTN Programme is 26 years. UEM Edgenta has implemented its plan to redeem and reissue the IMTNs to extend the tenure of the current IMTNs for another 5 years or a period deemed fit. UEM Edgenta expects to successfully complete and meet all the conditions precedent to redeem and reissue the IMTNs prior to the maturity date of 26 April 2022.

(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% (2020: 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:

	2021 RM'000	2020 RM'000
Principal	100,000	100,000
Unamortised discount	(73)	(215)
	<u>99,927</u>	<u>99,785</u>

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

61. Borrowings (cont'd.)

(iii) Other borrowings

Group		Short term RM'000	Long term RM'000	Total RM'000
2021				
Secured:				
CIMA	(A)	-	1,967	1,967
Other term loans and payables	(B)	1,018,284	7,260,811	8,279,095
Loan from Government	(C)	497,551	-	497,551
Others	(D)	2,141,187	100,000	2,241,187
		<u>3,657,022</u>	<u>7,362,778</u>	<u>11,019,800</u>
Unsecured:				
Other term loans and payables	(B)	22,147	22,146	44,293
Others	(D)	673,690	138,285	811,975
		<u>695,837</u>	<u>160,431</u>	<u>856,268</u>
Total		<u>4,352,859</u>	<u>7,523,209</u>	<u>11,876,068</u>
2020				
Secured:				
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>
Unsecured:				
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>
Total		<u>4,848,047</u>	<u>12,557,277</u>	<u>17,405,324</u>

(A) Cement Industries Of Malaysia Berhad ("CIMA")

In 2020, CIMA Group obtained a term loan facility at interest rate of 3.23% (2020: 3.20%) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

61. Borrowings (cont'd.)

(iii) Other borrowings (cont'd.)

(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 5.64% (2020: 1.0% 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

(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 LL Malaysia Attractions Holdings Sdn. Bhd. ("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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

61. Borrowings (cont'd.)

(iii) Other borrowings (cont'd.)

(C) Loan from Government (cont'd.)

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 29 August 2021, both supplemental agreement to the facility agreement between MOF and IIB as well as deed of novation agreement between IIB, IDRA and LLMTT has signed and thereby executed.

(D) Others

Included in other borrowings are:

(i) Revolving credit facilities

The revolving credit facilities bear interest at rates ranging from 3.01% to 4.32% (2020: 2.99% to 4.99%) 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 of 5.64% (2020: 7.74% 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 4.08% (2020: 3.60%) per annum.

The movement in the borrowings are as follows:

	Note	Group	
		2021 RM'000	2020 RM'000
At 1 January		60,038,363	61,639,366
Drawdown		15,374,573	11,061,844
Repayment		(12,286,304)	(15,842,628)
Conversion of loan to equities		(7,082,947)	-
Unrealised gain on foreign exchange		945,653	2,684,979
Amortisation		424,217	494,802
At 31 December		<u>57,413,555</u>	<u>60,038,363</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

62. Trade payables

	Note	Group	
		2021 RM'000	2020 RM'000
Trade payables		1,627,102	3,803,231
Contract liabilities	52(iii)	92,419	100,827
		<u>1,719,521</u>	<u>3,904,058</u>

The payables are interest free and the normal trade credit terms granted to the Group range from 30 days to 90 days (2020: 30 days to 90 days).

63. Other current liabilities

Group	Note	2021 RM'000	2020 RM'000
Dividend payable		-	1,000,000
Sales in advance of carriage	(i)	904,036	1,137,858
Amount due to associates	(ii)	29,694	1,429
Amount due to related companies	(iii)	229,563	197,098
Interest payable		135,558	527
Insurance payables		-	38,162
Government grant	66(i)	247	247
Retirement benefit obligations and provision for employee entitlements	64	1,403	1,747
Deferred liabilities and income	66(iii)	476,658	74,621
Provision for aircraft maintenance and overhaul costs	(iv)	2,492,507	2,454,062
Accruals		2,132,227	1,962,547
Other payables		2,214,836	2,069,300
		<u>8,616,729</u>	<u>8,937,598</u>

(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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

63. Other current liabilities (cont'd.)

(iv) (cont'd.)

Group	2021 RM'000	2020 RM'000
At 1 January	2,454,062	2,389,980
Additional provision	305,800	240,098
Reversal of provision	(267,355)	(176,016)
At 31 December	<u>2,492,507</u>	<u>2,454,062</u>

All other balances of financial liabilities above are unsecured, interest free and are normally settled on 30 to 180 days (2020: 30 to 180 days) terms.

64. Retirement benefit obligations and provision for service entitlements**Group**

	Note	Retirement benefit obligation RM'000	Provision for service entitlements RM'000	Total RM'000
At 1 January 2021		33,588	28,989	62,577
Exchange differences		78	109	187
Arising during the year	37	845	621	1,466
Payments made during the year		(3,730)	(180)	(3,910)
At 31 December 2021		<u>30,781</u>	<u>29,539</u>	<u>60,320</u>
Less: Current portion	63	(1,403)	-	(1,403)
Long term portion	66	<u>29,378</u>	<u>29,539</u>	<u>58,917</u>
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>

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

64. Retirement benefit obligations and provision for service entitlements (cont'd.)

(a) Retirement benefit obligations (cont'd.)

CIMA (cont'd.)

The retirement benefit is only payable to unionised employees who:

- (a) retire on attainment of age 60, as appropriate; 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 2021. The retirement plan is currently not funded and there are no physical assets set aside for the cost of the benefits.

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 7 January 2022.

(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.

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

65. Other reserves

Group	Foreign	Fair value	Cash flow	Share	Statutory	Retirement	Total
	currency	adjustment	hedge	option	reserve	benefit	
	translation	reserve	reserve	reserve	reserve	reserve	RM'000
	reserve	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Note (a)	Note (b)	Note (c)	Note (d)	Note (e)	Note (f)	RM'000
2021							
At 1 January	636,492	2,807,116	(592,265)	(98,536)	(338,864)	(2,563,044)	2,993
Foreign currency translation differences of foreign operations	685,405	-	-	-	-	-	-
Net loss on fair value of other comprehensive income	-	806,345	-	-	-	-	-
Net loss on fair value of cash flow hedges	-	-	13,553	-	-	-	-
Actuarial loss on retirement benefit plan	-	-	-	-	-	342,983	-
Total other comprehensive loss	685,405	806,345	13,553	-	-	342,983	-
							1,848,286

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

65. Other reserves (cont'd.)

Group (cont'd.)	Foreign	Fair value	Cash flow	Share	Statutory	Retirement	Total
	currency	adjustment	hedge	option	reserve	benefit	
	translation	reserve	reserve	reserve	reserve	reserve	RM'000
	reserve	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Note (a)	Note (b)	Note (c)	Note (d)	Note (e)	Note (f)	
	689,642	-	-	-	-	-	689,642
	(9,231)	(6,411)	16,398	(870)	11,011	-	1,787
Disposal of subsidiaries	-	(1,111,459)	-	-	-	-	(1,111,459)
Disposal of associates	-	-	-	18,498	-	135,067	97,597
Disposal of other financial investments	-	-	-	-	(34,783)	-	(34,783)
Share of reserves of associates and joint ventures	-	-	-	-	-	-	(905)
Transfer to:							
- statutory reserve							
- general reserve							
Total transactions with owners	680,411	(1,117,870)	16,398	17,628	(23,772)	135,067	(358,121)
At 31 December	2,002,308	2,495,591	(562,314)	(80,908)	(362,636)	(2,084,994)	1,344,057

65. Other reserves (cont'd.)

Group	Foreign	Fair value	Cash flow	Share	Statutory	Retirement	Total
	currency	adjustment	hedge	option	reserve	benefit	
	translation	reserve	reserve	reserve	reserve	reserve	RM'000
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Note (a)	Note (b)	Note (c)	Note (d)	Note (e)	Note (f)		
2020							
At 1 January	1,810,424	2,968,978	(606,881)	(100,545)	174,387	(2,575,349)	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)
Total other comprehensive loss	(1,145,335)	945,965	17,650	-	-	(114,583)	(296,303)

65. Other reserves (cont'd.)

Group (cont'd.)	Foreign	Fair value	Cash flow	Share	Statutory	Retirement	Total
	currency	adjustment	hedge	option	reserve	benefit	
	translation	reserve	reserve	reserve	reserve	reserve	RM'000
	reserve	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Note (a)	Note (b)	Note (c)	Note (d)	Note (e)	Note (f)	RM'000
2020 (cont'd.)							
Disposal of subsidiaries	(2,841)	-	-	-	-	-	42
Disposal of associates	(25,756)	(9,998)	(3,034)	(225)	-	126,888	(11,463)
Disposal of other financial investments	-	(1,097,829)	-	-	-	-	-
Dilution of interest in associates	-	-	-	(1,173)	-	-	(10,821)
Shares of reserves of associates and joint ventures	-	-	-	3,407	2,566	-	(54,005)
Derecognition of put option	-	-	-	-	-	-	872,878
Transfer to:							
- statutory reserve	-	-	-	-	(515,817)	-	-
- general reserve	-	-	-	-	-	-	(26,117)
-distributable retained profits	-	-	-	-	-	-	96,633
Total transactions with owners	(28,597)	(1,107,827)	(3,034)	2,009	(513,251)	126,888	867,147
At 31 December	636,492	2,807,116	(592,265)	(98,536)	(338,864)	(2,563,044)	2,993
							(146,108)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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

		Group	
	Note	2021	2020
		RM'000	RM'000
Retirement benefit obligation and provision for employee entitlements	64	58,917	60,830
Government grants	(i)	50,784	54,579
Insurance contract liabilities	(ii)	4,641,477	3,904,088
Deferred liabilities and income	(iii)	1,818,169	1,875,247
Contract liabilities	52(iii)	240,635	227,799
Others		3,024,372	2,573,798
		<u>9,834,354</u>	<u>8,696,341</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

66. Other non-current liabilities (cont'd.)

(i) Government grants

	Note	Group 2021 RM'000	2020 RM'000
At 1 January		54,826	52,734
Received during the year		-	8,844
Recognised in profit or loss	36	<u>(3,795)</u>	<u>(6,752)</u>
At 31 December		<u>51,031</u>	<u>54,826</u>
Analysed as:			
Current	63	247	247
Non-current		<u>50,784</u>	<u>54,579</u>
		<u>51,031</u>	<u>54,826</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) Cenergi SEA Berhad ("Cenergi") has received grants for the purchase of certain development costs of concession assets. There are no unfulfilled or contingencies attached to these grants. The grants were awarded to IRM Solar Sdn. Bhd. for the construction of the solar power plant at Titi Tinggi, Perlis.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

66. Other non-current liabilities (cont'd.)**(ii) Insurance contract liabilities**

	Group	
	2021	2020
	RM'000	RM'000
Gross		
Life insurance and family takaful	4,641,477	3,904,088
	<u>4,641,477</u>	<u>3,904,088</u>
Reinsurance		
Life insurance	-	(227,517)
	<u>-</u>	<u>(227,517)</u>
Net		
Life insurance and family takaful	4,641,477	3,676,571
	<u>4,641,477</u>	<u>3,676,571</u>

(iii) Deferred liabilities and income

	Deferred income RM'000
2021	
Amount recognised	2,707,452
Accumulated realisation	(412,625)
	<u>2,294,827</u>
Due within 12 months (Note 63)	476,658
Due after 12 months	1,818,169
	<u>2,294,827</u>
2020	
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>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 0.17% to 5.78%.

Set out below is the carrying amount of the lease liabilities and the movements during the year:

	Group	
	2021	2020
	RM'000	RM'000
At 1 January	9,708,092	11,343,475
Addition	13,890	5,724
Accretion of interest	11,160	24,043
Payment	(845,980)	(1,602,210)
Lease modifications	(1,209,094)	(4,551)
Disposal of subsidiary	-	(57,091)
Disposal	(87,180)	(325)
Foreign currency translation	9,729	(973)
	<u>7,600,617</u>	<u>9,708,092</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

67. Lease liabilities (cont'd.)

Analysed as:

	2021	2020
	RM'000	RM'000
Amount due within 12 months	738,192	1,615,450
Amount due after 12 months	6,862,425	8,092,642
	<u>7,600,617</u>	<u>9,708,092</u>

The maturities of the lease liabilities as at 31 December as at below:

	2021	2020
	RM'000	RM'000
Not later than one year	738,192	1,615,450
More than 1 year and within 5 years	3,401,770	8,092,642
More than 5 years	3,460,655	-
	<u>7,600,617</u>	<u>9,708,092</u>

The following are the amounts recognised in profit or loss:

	2021	2020
	RM'000	RM'000
Depreciation expense of right-of-use assets	1,014,012	1,653,570
Interest expense on lease liabilities	354,709	502,326
Expenses relating to short term leases	23,646	25,900
Expenses relating to leases of low-value assets	7,187	16
Expenses relating to variable leases	-	687
Expenses relating to operating leases	-	5,018
	<u>-</u>	<u>5,018</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 is 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
Group		
2021		
Increase in 12% of equity price	2,046,523	2,790,020
Decrease in 12% of equity price	<u>(2,046,523)</u>	<u>(2,790,020)</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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
Group		
2020		
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>

(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. 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 24 months forward with specified maximum and minimum hedge coverage. The percentage is guided by both competitive hedge policy and management's judgement.

During the current financial year, the Group temporarily ceased entering into any forward hedging transactions due to capacity recovery uncertainties in the aviation industry arising from the unprecedented COVID-19 impact and the freezing of hedging facilities by the Group's hedge counterparties.

Given the gradual increase in capacity, and high oil prices volatility with geopolitical escalation risks, any hedging activities should be based on an agile hedging approach where more regular reviews are undertaken with hedging policy duration of up to 12-months forward, rolling basis with a maximum hedging limit for up to 50% of exposure.

As at 31 December 2021, the Group has no outstanding fuel hedging transaction, (2020: 2,875,000 barrels).

Khazanah Nasional Berhad
(Incorporated in Malaysia)

68. Financial risk management objectives and policies (cont'd.)

(b) Fuel price risk (cont'd.)

Sensitivity analysis for fuel price risk

The following table demonstrates the sensitivity of the Group's loss net of tax and equity to a reasonably possible change of USD10 per barrel in fuel price with all other variables held constant. The fuel price sensitivity analysis is based on fuel hedging contracts that are still outstanding as at the end of the financial year. At the reporting date, if fuel price increases or decreases by USD10 per barrel, the effects are as follows:

Group	Increase/(decrease)			
	2021		2020	
	Equity	Profit net	Equity	Profit net
	RM'000	of tax	RM'000	of tax
		RM'000		RM'000
Increase in USD10 per barrel	-	-	116,619	-
Decrease in USD10 per barrel	-	-	(116,619)	-
	<u>-</u>	<u>-</u>	<u>(116,619)</u>	<u>-</u>

(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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

68. Financial risk management objectives and policies (cont'd.)

(c) Interest rate risk (cont'd.)

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):

Group	Effect on equity RM'000	Effect on profit or loss RM'000
2021		
Increase in 25 basis points	810	2,851
Decrease in 25 basis points	(810)	(2,851)
2020		
Increase in 25 basis points	964	(2,033)
Decrease in 25 basis points	(964)	2,033

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

	2021		2020	
	Weighted average interest rates %	Average maturity days	Weighted average interest rates %	Average maturity days
Licensed banks	2.66	1 to 365	2.52	1 to 365

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 (cont'd.):

Financial liabilities

	2021		2020	
	Weighted Average interest rates %	Average maturity years	Weighted Average interest rates %	Average maturity years
Bank overdrafts	5.64	Within 1 year	6.32	Within 1 year
Revolving credit	3.03	Within 1 year	3.65	Within 1 year
Finance lease and hire purchase	3.68	1 to 12 years	4.14	1 to 12 years
Term loans	3.59	1 to 5 years	3.74	1 to 5 years

(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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

68. Financial risk management objectives and policies (cont'd.)

(d) Foreign currency risk (cont'd.)

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):

Group	Changes in rate	Effect on profit/(loss) before tax RM'000
2021		
USD/RM - Strengthened	+5%	282,783
- Weakened	-5%	(282,783)
CNY/RM - Strengthened	+5%	189,000
- Weakened	-5%	(189,000)
2020		
USD/RM - Strengthened	+5%	(706,353)
- Weakened	-5%	706,353
CNY/RM - Strengthened	+5%	181,000
- Weakened	-5%	(181,000)

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 associates.

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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.

	On demand or within one year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
2021				
Financial liabilities				
Trade payables	1,719,521	-	-	1,719,521
Other liabilities	7,234,894	4,578,925	9,516,660	21,330,479
Borrowings	8,675,367	24,214,718	28,203,865	61,093,950
Derivative liabilities	22	196,303	-	196,325
Total undiscounted financial liabilities	<u>17,629,804</u>	<u>28,989,946</u>	<u>37,720,525</u>	<u>84,340,275</u>
2020				
Financial liabilities				
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	72,063	158,625	-	230,688
Total undiscounted financial liabilities	<u>19,512,693</u>	<u>35,562,802</u>	<u>38,545,272</u>	<u>93,620,767</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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	Fair value
	amount	RM'000
	RM'000	RM'000
2021		
Financial assets		
Other financial assets		
- Unquoted shares at cost less impairment	-	*
Financial liabilities		
Borrowings	42,253,740	43,605,084
2020		
Financial assets		
Other financial assets		
- Unquoted shares at cost less impairment	322,994	*
Financial liabilities		
Borrowings	39,498,340	40,849,684

- * 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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 profile.

(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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 2021:

Assets and liabilities measured at fair value	Carrying amount RM'000	Fair value measurement using		
		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	16,164,976	13,965,919	2,199,057	-
- Bonds	4,969,493	159	4,969,334	-
- Funds	2,064,205	-	2,064,205	-
Financial assets designated as fair value through other comprehensive income				
- Shares	15,362,035	2,102,961	13,259,074	-
- Bonds	1,604,377	-	1,604,377	-
- Funds	87,947	-	87,947	-
Derivative assets	22,409	-	22,409	-
Financial liabilities				
Derivative liabilities	196,325	-	196,325	-
Assets and liabilities for which fair values are disclosed				
Assets				
Interest in associates				
- Quoted shares	39,486,386	68,731,598	-	-
Investment properties	3,420,233	-	-	9,067,305
Liability				
Borrowings	42,253,740	-	43,605,084	-

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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:

Assets and liabilities measured at fair value	Carrying amount RM'000	Fair value measurement using		
		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	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	-
Financial liabilities				
Derivative liabilities	230,688	-	230,688	-
Assets and liabilities for which fair values are disclosed				
Assets				
Interest in associates				
- Quoted shares	39,206,257	62,002,758	-	-
Investment properties	3,553,752	-	-	9,183,973
Liability				
Borrowings	39,498,340	-	40,849,684	-

During the year, there were no transfers between Level 1 and Level 2 fair value measurements.

Khazanah Nasional Berhad
(Incorporated in Malaysia)

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 2021 and 31 December 2020.

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 2021 and 31 December 2020.

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.

	Note	Group	
		2021	2020
		RM'000	RM'000
Long term borrowings	61	47,364,875	49,422,384
Short term borrowings	61	10,048,680	10,615,979
Less: Cash and bank balances	60	(11,966,285)	(11,902,527)
Net debt		<u>45,447,270</u>	<u>48,135,836</u>
Share capital	27	12,284,201	12,284,201
Capital contribution from shareholders		2,683,223	4,483,223
Reserves		36,836,899	35,493,328
Equity attributable to the owners of the Group		<u>51,804,323</u>	<u>52,260,752</u>
Gearing ratio (times)		<u>0.88</u>	<u>0.92</u>

Khazanah Nasional Berhad
(Incorporated in Malaysia)

72. Commitments**Capital commitment**

	Group	
	2021	2020
	RM'000	RM'000
Approved and contracted for	5,910,902	5,411,015
Approved but not contracted for	1,245,801	1,314,526
	<u>7,156,703</u>	<u>6,725,541</u>
Analysed as follows:		
Property, plant and equipment and land held for property development	6,916,388	6,405,961
Investments	2,023	4,564
Others	238,292	314,926
	<u>7,156,703</u>	<u>6,725,451</u>

73. Contingent liabilities**Themed Attractions Resorts & Hotels Sdn. Bhd. ("TARH")**

- (a) 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") ("collectively known as Desaru Entities") have 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 a claim by MRCB of RM322.9 million (or alternatively RM249.9 million being the reassessed sum by MRCB's independent assessor). Desaru Entities have denied the MRCB's claim and filed a counter claimed of RM198.8 million. The disputes will be resolved by arbitration, which is the contractually agreed dispute resolution mechanism via a Dispute Resolution Agreement. The arbitration hearings will be commencing in October 2022.

TARH is of the view that it stands a reasonable chance of defending against the claims made by MRCB hence, no provision has been made for those claims.

- (b) During the financial year, Inland Revenue Board ("IRB") has subjected the profits derived from disposal of Lands by TDR to income tax pursuant to the Income Tax Act 1967 instead of Real Property Gain Tax filed by TDR in year 2013. IRB has then arbitrarily raised a Notice of Assessment for the year of assessment 2013 to impose tax payable with penalty of RM123.5 million against TDR. Subsequently, TDR has applied for Judicial Review to challenge the said notice of assessment. The Judicial Review is still on-going and an interim stay Order has been granted on the income tax assessment.

TARH is of the view that it stands a reasonable chance of challenging the Director General of Inland Revenue on this matter.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

On 20 May 2014, the Court of Appeal agreed with the decision of the High Court which ruled in favour of BND.

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 20 March 2017, BND filed the notice of appeal, of which was subsequently presented by IRB to SCIT on 14 March 2018. The hearing for the case which was initially fixed on 14 and 15 September 2021 was vacated. The SCIT has fixed the case for hearing on 29 and 30 August 2022.

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.

- (b) On 3 May 2021, UEM Land and Symphony Hills Sdn Bhd ("SHSB") received notices of additional assessment from IRB dated 30 April 2021, for additional taxes with penalties of RM8.5 million and RM73.7 million respectively.

The notice issued to UEM Land was in relation to the removal of Bumiputra quota and low cost requirements for selected developments in Iskandar Puteri, Johor in respect of years of assessment from 2013 to 2015, whilst the notice issued to SHSB was in relation to the reversal of tax losses utilisation in respect of years of assessment from 2006 to 2017.

On 24 May 2021 and 25 May 2021, SHSB and UEM Land were both granted an interim stay of the notices by the High Court including the enforcement of the notices until the hearing of the application to intervene by IRB and disposal of the leave application.

The case management for both UEM Land and SHSB have been fixed on 13 June 2022 and 1 June 2022 respectively.

The solicitors are of the view that both UEM Land and SHSB have reasonable grounds to appeal and contest the basis of the assessments.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

- (c) On 30 April 2021, UEM Edgenta received a notice of additional assessment from IRB for additional tax of RM18.7 million in respect of years of assessment from 2015 to 2018. The additional income tax imposed was in relation to the dispute on the status of UEM Edgenta as a Management Service Company and shall be taxed as an Investment Holding Company under Section 60FA of the Income Tax Act, 1967.

On 25 May 2021, UEM Edgenta filed an appeal to the SCIT. The case mention date has been fixed on 31 March 2022. On 27 May 2021, UEM Edgenta applied for judicial review to quash the decision of IRB.

On 6 July 2021, the High Court allowed UEM Edgenta's application for leave to commence judicial review proceedings against IRB and granted a stay against any proceedings or enforcement actions to recover the taxes and penalties purportedly payable under the notice of assessment, and any other proceedings and actions, until the disposal of the judicial review.

On 20 July 2021, IRB filed a notice of appeal against the High Court's decision. Subsequently, on 18 August 2021, IRB filed an application to the High Court for stay of the substantive proceedings, pending the disposal of IRB's appeal to the Court of Appeal. The High Court denied the application on 20 October 2021 and IRB applied to the Court of Appeal for a stay. The Court of Appeal allowed IRB's application for stay on 28 January 2022.

The next case management for IRB's appeal against High Court's decision for grant of leave has been fixed on 7 April 2022, whereby the Parties will be given directions on filing dates and hearing dates.

The solicitor is of the view that UEM Edgenta has a valid legal claim to challenge the basis of assessment.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

- (d) On 29 June 2021, Edgenta Propel received a notice of additional assessment from IRB for additional tax of RM9.4 million in respect of years of assessment 2016 to 2018. The additional income taxes are consequent to IRB's view that Edgenta Propel ought to not have deducted the adjusted losses surrendered to it by UEM Edgenta, on the basis that UEM Edgenta is not a Management Services Company.

On 26 July 2021, Edgenta Propel filed in an appeal to the SCIT. The case mention date has been fixed on 24 February 2022.

Concurrently, Edgenta Propel made an application to the High Court on 23 July 2021 for leave to commence judicial review proceedings against IRB and granted a stay against any proceedings or enforcement actions to recover the taxes and penalties purportedly payable under the notice of assessment, and any other proceedings and actions, until the disposal of the judicial review. On 14 February 2022, the High Court allowed Edgenta Propel's application for leave and granted stay as applied. The next case management has been fixed on 31 May 2022.

The solicitor is of the view that Edgenta Propel has a valid legal claim to challenge the basis of assessment.

- (e) 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 RM1,005.3 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 RM1,341.2 million on 31 December 2009. An additional claim against UEM of QR11.0 million or RM12.6 million was filed on 24 February 2011.

UEM filed the short memorial of defence, together with a counter claim of QR855.6 million or RM979.3 million on 15 October 2009. The counter claim was subsequently amended to QR1,259.7 million or RM1,441.8 million.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

(e) (cont'd.)

The CoFI gave an oral judgment on 21 June 2017. The written judgment received on 13 July 2017 provided the breakdown of the amount awarded to UEM of QR208.2 million or RM238.4 million, as well as the amount awarded to Plaintiff of QR147.3 million or RM168.6 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 1 July 2020, the Court of Appeal 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 were adjourned to 7 April 2021 for the experts to submit their reports.

The experts failed to submit their reports on 7 April 2021. The proceedings were further adjourned several times and on 25 January 2022, UEM and Parsons submitted proof of payment of their share for experts' fees, whilst the Plaintiff submitted its proof on 2 March 2022. On 30 March 2022, the experts submitted their report and the Court again adjourned the proceedings to 13 April 2022 for the parties to submit their comments on the experts' findings.

- (f) 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 ('the 1st Defendant') ('the Claim'). UEM Land is cited as the 9th Defendant in the Claim.

The Claim seeks, amongst others, for:

- (a) 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
- (b) 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

(f) (cont'd.)

On 25 April 2018, UEM Land had successfully applied to strike out Datuk Kasi A/L K.L. Palaniappan, 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 25 June 2021, the High Court dismissed the Plaintiff's claim againsts all the Defendants and ordered the Plaintiff to pay costs in the sum of RM0.1 million to each of the main parties in the suit. The Plaintiff, subsequently, filed an appeal against the High Court's decision. The hearing for this appeal has been fixed on 28 April 2022.

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 the Group. The solicitor is of the view that UEM Land has a reasonably good chance of success in defending the Plaintiffs' case against UEM Land.

(g) On 10 November 2016, Jetpur Somnath Tollways Private Limited ("JSTPL")'s concession agreement with National Highway 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.

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 NHAI above, was fully impaired.

On 24 March 2020, the Arbitral Tribunal for arbitration proceedings filed by JSTPL's lenders pronounced, inter alia, that NHAI is liable to pay 90% of debt due amount towards termination payment to JSTPL's lenders and NHAI has no valid reason for keeping the bank guarantee. The bank guarantee was returned by NHAI to Punjab National Bank on 17 March 2021.

On 31 March 2021, the Arbitral Tribunal awarded an amount of INR1,016.3 Crore or RM571.2 million, in addition to INR579.8 Crore or RM367.6 million received in 2017 and 2018. NHAI was given time period of 90 days to make the payment to JSTPL.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

(g) (cont'd.)

On 26 April 2021, JSTPL filed an application on the computation errors in the award dated 31 March 2021. Correction for the award received on 31 July 2021 with the awarded amount corrected to INR1,019.4 Crore or RM572.9 million. On 12 October 2021, JSTPL filed Execution Petition in Delhi High Court to execute the award dated 31 March 2021 and addendum award/order dated 31 July 2021, and direct NHAI to deposit the decretal amount of INR1,019.4 Crore or RM572.9 million including interest incurred thereon.

Pursuant to Section 34 of the Arbitration and Conciliation (Amendment) Act, 2015, NHAI may apply for setting aside the arbitral award within 3 months and further 30 days from the date of award. However, following the Supreme Court order dated 23 September 2021, the time period for filing Section 34 proceedings shall have a limitation period of 90 days from 3 October 2021. NHAI filed its petition for challenging the award under Section 34 on 10 December 2021, followed by the revised petition on 20 December 2021.

Several hearings were held from January 2022 to mid-March 2022 for NHAI's appeal for challenging the award under Section 34 and execution petition filed by JSTPL, with the next hearing scheduled on 26 May 2022.

- (h) 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:
- (a) 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
 - (b) 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 might 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

(h) (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 RM124.6 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. UEM Builders carried out remote site inspection as part of the amicable settlement process which was completed in December 2020.

On 20 January 2022, the Tribunal issued Procedural Order for all parties to file their written submissions. BEDB filed its written submission on 24 January 2022. UEM Builders and UEM filed their written submission on 9 February 2022, followed by Preliminary Issued Rejoinder on 9 March 2022.

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.

- (i) 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 Letter of Award dated 15 June 2012 for the construction of Imperia in Puteri Harbour, Iskandar Puteri, Johor. The Asian International Arbitration Centre has appointed Mr. Wayne Martin as the arbitrator on this matter.

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 allegedly due 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 Amended Statement of Defence and Amended Counterclaim dated 6 July 2020, UEM Land disputed liability on all IECSB's claims and sought counterclaims amounting to RM34.4 million, breakdown as follows:

- (a) LAD in the sum of RM27.3 million being damages for delay in completion;
- (b) Costs for defects rectification in the sum of RM 2.8 million;
- (c) Back charges and losses and expenses payable amounting to RM3.2 million;
- (d) All direct payments made by UEM Land to IECSB's sub-contractor amounting to RM1.1 million.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

(i) (cont'd.)

The list of issues to be addressed by the expert and list of non-contentious facts were filed on 18 May 2021. Witness statements were exchanged on 25 October 2021. Procedural hearing was fixed on 11 November 2021 for the purpose of, amongst others, setting timeline to exchange rebuttal witness statements and expert reports. The parties have exchanged the expert reports in reply on 14 February 2022, followed by rebuttal factual witness statements on 7 March 2022. The parties' respective experts shall hold a without prejudice meeting by 7 March 2022, and to deliver a joint expert report thereafter by 7 April 2022. The hearing dates have been fixed on 23 May 2022 to 3 June 2022.

- (j) On 15 April 2021, Edgenta Propel was served with a Writ and Statement of Claim dated 12 April 2021 filed by Ahmad Zaki Sdn Bhd ("AZSB") in relation to the dispute arising from the contract for protection and relocation of utilities (relocation of telecommunication works) for Mass Rapid Transit Sungai Buloh-Serdang-Putrajaya.

AZSB alleged that Edgenta Propel had breached the terms of the contract, mainly on the grounds that Edgenta Propel's delay resulted in the failure to meet the completion date. As a consequence, AZSB had to engage third parties to complete some of the works under the contract. AZSB is therefore seeking reliefs amounting to RM30.9 million from Edgenta Propel.

Edgenta Propel filed a counter claim against AZSB for RM10.6 million on the basis that AZSB has breached the contract by failure, neglect and/or refuse to make full payment for Payment Certificates, under certified Edgenta Propel's claims for work done and certify the Progress Claims that were duly submitted to AZSB for works done.

On 25 May 2021, Edgenta Propel filed its defence and counter claim. On 16 August 2021, the High Court granted a two week extension from 16 August 2021 for Edgenta Propel to file and serve its Reply to Defence to Counterclaim.

On 30 August 2021, Edgenta Propel filed its Reply to Defence to Counterclaim. On 1 September 2021, the High Court fixed the trial dates to be held on 9 May 2022 to 13 May 2022.

During the case management on 24 November 2021, the Judge directed for the expert reports to be filed by 24 January 2022 together with an affidavit affirmed by the expert. On 26 January 2022, the Judge directed for the List of Witnesses to be filed on 14 February 2022, along with the expert reports. The next case management has been fixed on 1 March 2022.

The solicitor is of the view that Edgenta Propel has a good defence against the claim.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

UEM Group Berhad ("UEM") (cont'd.)

- (k) On 30 March 2021, Edgenta Mediserve Sdn Bhd ("EMS") was served with a Writ and Statement of Claim dated 25 March 2021 filed by Magna Meditech Sdn Bhd ("MMSB") in relation to the dispute arising from the contract for provision of comprehensive maintenance services for radiology, radiotherapy, imaging and ultrasound equipment at Northern Region hospitals under Ministry of Health.

MMSB alleged that EMS had breached the contract by prematurely and unlawfully terminating the contract and seeking reinstatement of the contract for a new term of 3 years with an extension of 2 years or damages amounting to RM22.0 million.

EMS subsequently filed the defence against MMSB's claims on 3 May 2021. The next case management is fixed on 8 April 2022.

The solicitor is of the view that EMS has a good defence against the claim.

- (l) In 2010, Madhucon Projects Ltd ("MPL") has initiated arbitration proceeding against UE Development India Pvt Ltd ("UEDI"), an indirect wholly-owned subsidiary of UEM Builders, under a joint venture agreement for the construction of Tuni-Anakapalli NH-5 Project. A claim of INR707.0 million or RM39.7 million has been claimed by MPL and UEDI has counterclaimed INR390.0 million or RM21.9 million.

In addition, MPL had claimed a sum of INR823.6 million or RM46.3 million for the arbitration related to a joint venture agreement for the construction of Tambaram – Tindivanam NH 45 Road Project. UEDI had counterclaimed for a sum of INR284.0 million or RM16.0 million.

UEDI has raised several objections on the maintainability of the arbitrations and the scope of the claims that have been raised before the arbitrators.

The dates for next hearings for both claims have yet to be fixed.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

73. Contingent liabilities (cont'd.)

Cenergi SEA Berhad ("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"). The Group 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.

74. Significant events

The following are the significant events of the Group during the financial year ended 31 December 2021:

(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.

Despite gradual opening of economies globally with the introduction of vaccinations and other measures in 2021, the tourism, hospitality and aviation sectors remains affected as the lockdown and border closures continues. These translates to reduce scheduled flights and airports pass through traffic as well as much reduced occupancy in the leisure and tourism sectors.

The Group and Company have impaired assets in all these sectors where necessary to reflect its current values and continue to monitor them. All financial impacts of these COVID-19 caused downturns have been reflected in this financial statement.

(b) Malaysia Aviation Group Berhad ("MAGB")

MAGB has undertaken a comprehensive financial restructuring exercise ("Restructuring") and a review of its long term business plan for a sustainable airline. The Restructuring of MAGB Group involved bilateral agreements with a number of key stakeholders, namely operating lessors, spare engine lessors, maintenance service providers, corporate lenders, and Government of Malaysia-related entities.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

74. Significant events (cont'd.)

The following are the significant events of the Group during the financial year ended 31 December 2021:

(b) Malaysia Aviation Group Berhad ("MAGB") (cont'd.)

Critical to the Restructuring was a renegotiation of the terms of the operating lease agreements for the Group's aircraft. A Scheme of Arrangement under Part 26 of the UK Companies Act 2006 was undertaken for the aircraft operating leases ("the Scheme") on 10 February 2021. All operating lessors included in the Court process voted in favour of the Scheme and the Scheme was sanctioned by the High Court of Justice of England and Wales at the Sanction Hearing on 22 February 2021. With the Scheme having been formally sanctioned by the UK court, the Group was able to implement its turnaround plan with the committed funding of RM2.27 billion from Khazanah, its existing creditors and all stakeholders, to ensure the foreseeable future of its airline operations.

Details of the measures and impact of the Restructuring are as follows:

(a) Transactions with the Company

i) Funding commitment

The Company has committed to a new capital injection in form of issuance of ordinary shares of RM3.6 billion to fund the business throughout the restructuring period up until 2025. Out of this committed amount, RM1.33 billion had been drawn down during the financial year. The cash injection of RM1.33 billion is in form of issuance of 29,724,439 units of new ordinary shares at an issue price of RM44.74 each. The remaining RM2.27 billion will be released in the future as and when required by the MAGB Group.

ii) Conversion of RCPS to ordinary shares

RCPS of RM3.225 billion had been converted to ordinary shares via the issuance 2,715,737 units of new ordinary shares at an issue price of RM1,224.35 each on 22 March 2021.

iii) Capitalisation of shareholders' advances

Shareholders' advances of RM3 billion have been converted to ordinary shares via the issuance 2,450,289 units of new ordinary shares at an issue price of RM1,224.35 each on 22 March 2021.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

74. Significant events (cont'd.)

The following are the significant events of the Group during the financial year ended 31 December 2021:

(b) Malaysia Aviation Group Berhad ("MAGB") (cont'd.)

Details of the measures and impact of the Restructuring are as follows: (cont'd.)

(b) Transaction with Turus Pesawat Sdn Bhd, a subsidiary of the Ministry of Finance

On 22 March 2021, MAGB via MAB Pesawat Sdn Bhd, a subsidiary of the MAGB novated its entire term loan from Turus Pesawat Sdn Bhd, a subsidiary of the Ministry of Finance (including interest payable at Completion Date) of RM5.6 billion to MAGB. Thereafter, the indebtedness at MAGB level was converted into 5,583,362 units of ordinary shares at an issue price of RM1,000 each, resulting in Turus Pesawat Sdn Bhd having an equity interest in MAGB of 13.41%.

(c) Transaction with Kumpulan Wang Persaraan ("KWAP")

On 22 March 2021, the Perpetual Sukuk of RM1.5 billion previously issued by Malaysia Airlines Berhad ("MAB") was redeemed and settled by way of issuance of RCPS of MAGB to the Sukuk holder, KWAP.

(d) Transactions with revolving credit facilities' lenders and hedging counterparties

As part of the Scheme, MAGB has obtained 2 years grace period on the principal payments of the revolving credit and hedging facilities, reduction in existing margins and conversion to term loans resulting a revised repayment schedule for balances amounting to RM804 million. The impact of the financial liabilities modification is not material.

(e) Transactions with operating lease aircraft and engine lessors

Under the Scheme, MAGB had renegotiated the terms with the lessors to allow the power by hour rate mechanism for lease rental of the year, reduction in lease rentals to 'market level' from financial year 2022 onwards, contingent deferral payment and extension of lease term or rent uplift.

(f) Transactions with finance lease lessors

Under the Scheme, MAGB had a moratorium of principal repayments of 24 months with loan maturity extended for a period of 24 months and reduction of existing margin or on implied fixed rates for selected aircraft.

(g) Transactions with maintenance and service providers

Under the Scheme, MAGB had reviewed the existing terms of several maintenance and service providers to reset agreements rates to market, adjust payments and cash flow requirements based on forecast utilisation.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

74. Significant events (cont'd.)

The following are the significant events of the Group during the financial year ended 31 December 2021:

(b) Malaysia Aviation Group Berhad ("MAGB") (cont'd.)

Details of the measures and impact of the Restructuring are as follows: (cont'd.)

(h) Transactions with Asset Global Network Sdn Bhd ("AGN")

As part of the Scheme, MAGB renegotiated the terms with AGN, a government related entity for a 5 years moratorium, extend lease term for another 5 years, reduction in lease area and the lease payment.

The Restructuring was completed effectively on 22 March 2021.

75. Subsequent events

The following are the significant subsequent events of the Group after the financial year ended 31 December 2021:

Themed Attractions Resorts & Hotels Sdn. Bhd. ("TARH")

- (i) Jana DCS Sdn Bhd ("Jana") filed claims against TAR PH Sdn. Bhd. ("TPH"), TAR PH Family Entertainment Sdn. Bhd. ("TPHFE") and PH Marina Boulevard Sdn. Bhd. ("PHMB") ("collectively known as PH Companies") for an alleged unlawful termination of agreements dated 30 May 2012 between the parties. The said agreements set out terms and conditions for the supply of chilled water in the District Cooling System between Jana and the PH Companies. The dispute resolution mechanism as agreed by the parties is solely by way of arbitration. Subsequent to 31 December 2021, the tribunal has delivered its decision to award the claims of RM232.4 million to Jana.

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

76. Segment information (cont'd.)

2021

	RM'mil							Total		
	Investment Holding	Infrastructure & Construction	Property	Financial Institution Group	Transportation & Logistics	Leisure & Tourism	AgriFood		Others	Elimination
REVENUE										
External sales	1,683	4,229	87	2,036	4,093	166	112	461	-	12,867
Inter-segment sales	2,294	-	-	-	-	-	-	-	(2,294)	-
Total revenue	3,977	4,229	87	2,036	4,093	166	112	461	(2,294)	12,867
RESULTS										
Operating profit/(loss)	1,379	33	(39)	90	(874)	(586)	38	67	-	108
Finance cost	(1,821)	(233)	(7)	-	(623)	(146)	(1)	16	-	(2,815)
Share of results from associates and joint venture	-	14	(54)	-	-	(9)	18	3,495	-	3,464
Profit/(loss) before tax	(442)	(186)	(100)	90	(1,497)	(741)	55	3,578	-	757
Taxation	(226)	(47)	(1)	(15)	(188)	26	-	(9)	-	(460)
Profit/(loss) after tax	(668)	(233)	(101)	75	(1,685)	(715)	55	3,569	-	297
Non controlling interests	-	(59)	12	35	(279)	(107)	-	6	-	(392)
Net profit/(loss) for the year	(668)	(292)	(89)	110	(1,964)	(822)	55	3,575	-	(95)
ASSETS AND LIABILITIES										
Segment assets	40,412	18,686	2,514	6,705	11,715	4,433	392	3,424	-	88,281
Investment in associates	56,800	957	223	-	8	-	113	38	-	58,139
Investment in joint ventures	749	924	68	-	-	53	87	1,474	-	3,355
Consolidated total assets	97,961	20,567	2,805	6,705	11,723	4,486	592	4,936	-	149,775
Segment liabilities	49,624	10,391	708	4,986	15,281	2,701	89	2,444	-	86,224
Consolidated total liabilities	49,624	10,391	708	4,986	15,281	2,701	89	2,444	-	86,224

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

76. Segment information (cont'd.)

2020

	RM'mil							Total		
	Investment Holding	Infrastructure & Construction	Property	Financial Institution Group	Transportation & Logistics	Leisure & Tourism	Agrifood		Others	Elimination
REVENUE										
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
RESULTS										
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)
ASSETS AND LIABILITIES										
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	-	-	Investment holding
Batu Hill Development Ltd. #	England and Wales	100.0	100.0	-	-	Dormant
Beyond Flying Sdn. Bhd.	Malaysia	100.0	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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")
Ledang Ventures Pte Ltd. #	Singapore	100.0	100.0	-	-	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	86.6	100.0	13.4	-	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 Cecil 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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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 Suku Investments Limited	Malaysia	100.0	-	-	-	Investment Holding
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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 Murni Ventures Sdn. Bhd.	Malaysia	100.0	-	-	-	Investment holding
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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 Putih Ventures Sdn. Bhd.	Malaysia	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	-	-	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	-	-	-	-	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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
		2021 %	2020 %		
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
CIMB Group Holdings Berhad *	Malaysia	25.7	27.3	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	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	20.1	21.5	Equity method	Telecommunication and related services
Tenaga Nasional Berhad *	Malaysia	25.7	25.7	Equity method	Generation, transmission and distribution and sale of electricity

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
TIME dotCom Berhad * ^	Malaysia	10.8	10.8	Equity method	Investment holding, provision of management and marketing/promotional services and retailing of telecommunications products
Valuecap Sdn. Bhd. *	Malaysia	-	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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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).
- (iii) Subsidiaries and associates of Malaysia Aviation Group Berhad ("MAGB"), are disclosed in Note 78(C).
- (iv) Subsidiaries, associates and joint ventures of Iskandar Investment Berhad ("IIB"), are disclosed in Note 78(D).
- (v) Subsidiaries, associates and joint ventures of Themed Attractions Resorts & Hotels Sdn. Bhd. ("TARHSB"), are disclosed in Note 78(E).
- (vi) Subsidiary of Malaysian Technology Development Corporation ("MTDC"), are disclosed in Note 78(F).
- (vii) 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
		2021 %	2020 %	2021 %	2020 %	
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	69.6	30.4	30.4	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
Associate of UEM					
UE Construction (Phil.) Inc.<	Philippines	40.0	40.0	Equity method	Dormant
Joint Ventures of UEM					
PLUS Malaysia Berhad ("PLUS Malaysia") x	Malaysia	51.0	51.0	Equity method	Investment holding
UEM – Sarawak Economic Development x	Unincorporated	-	70.0	Equity method	Terminated
UEM – Essar Projects Limited x	Unincorporated	51.0	51.0	Equity method	Construction and extension of roads

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	

**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
		2021 %	2020 %		

Joint venture of PEIB

Jetpur Somnath Tollways Private Limited ("JSTPL") //xat	India	64.4	64.4	Equity method	Ceased operations
---	-------	------	------	---------------	-------------------

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	

**Subsidiary of PLUS Kalyan
(Mauritius) Private
Limited**

PLUS BKSP Toll Limited *## at	India	94.1	94.1	5.9	5.9	Ceased operations
-------------------------------	-------	------	------	-----	-----	-------------------

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	
		2021 %	2020 %			
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	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of Uniquest Infra Ventures Private Limited						
Khalghat Sendhwa Tollways Private Limited ("KSTPL") 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 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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	69.6	30.4	30.4	Property development, property investment, project procurement and management and strategic investment holding
Nusajaya Resort Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Operator of clubhouse and restaurant
Sunrise Berhad ("Sunrise")	Malaysia	69.6	69.6	30.4	30.4	Property development and investment holding
UEM Sunrise (Australia) Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Sunrise (cont'd.)						
UEM Sunrise (Canada) Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding, property development and general trading
UEM Sunrise Management Services Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding
UEM Sunrise Properties Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding, property development and general trading
Nusajaya Five O Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Ceased operations
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Associate of UEM Sunrise						
UEM Sunrise Edgenta TMS Sdn. Bhd. β	Malaysia	69.3	69.3	Equity method	Investment holding and management of real estate	
Joint ventures of UEM Sunrise						
Nusajaya Lifestyle Sdn. Bhd. x	Malaysia	38.3	38.3	Equity method	Property and real estate development, management and property management	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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	
		2021 %	2020 %			
Joint ventures of UEM Sunrise (cont'd.)						
Nusajaya Premier Sdn. Bhd. x	Malaysia	55.7	55.7	Equity method	Property development and investment holding	
Desaru South Course Residences Sdn. Bhd. ("DSCR") x	Malaysia	35.5	35.5	Equity method	Property development	
Desaru North Course Residences Sdn. Bhd. ("DNCR") x	Malaysia	35.5	35.5	Equity method	Property development	
Desaru South Course Land Sdn. Bhd. ("DSCL") x	Malaysia	35.5	35.5	Equity method	Property development	
Malaysian Bio-Xcell Sdn. Bhd. *	Malaysia	27.8	27.8	Equity method	In receivership and liquidation	
Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Land						
Bandar Nusajaya Development Sdn. Bhd. ("BND")	Malaysia	69.6	69.6	30.4	30.4	Investment holding, property development, land trading and an agent for its subsidiaries
Finwares Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding
Fleet Group Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Land (cont'd.)						
Hatibudi Nominees (Tempatan) Sdn. Bhd. *	Malaysia	69.6	69.6	30.4	30.4	In members' voluntary liquidation
Marina Management Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Marina management and property management
Mahisa Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property developer and undertakes construction and turnkey development contracts
Marak Unggul Sdn. Bhd.	Malaysia	34.8	34.8	65.2	65.2	Dormant
Nusajaya Development Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Nusajaya Medical Park Sdn. Bhd. *	Malaysia	69.6	69.6	30.4	30.4	Construct, manage and/or operate specialised buildings for long term lease and property development
UEM Sunrise Nusantara Sdn. Bhd. *	Malaysia	69.6	69.6	30.4	30.4	In members' voluntary liquidation
UEM Sunrise Overseas Corporation Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Land (cont'd.)						
Aura Muhibah Sdn. Bhd.	Malaysia	-	41.8	-	58.2	Property development
Name	Country of incorporation/ principal place of business	Effective interest~ 2021 %	Effective interest~ 2020 %	Accounting model applied	Principal activities	
Associates of UEM Land						
Aura Muhibah Sdn. Bhd.	Malaysia	27.8	-	Equity method	Property development	
Setia Haruman Sdn. Bhd. *	Malaysia	17.4	17.4	Equity method	Township development, property development, project development and sale of land	
Scope Energy Sdn. Bhd.*	Malaysia	27.8	27.8	Equity method	Property development	
Inneonusa Sdn. Bhd. *	Malaysia	27.1	27.1	Equity method	Provision of smart building infrastructure, smart safety and security system, smart in-building services and smart wide services including smart tenant services for building owners, operators, residents and visitors	
Sarandra Malaysia Sdn. Bhd.	Malaysia	27.8	27.8	Equity method	Investment holding, constructing, managing and developing of Marina Club	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
Joint Ventures of UEM Land					
Cahaya Jauhar Sdn. Bhd. x	Malaysia	41.8	41.8	Equity method	Undertake the turnkey design and build contract for the development of the Johor State New Administrative Centre (now known as Kota Iskandar) and State Government Staff Housing in Iskandar Puteri, Johor, and provision of facilities maintenance and management services
Gerbang Leisure Park Sdn. Bhd. *	Malaysia	34.8	34.8	Equity method	Striking-off
Haute Property Sdn. Bhd. *	Malaysia	27.8	27.8	Equity method	Property development and property marketing
Horizon Hills Development Sdn. Bhd.	Malaysia	34.8	34.8	Equity method	Property development
Nusajaya Consolidated Sdn. Bhd. *	Malaysia	34.8	34.8	Equity method	Property development and related activities
Nusajaya Tech Park Sdn. Bhd.	Malaysia	27.8	27.8	Equity method	Property development
FASTrack Iskandar Sdn. Bhd.	Malaysia	20.9	20.9	Equity method	Property development and to develop, construct, operate and manage motorsport city with related facilities and services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of BND						
Nusajaya Industrial Park Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Nusajaya Gardens Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Land trading and investment holding
Nusajaya Greens Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development, land trading and investment holding
Nusajaya Heights Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development, land trading and investment holding
Nusajaya Rise Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development, land trading, investment holding and money lending activity
Nusajaya Seaview Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Land trading and investment holding
Nusajaya Land Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Symphony Hills Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development, land trading and investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of UEM						
Sunrise Nusantara Sdn. Bhd.						
P.T. Bias Permata	Indonesia	69.6	69.6	30.4	30.4	Investment holding
Subsidiary of UEM						
Sunrise Overseas Corporation Sdn. Bhd.						
UEM Sunrise South Africa (Pty) Ltd. *	South Africa	69.6	69.6	30.4	30.4	Investment holding
Subsidiaries of UEM Sunrise South Africa (Pty) Ltd						
Roc-Union (Proprietary) Limited *	South Africa	55.9	55.9	44.1	44.1	Investment holding
Subsidiary of Roc-Union (Proprietary) Limited						
Rocpoint (Proprietary) Limited *	South Africa	55.9	55.9	44.1	44.1	Acquisition and development of land
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Associate of Rocpoint (Proprietary) Limited						
Durban Point Development Company (Proprietary) Limited	South Africa	28.0	28.0	Equity method	Property development	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Sunrise						
Arcoris Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property investment and development
Ascot Assets Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Allevia Sdn. Bhd. (formerly known as Aston Star Sdn. Bhd.)	Malaysia	69.6	69.6	30.4	30.4	Property investment, development and construction
Aurora Tower at KLCC Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Ibarat Duta Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Laser Tower Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Lembah Suria Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Lucky Bright Star Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property investment and development
Mega Legacy (M) Sdn. Bhd.	Malaysia	34.8	34.8	65.2	65.2	Property development
Milik Harta Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
New Planet Trading Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property investment and development
Prinsip Eramaju Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
SCM Property Services Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Provision of property management services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Sunrise (cont'd.)						
Solid Performance Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Summer Suites Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sun Victory Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property investment and development and hotel operation
Sunrise Alliance Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Benchmark Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Century Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Hospitality and Leisure Sdn. Bhd. *	Malaysia	-	69.6	-	30.4	Dissolved
Sunrise Innovations Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Landmark Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Mersing Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Oscar Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Sunrise (cont'd.)						
Sunrise Overseas Corporation Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Investment holding and provision of management services
Sunrise Paradigm Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Pioneer Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Project Services Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development and project management for property development projects
Sunrise Quality Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Region Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development
Sunrise Sovereign Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property development and investment holding
Sunrise International Development Ltd *	The Cayman Islands	69.6	69.6	30.4	30.4	Investment holding
Sunrise Overseas (S) Pte Ltd	Singapore	69.6	69.6	30.4	30.4	Promotion and management services relating to Sunrise Group's properties in Malaysia

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Sunrise MS Pte Ltd	Singapore	69.6	69.6	30.4	30.4	Provision of consultancy, advisory and technical services in relation to project development
Name	Country of incorporation/ principal place of business	Effective interest~ 2021 %	Effective interest~ 2020 %	Accounting model applied	Principal activities	
Joint Ventures of Sunrise						
Sime Darby Property Sunrise Development Sdn. Bhd.	Malaysia	34.8	34.8	Equity method	Property development	
Sunrise MCL Land Sdn. Bhd.*	Malaysia	34.8	34.8	Equity method	Property development and property investment	
Name	Country of incorporation/ principal place of business	Effective interest~ 2021 %	Effective interest~ 2020 %	Non-controlling interest~ 2021 %	Non-controlling interest~ 2020 %	Principal activities
Subsidiaries of UEM Sunrise (Australia) Sdn. Bhd.						
UEM Sunrise (Land) Pty Ltd	Australia	69.6	69.6	30.4	30.4	Holding and financing company
UEM Sunrise (Developments) Pty Ltd	Australia	69.6	69.6	30.4	30.4	Holding and financing company

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Sunrise (Land) Pty Ltd						
UEM Sunrise (Mackenzie Street) Pty Ltd *	Australia	69.6	69.6	30.4	30.4	Trustee company
UEM Sunrise (Mackenzie Street) Unit Trust	Australia	69.6	69.6	30.4	30.4	Landowning entity
UEM Sunrise (La Trobe Street) Pty Ltd *	Australia	69.6	69.6	30.4	30.4	Trustee company
UEM Sunrise (La Trobe Street) Unit Trust	Australia	69.6	69.6	30.4	30.4	Landowning entity
UEM Sunrise (St Kilda Road) Pty Ltd *	Australia	69.6	69.6	30.4	30.4	Trustee company
UEM Sunrise (St Kilda Road) Unit Trust	Australia	69.6	69.6	30.4	30.4	Landowning entity
UEM Sunrise (Collingwood) Pty Ltd *	Australia	69.6	69.6	30.4	30.4	Trustee company
UEM Sunrise (Collingwood) Unit Trust	Australia	69.6	69.6	30.4	30.4	Landowning entity

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Sunrise (Developments) Pty Ltd						
UEM Sunrise (Mackenzie Street Development) Pty Ltd	Australia	69.6	69.6	30.4	30.4	Development company
UEM Sunrise (La Trobe Street Development) Pty Ltd	Australia	69.6	69.6	30.4	30.4	Development company
UEM Sunrise (St Kilda Road Development) Pty Ltd	Australia	69.6	69.6	30.4	30.4	Development company
UEM Sunrise (Aurora Melbourne Central Property Management) Pty Ltd *	Australia	69.6	69.6	30.4	30.4	Property management services
UEM Sunrise (Collingwood Development) Pty Ltd *	Australia	69.6	69.6	30.4	30.4	Property Development
UEM Sunrise (Conservatory Melbourne Property Management) Pty Ltd	Australia	69.6	69.6	30.4	30.4	Property management services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	

**Subsidiaries of UEM Sunrise
Properties Sdn. Bhd.**

Nusajaya DCS Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Provision of cooling plant facility services
Opera Retreat Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property investment
Puteri Harbour Convention Centre Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Own and operate a convention centre
UEM Sunrise Nusajaya Properties Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property investment

Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities
		2021 %	2020 %		

**Joint venture of UEM Sunrise
Properties Sdn. Bhd.**

UEM Sunrise WOTSO Malaysia Sdn. Bhd. *	Malaysia	34.8	34.8	Equity method	Provision of co-working, office and event space
---	----------	------	------	---------------	--

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Sunrise Management Services Sdn. Bhd.						
Rise Digital Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Provision of digital services
UEM Sunrise Project Services Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	Property management for property development
Subsidiary of Sunrise Oscar Sdn. Bhd.						
Sunrise DCS Sdn. Bhd.	Malaysia	69.6	69.6	30.4	30.4	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	69.6	30.4	30.4	Investment holding
Subsidiary of Sunrise Holdings S.à.r.l.						
Canada Sunrise Development Corp. *	Canada	69.6	69.6	30.4	30.4	Property investment and development

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM Builders						
Buildcast Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Production of precast concrete products
IBS Iconsis Sdn. Bhd. *	Malaysia	-	100.0	-	-	Dissolved
Intria Bina Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Civil engineering and construction works
PATI Sdn. Bhd. ("PATI")	Malaysia	100.0	100.0	-	-	Civil engineering works and building construction
Total Trade Sdn. Bhd. *	Malaysia	-	100.0	-	-	Dissolved
UEM Construction Sdn. Bhd. ("UEMC")	Malaysia	100.0	100.0	-	-	Contractors for the execution of construction and engineering works

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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 buildings construction
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Joint Venture of UEM Builders						
Shimizu – Nishimatsu - UEMB – IJM JV	Unincorporated	-	20.0	Equity method	Dissolved	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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 Cikampek-Palimanan Toll Road (also known as Cikopo-Palimanan Toll Road), Indonesia ("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	
		2021 %	2020 %			
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 building construction	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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

Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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
Subsidiary of PATI Sdn. Bhd.						
Pati Pave Sdn. Bhd. *	Malaysia	-	100.0	-	-	Dissolved
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Associate of PATI Sdn. Bhd.						
Pati Philippines Inc. *	Philippines	40.0	40.0	Equity method	Dormant	
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	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		

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~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	

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	-	30.0	Disposed
Kuari Pati Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Quarrying business and its related activities
Matang Pagar Sdn. Bhd.	Malaysia	-	80.0	-	20.0	Disposed
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	-	30.0	Disposed
Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	
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 on roads, infrastructure and expressways and industrial cleaning services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	-	30.9	Dissolved
Faber LLC*	Emirates of Dubai	-	51.9	-	48.1	Dissolved
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	Provision of energy performance management services and renewable energy services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	69.1	30.9	30.9	Provision of asset development and facility management services
Sate Yaki Sdn. Bhd.	Malaysia	41.5	41.5	58.5	58.5	In liquidation
Edgenta NXT Sdn Bhd (formerly known as General Field Sdn Bhd) €	Malaysia	69.1	-	30.9	-	Provision of digital technology services
Edgenta FIRST Sdn Bhd	Malaysia	69.1	-	30.9	-	Provision of management services
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Associate of OIM						
Opus Consultants (M) Sdn. Bhd.	Malaysia	20.7	20.7	Equity method		Engineering consultancy services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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
Edgenta PROPEL (Sarawak) Sdn Bhd	Malaysia	33.9	-	66.1	-	Construction, maintenance and repair of civil, mechanical and electrical works on infrastructure, roads, expressways and sewerage, and industrial cleaning services
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Jointly controlled operation of Edgenta Propel						
Edgenta Propel-NRC JO	Unincorporated	38.0	38.0	Equity method	Provision of 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	Provision of highway maintenance services	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of EMS (cont'd.)						
Edgenta Mediserve (Sabah) Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Investment holding
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
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	
Name	Country of incorporation/ principal place of business	Effective interest~		Non-controlling interest~		Principal activities
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Edgenta Facilities Sdn. Bhd.						
Edgenta Facilities Management Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Facilities management services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Edgenta Facilities Sdn. Bhd. (cont'd.)						
General Field Sdn. Bhd.	Malaysia	-	69.1	-	30.9	Provision of energy performance management services
Faber Star Facilities Management Limited *	India	69.1	69.1	30.9	30.9	Facilities management services in India
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Associate of Edgenta Facilities Sdn. Bhd.						
Faber Sindoori Management Services Private Limited *	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
		2021 %	2020 %	2021 %	2020 %	
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 estate

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of UEM Sunrise						
Edgenta TMS						
Edgenta TMS Sdn. Bhd.	Malaysia	48.5	48.5	51.5	51.5	In liquidation
Subsidiaries of Edgenta						
GreenTech Sdn. Bhd. (formerly known as KFM Holdings Sdn. Bhd.)						
KFM Projects Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Project management consulting services
KFM Systems Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Consultancy and contractors for building management systems for the built environment
KFM Solutions Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Consultancy services in green, smart and connected urban ecology and integrated facility management services
KFM Energy Services Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of consultancy and other services relating to conservation and renewable energy
Veridis PPP One Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Concession holder specialising in retrofitting works of building utilising green technology

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Edgenta GreenTech Sdn. Bhd. (formerly known as KFM Holdings Sdn. Bhd.) (cont'd.)						
Operon Malaysia Sdn. Bhd.	Malaysia	69.1	69.1	30.9	30.9	Provision of supervising officer for activities related to green technology and other solutions for the built environment
Operon Consulting Sdn. Bhd.	Malaysia	48.4	48.4	51.6	51.6	Asset management consulting services
Operon Middle East Limited	British Virgin Islands	69.1	69.1	30.9	30.9	Facilities management and building cleaning services
KFM Middle East Limited *	British Virgin Islands	48.4	48.4	51.6	51.6	Dormant
Subsidiary of Edgenta (Singapore) Pte Ltd						
UEMS Pte Ltd	Singapore	69.1	67.4	30.9	32.6	Investment holding
Subsidiary of UEMS Pte Ltd						
UEMS Solutions Pte Ltd	Singapore	69.1	67.4	30.9	32.6	Property management, facilities engineering, facilities management, energy management, corporate real estate, environmental services, project management and technology optimisation, learning and development, and specialised services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of UEMS Pte Ltd (cont'd.)						
ServiceMaster Hong Kong Limited	Hong Kong	69.1	67.4	30.9	32.6	Dormant
Edgenta UEMS Sdn. Bhd.	Malaysia	69.1	67.4	30.9	32.6	Provision of maintenance and support services for hospitals, public centres, manufacturing facilities and commercial buildings
Edgenta UEMS Ltd	Taiwan	69.1	67.4	30.9	32.6	Provision of cleaning, portering and consulting services for hospitals, medical care institutes commercial, high-tech companies, education center, transportation and shopping mall
Subsidiary of Edgenta UEMS Ltd						
Edgenta UEMS SC Ltd	Taiwan	69.1	67.4	30.9	32.6	Provision of cleaning, potering and consulting services for hospitals, medical care institutes, commercial, high-tech companies, education center, transportation and shopping mall
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Other subsidiaries of UEM (cont'd.)						
Forte Tech Solutions Sdn. Bhd.	Malaysia	-	100.0	-	-	Dissolved
Intralogue Sdn. Bhd.	Malaysia	-	100.0	-	-	Dissolved
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 and supply of electronic toll collection system
MAVTRAC Sdn. Bhd.	Malaysia	-	100.0	-	-	Dissolved
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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-Dauliyah LLC *^	Kingdom of Saudi Arabia	100.0	100.0	-	-	Ceased operations
Name	Country of incorporation/ principal place of business	Effective interest~ 2021 %	Effective interest~ 2020 %	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	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of UEM						
Suria Berhad						
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 acquisition method and equity method of accounting for subsidiaries 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 subsidiaries 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 Uniquist Infra Ventures Private Limited.

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 69.3% shareholding in UEM Sunrise Edgenta TMS Sdn. Bhd., comprising 20.9% 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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.
- € Edgenta NXT Sdn. Bhd. (formerly known as Green Field Sdn. Bhd.) was transferred from Edgenta Facilities Sdn Bhd to UEM Edgenta.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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. - In Liquidation	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
Malaysia Airlines Capital II (L) Limited	Malaysia	100.0	100.0	-	-	Labuan leasing
Malaysia Airlines Capital III (L) Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Malaysia Airlines Capital IV (L) Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Kelip-Kelip Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Kelip-Kelip II Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries (cont'd.)						
Kelip-Kelip II Cayman Limited - In Liquidation	Cayman Islands	100.0	100.0	-	-	Leasing business
Kelip-Kelip III Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Kunang Kunang Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Dormant
Malaysia Airlines A330 Capital Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Malaysia Airlines B738 Capital Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Malaysia Airlines B738 II Capital Labuan Limited - In Liquidation	Malaysia	100.0	100.0	-	-	Labuan leasing
Malaysia Airlines Capital IV Cayman Limited - In Liquidation	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") - In Liquidation	Malaysia	100.0	100.0	-	-	Dormant

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries (cont'd.)						
MAS Aerotechnologies Sdn. Bhd. - In Liquidation	Malaysia	100.0	100.0	-	-	Dormant
MAS Golden Holidays Sdn. Bhd. - In Liquidation	Malaysia	100.0	100.0	-	-	Dormant
MH Loyalty Programme Sdn. Bhd. - In Liquidation	Malaysia	100.0	100.0	-	-	Dormant

^^ 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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of MAGB						
Malaysia Airlines Berhad ("MAB")	Malaysia	86.6	100.0	13.4	-	Business of air transportation and the provision of related services
AeroDarat Services Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Ground services activities on airfields
FlyFirefly Sdn. Bhd. ("Firefly")	Malaysia	86.6	100.0	13.4	-	Air transportation and the provision of related
MAB Kargo Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Other cargo holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of MAGB (cont'd.)						
MAB Leasing Limited	Malaysia	86.6	100.0	13.4	-	To carry on business of purchase, sale, lease, obtaining lease financing and refinancing of commercial aircraft
MAB Pesawat Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	To carry on business of purchase, sale, lease, obtaining lease financing and refinancing of commercial aircraft
Hijrah Biru Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Air transportation and the provision of related services
MAB Academy Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Other education
Malaysia Airlines Holidays Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Dormant
Subsidiaries of Malaysia Airlines Berhad						
Bakawali (Labuan) Limited	Malaysia	86.6	100.0	13.4	-	Labuan leasing
MAB Engineering Services Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Other services activities incidental to air
MAS Aero Services Sdn. Bhd.	Malaysia	44.2	51.0	55.8	49.0	Provision of laundry and cleaning related services
MAS Awana Services Sdn. Bhd.	Malaysia	52.0	60.0	48.0	40.0	Provision of catering and cabin handling services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of FlyFirefly Sdn. Bhd.						
FlyFirefly Holiday Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Tour and travel related operation
MASwings Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Air transportation and the provision of related services
Subsidiary of MAB Leasing Limited						
Malaysia Airline Capital V Cayman Limited	Cayman Islands	86.6	100.0	13.4	-	To carry on business of purchase, sale, lease, obtaining lease financing and refinancing of commercial aircraft
Subsidiary of MAB Kargo Sdn. Bhd.						
MASkargo Logistics Sdn. Bhd.	Malaysia	86.6	100.0	13.4	-	Providing trucking, clearance and warehousing services
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
Associates of MAGB						
Brahim's SATS Food Service Sdn. Bhd.	Malaysia	26.0	30.0	Equity method		Carry on airline catering related services
Pan Asia Pacific Aviation Services Limited ("PAPAS")	Hong Kong	20.8	24.0	Equity method		Provision of aircraft maintenance services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	Project management
SJIC Bina Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Civil engineering construction
Peak Alpha Express Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding and real estate activity
Educity Iskandar Malaysia Sdn. Bhd. ("EIMSB")	Malaysia	60.0	60.0	40.0	40.0	Investment holding, property development and management services
Iskandar Assets Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding and real estate activity
Iskandar Harta Holdings Sdn. Bhd. ("IHHSB")	Malaysia	60.0	60.0	40.0	40.0	Investment holding and real estate activity
IIB Ventures Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Management and business development activities
Medini Land Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding and real estate activity
Iskandar Innovations Sdn. Bhd. ("IISB")	Malaysia	60.0	60.0	40.0	40.0	Investment holdings, business initiatives management and office space rental activity

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of IIB (cont'd.)						
Wurawari Ventures Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Investment holding, property development and management services
Iskandar Capital Sdn. Bhd. ("IskCap")	Malaysia	33.3	33.3	66.7	66.7	Investment holding and property development
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	Project management
Medini City Management Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Project management
Subsidiary of IHHSB						
Ujung Medini Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property investment

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of EIMSB						
Iskandar Education Village Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property development and management services
Iskandar Education Enterprise Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property development, investment, management services for education sector
Subsidiaries of IISB						
Virtua Realm Sdn. Bhd.	Malaysia	30.6	30.6	69.4	69.4	Operation of virtual reality theme park
Subsidiaries of IskCap						
Iskandar British Education Sdn. Bhd.	Malaysia	60.0	60.0	40.0	40.0	Property development and management services
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
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	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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~		Accounting model applied	Principal activities
		2021 %	2020 %		
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	Property development
Subsidiary of JASB					
Medini Iskandar Malaysia Sdn. Bhd.	Malaysia	4.0	12.0	Equity method	Property investment holding and the provision of construction services

* Audited by a firm other than Ernst & Young PLT, Malaysia

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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
Subsidiaries of Themed Attractions and Resort Sdn. Bhd.						
Malaysia Truly Asia Centre Sdn. Bhd. **	Malaysia	-	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)
LL Malaysia Attractions Holdings Sdn. Bhd. ("LLMAH")	Malaysia	100.0	100.0	-	-	Investment holding

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Themed Attractions and Resort Sdn. Bhd. (cont'd.)						
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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
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
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	-	45.0	Provision of general maintenance services, parking and recreation activities
Desaru Golden Beach Hotel Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Golf & Country Club Berhad **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Golf & Country Resort Berhad **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Golf (Lake One) Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Health Spa Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Marina Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of DDC Resort Sdn. Bhd. (cont'd.)						
Desaru Marina Commercial Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Marina Hotel Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Palace Hotel Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Resort Homes Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Sunny Beach Hotel Sdn. Bhd. **	Malaysia	-	55.0	-	45.0	Dormant
Desaru Tennis Ranch Hotel Sdn. Bhd. **	Malaysia	-	55.0	-	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	100.0	-	-	Owner of the "Datai" brand
Name	Country of incorporation/ principal place of business	Effective interest~		Accounting model applied	Principal activities	
		2021 %	2020 %			
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	

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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
MTDC HTDF Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Management of halal technology development 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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	66.0	67.0	34.0	33.0	Micro venture capital
Subsidiary of Bukit Frasers Ventures Sdn. Bhd.						
IDM Lab Sdn. Bhd.	Malaysia	-	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of CRR						
Recycle for Life Sdn. Bhd. ("RFL")	Malaysia	100.0	100.0	-	-	Undertake the collection and handling of recyclable items
Cenviro Aura Technology Sdn. Bhd. (CENURA)	Malaysia	75.0	-	25.0	-	Undertake the development, construction, ownership, operation and maintenance of food grade bottle-to-bottle recycled polyethylene terephthalate plant in Malaysia
Subsidiary of CGE						
Cenviro Green Energy Melaka Sdn. Bhd. ("CEGM")	Malaysia	100.0	100.0	-	-	Has not commenced business operations
Subsidiary of KASB						
Kualiti Alam Lahat Sdn. Bhd. ("KAL")	Malaysia	-	70.0	-	30.0	Has not commenced business operations
Subsidiary of Cosmos Friendship Limited						
KCS Green Energy International (Group) Investments Company Ltd. ("KCS")	Hong Kong	100.0	100.0	-	-	Investment holding
Subsidiaries of KCS						
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Granatum Ventures Sdn. Bhd.						
Candelon Ventures Sdn. Bhd.	Malaysia	-	100.0	-	-	Under members voluntary liquidation
Iskandar Malaysia Studios Sdn. Bhd. ("IMS")	Malaysia	100.0	100.0	-	-	Investment holding
Rhizophora Ventures Sdn. Bhd.	Malaysia	-	100.0	-	-	Investment holding
Subsidiary of Candelon Ventures Sdn. Bhd.						
Imagica South East Asia Sdn. Bhd.	Malaysia	-	100.0	-	-	In members' voluntary liquidation
Subsidiary of Iskandar Malaysia Studios Sdn. Bhd.						
IMS Production Services Sdn. Bhd.	Malaysia	100.0	-	-	-	Production activities
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 Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of Khazanah Nasional Consulting (Hong Kong) Company Ltd (cont'd.)						
Khazanah Nasional Business Consulting (Shanghai) Co. Ltd	China	100.0	100.0	-	-	Consultancy services on business, market information, project management, etc.
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 Berhad	Malaysia	97.0	97.0	3.0	3.0	Investment holding and provision of advisory services
Subsidiaries of Cenergi SEA Berhad						
Cenergi Carbon Ltd.	Malaysia	97.0	97.0	3.0	3.0	Emission reduction project operations

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Cenergi SEA Berhad (cont'd.)						
Cenergi EE Holdings Sdn. Bhd. ("CEEH")	Malaysia	97.0	97.0	3.0	3.0	Renewable energy developers in solar and energy efficiency and investment holding
Cenergi RE Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Investment holding and provision of operation and maintenance services
Cenergi Operations and Maintenance Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Operation and maintenance services of renewable energy power plants
Cenergi Refuel Sdn. Bhd. (f.k.a. Cenergi Eco Power Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	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	97.0	97.0	3.0	3.0	Energy efficiency project operations
Cenergi Solar Sdn. Bhd. (f.k.a. Cenergi Concord Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Cenergi RE Sdn. Bhd.						
Cenergi Palong Sdn. Bhd. (f.k.a.) Biopower Climate Care Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Contracting and construction of a renewable energy plant
Cenergi Sua Betong Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi Cheekah Sdn. Bhd. (f.k.a. GLT Energy Sdn. Bhd.)	Malaysia	97.0	58.2	3.0	41.8	Contracting and construction of a renewable energy plant
Cenergi Sri Jelutung Sdn. Bhd. (f.k.a. Cenergi Tanah Makmur Sdn. Bhd.)	Malaysia	97.0	67.9	3.0	32.1	Contracting and construction of a renewable energy plant
Cenergi Pantai Remis Sdn. Bhd. (f.k.a Pantai Remis Cenergi Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi EPC Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	To carry on business of engineering procurement and construction
Cenergi Tennamaram Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi Hamparan Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Investment holding
Cenergi KF Sdn. Bhd. (f.k.a. Cenergi Green Utilities Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Intended to develop renewable generation distribution

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Cenergi RE Sdn. Bhd. (cont'd.)						
Cenergi Elphil Sdn. Bhd. (f.k.a.Cenergi Green Power Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Dormant
Cenergi Chersonese Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi West Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi Sri Ganda Sdn. Bhd.	Malaysia	72.8	72.8	27.3	27.3	Intended to contract and construct a renewable energy plant
Cenergi Langkap Sdn. Bhd.	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi Endah Sdn. Bhd.	Malaysia	67.9	97.0	32.1	3.0	Intended to contract and construct a renewable energy plant
Bell Cenergi YP Sdn. Bhd.	Malaysia	48.5	77.6	51.5	22.4	Intended to contract and construct a renewable energy plant
Bell Cenergi Linggi Sdn. Bhd. (f.k.a. Bell Cenergi BP Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Bell Cenergi Paloh Sdn. Bhd.	Malaysia	97.0	-	3.0	-	Intended to contract and construct a renewable energy plant

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Cenergi RE Sdn. Bhd. (cont'd.)						
Cenergi Sg Dingin Sdn. Bhd. (f.k.a. Bell Cenergi LD Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Intended to contract and construct a renewable energy plant
Cenergi Classic Sdn. Bhd. (f.k.a. Cenergi Radiance Sdn. Bhd.)	Malaysia	97.0	97.0	3.0	3.0	Renewable energy developer in solar and energy efficiency
Subsidiary of Cenergi Hamparan Sdn. Bhd.						
PT Gree Energy Hamparan*	Indonesia	92.2	92.2	7.9	7.9	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of Pulau Memutik Ventures Sdn. Bhd.						
Pantai Support Services Sdn. Bhd. *	Malaysia	100.0	100.0	-	-	Investment holding
Subsidiaries of Rhizophora Ventures Sdn. Bhd.						
Angsana Production Services Sdn. Bhd.	Malaysia	-	100.0	-	-	Film and television productions consultancy services and production of television series
Rhizophora Capital Sdn. Bhd.	Malaysia	-	100.0	-	-	Funding assistance to film or television
Sonneratia Capital Sdn. Bhd.	Malaysia	-	100.0	-	-	Investment holding
Stylosa Production Sdn. Bhd.	Malaysia	-	100.0	-	-	Investing in and co-production of media content

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Rhizophora Ventures Sdn. Bhd. (cont'd.)						
Apareiba Capital Sdn. Bhd.	Malaysia	-	100.0	-	-	Under members' voluntary liquidation
Subsidiaries of Angsana Production Services Sdn. Bhd.						
Marco Polo Productions Asia Sdn. Bhd.	Malaysia	-	100.0	-	-	Under members' voluntary liquidation
AGT Productions Sdn. Bhd.	Malaysia	-	100.0	-	-	Under members' voluntary liquidation
Subsidiaries of Sonneratia Capital Sdn. Bhd.						
Elektra One Sdn. Bhd.	Malaysia	-	100.0	-	-	Investing and co-production of media content
Elektra Two Sdn. Bhd.	Malaysia	-	100.0	-	-	Investing and co-production of media content
Elektra Three Sdn. Bhd.	Malaysia	-	100.0	-	-	Under members' voluntary liquidation

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiaries of Silterra						
Pembinaan Waferfab Sdn. Bhd. *	Malaysia	-	100.0	-	-	Trading of Solid State Drive ("SSD") products
Silterra Sales and Marketing Sdn. Bhd. ("SSM") *	Malaysia	-	100.0	-	-	Sale and marketing of advanced semiconductor products
Silterra Capital Berhad ("SCB") *	Malaysia	-	100.0	-	-	Providing funding to holding company
Subsidiary of SSM						
Silterra Sales and Marketing (L) Ltd. ("SSML") *	Malaysia	-	100.0	-	-	Sale and marketing of advanced semiconductor products
Subsidiary of SSML						
Silterra USA, Inc.	United States of America	-	100.0	-	-	Dormant
Subsidiary of Tanjung Bidara Ventures Sdn. Bhd.						
Tanjong Aru Capital Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Provision of sports facilities

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
Subsidiary of Tanjong Aru Capital Sdn. Bhd.						
Mulu Ventures Sdn. Bhd.	Malaysia	100.0	100.0	-	-	Provision of cricket facilities
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %	2021 %	2020 %	
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	-	-	Investment holding
Pasir Kalong Investments Limited	Malaysia	100.0	100.0	-	-	Investment holding
Tanjung Piai Ventures Sdn. Bhd.	Malaysia	-	100.0	-	-	Investment holding
Tasik Bera Ventures Sdn. Bhd.	Malaysia	-	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	51.0	49.0	49.0	51.0	Underwriting of life insurance and investment-linked business
SunLife Malaysia Takaful Bhd. *	Malaysia	51.0	49.0	49.0	51.0	Management of family takaful, general takaful and investment-linked takaful business

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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	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	23.13	23.1	Equity method	Investment holding
Associate of Gemia Investments Limited					
Fajr Capital Limited *	Saudi Arabia	22.5	19.1	Equity method	Provision in Islamic finance services

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
Associate of MAFC					
Monoluxury Sdn. Bhd.*	Malaysia	35.0	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	4.3	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 Mount Reskit Investments Limited					
Shanghai Lian Ji Biotechnology Co. Ltd.		21.5	16.8	Equity method	Investment holding
Associate of Pantai Air Papan Ventures Sdn. Bhd.					
VTI Group *	Vietnam	15.2	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	20.67	20.7	Equity method	Media entertainment

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
Associates of Pantai Support Services Sdn. Bhd.					
Unitab Medic Sdn. Bhd. *	Malaysia	-	30.0	Equity method	Investment holding and supervision of medical examination of foreign workers in Malaysia
Associate of Panorama Investment (Mauritius) Ltd					
Actoserba Active Wholesale Private Limited *	India	-	-	Equity method	Online retailer of women innerwear in India.
Associate of Pasir Salak Investments Limited					
8990 Holdings Inc. *	Philippines	8.8	8.8	Equity method	Housing development
Associate of Pulau Kapas Ventures Sdn. Bhd.					
TIME dotCom Berhad *	Malaysia	8.8	8.8	Equity method	Investment holding, provision of management and marketing/promotional services and retailing of telecommunications products
Associate of Pulau Memutik Sdn. Bhd.					
IHH Healthcare Bhd. *	Malaysia	26.0	26.0	Equity method	Investment holding and healthcare service provider

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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	24.65	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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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	-	-	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	Equity method	Create platforms to invest, develop, own and monetise intellectual property creative assets

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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
		2021 %	2020 %		
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.					
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

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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.

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

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:

Adi Saufi Bin Mohamad Daud
Ahmad Fadzli bin Zainudin
Ahmad Jauhari Bin Yahya
Ahmad Luqman bin Mohd Azmi
Amirul Fares bin Wan Zahir
Amlah binti Yassin
Anil Thadani
Arnaud Arman Paul Daniel Girodon
Aubrey Lim Ying Yueh
Azhan Bin Yaacob @ Che Kob
Azman bin Mohd Hussein
Badrul Hisham bin Dahalan
Boo Hui Yee
Brett Thomas Adolf Rubi
Bryan Foong Chee Yeong
Calvin Raqem Jacob
Chari Thandalam Veeravalli Thirumala
Chew Poh Chuan
Chong Yit Phin
Christina Foo
Chua Chin Soon
Daniel Tan Sze Hun
Dato' George Stewart LaBrooy
Dato' Haji Mohd Salleh Bin Yeop Abd. Rahman
Dato' Mohd Izani Bin Ghani
Dato' Norhalim bin Yunus
Dato' Noorazman Abd Aziz
Dato' Seri Mohammed Anwar a/l Fazal Mohammed
Dato' Shahira Binti Ahmed Bazari
Dato' Sri Ghazali bin Mohd Ali
Dato' Mohd Khalis bin Abd Rahim
David Lau Nai Pek
Dr. Sakina Sofia binti Baharom
Dr. Farid Bin Mohamed Sani
Dr. Johari Jalil
Dr. Lydia Binti Abdul Latif
Dr. Muhd Noor Muhd Yunus
Effizal Faiz Bin Zulkifly
Elaine Ong Yee Lynn

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

79. Directors of subsidiaries (cont'd.)

Eysa Zulkifli
Faizal bin Mohd Yusof
Faridah Binti Bakar Ali
Fauzidah binti Abdul Rahman
Fitriolah Nadiah
Gan Hsiang Lin
Goh Ah Peng
Goh Hiang Keat
Goh Keat Siang
Hairol Azizi Bin Tajudin
Hamdan Bin Abdul Majeed
Haris Hardi bin Zakaria
Hoe Teck Wei
Ibrahim bin Mohamed Salleh
Idjarmizuan bin Ibrahim
Jehanne Goh Yen Qi
Kamarudin bin Kamilin
Karina Binti Ridzuan
Khairil Anwar bin Ahmad
Koay Wen Hoong
Lai Wei Ming
Lau Yin May
Laurence Loh Kwong Yu
Lee Siow Woon
Liew Kim Choi
Liew Teen Chai
Lim Kooi June
Lim Teck Wee
Lim Tsin Lin
Lock Jian Wah
Loh Tzu Anne
Mak Pooi Teng
Marcellinus Leo Bin P Linus
Mariamah binti Daud
Marilyn Teoh May Lyn
Marzuki bin Hj Madon
Matthew Kenneth Benson
May Cheong Su Wei
Megat Shahir bin Megat Mohamed Supian
Michael Robert Ashburn
Mohamad Affendi Bin Yusoff

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

79. Directors of subsidiaries (cont'd.)

Mohamad Hishammudin Bin Hamdan
Mohamad Rafiq Bin Mubarak Ali
Mohamed Nasri Bin Sallehuddin
Mohammad Hazani bin Hassan
Mohd Azarull Ahadi bin Abdullah
Mohd Nadziruddin bin Mohd Basri
Mohd Salehoddin bin Abdul Hamid
Mohd Zulkefly bin Ujang
Muhammed Rozani Bin Mohamed Osman
Muhammad Syauqi Bin Ab Samad
Naiken Veerasamy
Ng Eu Gin
Ngan Chu Chu
Nicola Romain Stirer
Nik Marien Binti Nik Ahmad Kamal
Nik Nazhah Binti Nik Abdul Aziz
Nor Azree Bin Md Daros
Nor Suhaila binti Abdul Latif
Norizuan bin Abu Zarim
Nurul Iman Binti Mohd Zaman
Ong King How
Philip See Yew Jin
Phuan Ling Fong
Poh Ying Loo
Rajgopal Rajkumar
Reagan Chan Chung Cheng
Robert Anthony Ortenzio
Robert Tan Bun Poo
Ronnie Khoo Boo Eam
Roslina Binti Arbak
Roslina binti Zukkafli
Rowina Ghazali Seth
Ruziah Binti Abdul Latif
Saidatul Azrina Binti Dzulkifli
Sawkut Oomarally Bundhoo
Selvendran Katheerayson
Seow Hai Yoong
Serena Tan Mei Shwen
Shamini a/p Veerasingam
Shamsuddin Bin Sulaiman
Shankar Menon a/l Krishnan @ Vasuthavan

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

79. Directors of subsidiaries (cont'd.)

Siegfried Boerst
Siti Aishah binti A Samad
Stephanie Jane Brooksbank
Stephanie Saw Ai Lin
Sugu Maran a/l Kailasan
Suraya binti Mahmud
Suryani Senja Binti Alias
Suzanne Ng Bee June
Syahrnizam Samsudin
Syed Ahmad Safarudin Bin Syed Zainal Abidin
Tan Sri Abd Rahman bin Mamat
Tan Sri Dato' Lim Kang Hoo
Tan Sri Dato' Sri Haji Esa Bin Mohamed
Tan Sri Dr. Azmil Khalili Bin Dato' Khalid
Tan Sri Tan Boon Seng @ Krishnan
Tan Sri Wan Zulkiflee bin Wan Ariffin
Tengku Dato' Sri Azmil Zahrudin Bin Raja Abdul Aziz
Tinesh Thambaiya Yogarajah
Toh Tau Book
Tsen Lee Yee
Vinie Chong Pui Ling
Wan Ahmad Saifuddin bin Ahmad Radzi
William Edward Walters
Wong Chin See
Wong Eugene
Wong Hee Chai
Wong Hong Yee
Wong Peck Ling
Wong Shu Hsien
Wu Jueh Ming Lawrence
Yap Kheng Han
Yap Pooi Choo
Yeo Kar Peng
Yong Kean Kun
Yong Kean Seong
Yong Toi Mee
Yusnianti Binti Muhamed Yusoff
Zaida Khalida Shaari
Zainul Rahim Bin Mohd Zain
Zulfiqar bin Zainuddin

199301020767 (275505-K)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

79. Directors of subsidiaries (cont'd.)

Abdullah bin Hashim	(Appointed On 24 February 2022)
Aina Nadia Binti Mohd Rafee	(Appointed On 20 October 2021)
Ainol Roznain Bin Yaacob	(Appointed On 9 February 2022)
Alex Yeow Wai Siaw	(Appointed On 21 June 2021)
Amirsham Bin A Aziz	(Appointed On 9 February 2022)
Annie binti Rosle	(Appointed On 19 May 2021)
Azim Bin Juzer	(Appointed On 25 November 2021)
Badrul Hisyam bin Abdullah	(Appointed On 24 February 2022)
Chen Wen Yin	(Appointed On 25 November 2021)
Cheryl Goh Ching Ling	(Appointed On 26 June 2021)
Choo Ning	(Appointed On 25 November 2021)
Datin Sri Badrunnisa Mohd Yasin Khan	(Appointed On 21 June 2021)
Dato Dr Nadzri Yahaya	(Appointed On 1 January 2021)
Dato' Haji Mohammed Ridha bin Dato' Haji Abd Kadir	(Appointed On 1 February 2022)
Dato' Amirul Feisal bin Dato' Wan Zahir	(Appointed On 3 August 2021)
Dato' Haji Ramlee bin Haji A Rahman	(Appointed On 1 September 2021)
Datuk Amran Hafiz bin Affifudin	(Appointed On 15 November 2021)
Datuk Zainal Abidin Abu Hassan	(Appointed on 8 December 2021)
Dinesh A/L Thinakaran	(Appointed On 29 January 2021)
Dzulkifly Bin Hassan	(Appointed On 1 September 2021)
Ezraila Binti Mohamad Isa	(Appointed On 20 April 2021)
Gan Chia Siang	(Appointed On 30 April 2021)
Hafriz Bin Abdul Rahman	(Appointed On 29 October 2021)
Halina Jael Binti Abu Bakar	(Appointed On 1 January 2021)
Ir Dr. Sanjayan A/L K.V Velautham	(Appointed On 13 July 2021)
Imran Bin Abdullah	(Appointed on 8 December 2021)
Izham bin Ismail	(Appointed On 1 April 2021)
Jamaludin Bujang	(Appointed on 1 April 2021)
Jenifer Thien Bit Leong	(Appointed On 1 July 2021)
Ju Hong Sik	(Appointed On 9 April 2021)
Kazrin Bin Khairul Anuar	(Appointed On 30 November 2021)
Latifah binti Mohamed Yusof	(Appointed On 10 May 2021)
Laxman Deepak Vaidya	(Appointed On 2 February 2021)
Lim Wei Lih	(Appointed On 10 December 2021)
Low Guat Peng	(Appointed On 12 November 2021)
Maslina Binti Mansor	(Appointed On 10 December 2021)
Mat Azman bin Ismail	(Appointed On 1 October 2021)
Mat Sahwira bin Tamat	(Appointed On 27 January 2022)
Mohd Asrul Bin Ab Rahim	(Appointed On 21 January 2022)
Mohd Gadaffie bin Abd Aziz	(Appointed On 1 February 2022)
Mohd Haniz bin Mohd Nazlan	(Appointed On 29 September 2021)
Mohd Norsuradi Man	(Appointed On 1 January 2021)

**Khazanah Nasional Berhad
(Incorporated in Malaysia)**

79. Directors of subsidiaries (cont'd.)

Mohd Shafie Ismail	(Appointed On 10 December 2021)
Mok Jia Mei	(Appointed On 29 October 2021)
Muhamad Yazid bin Che Ya	(Appointed On 24 February 2022)
Muhammad Firdaus bin Ishak	(Appointed On 24 February 2022)
Muhammad Haiqal Bin Mohd Ali	(Appointed On 29 October 2021)
Muhammad Najmi bin Mansor	(Appointed On 1 April 2021)
Nasaruddin bin A.Bakar	(Appointed On 1 April 2021)
Natasha Su A/P Sivarajah	(Appointed On 21 October 2021)
Nor Azah binti Ab Aziz	(Appointed On 1 April 2021)
Nor Shafahana Shaik binti Abdul Shukkor	(Appointed On 21 December 2021)
Norazalina Sham binti Abdullah	(Appointed On 12 November 2021)
Norliza binti Suleiman	(Appointed On 27 January 2022)
Ooi Theng Therk	(Appointed On 12 November 2021)
Raja Ahmad Murad Bin Raja Bahrin	(Appointed On 18 June 2021)
Shahnaz binti Abdul Samad	(Appointed On 21 July 2021)
Shirley Goh	(Appointed On 1 July 2021)
Siti Aidah binti Abd Rahman	(Appointed On 13 July 2021)
Tan Yi Ling	(Appointed On 1 December 2021)
Tuan Haji Lukman Bin Abu Jari @ Abu Bakar	(Appointed On 1 September 2021)
Tunku Alizakri bin Raja Muhammad Alias	(Appointed On 7 March 2022)
Wong Poh 'Ee	(Appointed On 29 September 2021)
Yasmin Thaseen Binti Sikkandar	(Appointed On 1 July 2021)
Zainal Abidin bin Zakaria	(Appointed On 27 January 2022)
Zaiviji Ismail bin Abdullah	(Appointed On 7 March 2022)
Amir Hamzah bin Nordin	(Resigned On 1 October 2021)
Anupum Khaitan	(Resigned On 2 February 2021)
Ashraf Bin Abbas	(Resigned On 29 January 2021)
Azlan Afandi Bin Sauffee Afandi	(Resigned On 31 December 2021)
Datin Paduka Che Asmah Ibrahim	(Resigned On 28 February 2021)
Dato' Ahmad Pardas Bin Senin	(Resigned On 1 January 2021)
Dato' Hj. Mohd Noorazam bin Dato' Haji Osman	(Resigned On 21 August 2021)
Dato' Leong Kin Mun	(Resigned On 26 April 2021)
Dato' Dr Haji Badrul Hisham Bin Kassim	(Resigned On 31 December 2021)
Dato' Mohd Salleh bin Ahmad Tabrani	(Resigned On 1 April 2021)
Datuk Ir. Dr. Siti Hamisah binti Tapsir	(Resigned on 15 September 2021)
Dzulkeflie bin Ja'apar	(Resigned On 1 February 2021)
Elakumari A/P Kantilal	(Resigned On 17 June 2021)
Emily Kok	(Resigned On 17 June 2021)
Erika Mushtarina Bin Mat Ariffin	(Resigned On 12 November 2021)

199301020767 (275505-K)

Khazanah Nasional Berhad
(Incorporated in Malaysia)

79. Directors of subsidiaries (cont'd.)

Fizulin Binti Mohamed Zin	(Resigned On 1 January 2021)
Johari Shukri bin Jamil	(Resigned On 1 November 2021)
Juhana Binti Hamzah	(Resigned On 3 January 2022)
Lim Woong Bin	(Resigned On 9 April 2021)
Lynette Yeow Su-Yin	(Resigned On 1 January 2021)
Mohd Azharuddin bin Mat Sah	(Resigned On 14 July 2021)
Norhafizah binti Sahari	(Resigned On 18 May 2021)
Rahimah binti Farjan Ali @ Pasan Ali (f)	(Resigned On 1 April 2021)
Shahin Farouque Bin Jammal Ahmad	(Resigned On 15 November 2021)
Shahrul Nizam Bin Abdul Aziz	(Resigned On 29 January 2021)
Suhaimi Bin Halim	(Resigned On 1 January 2021)
Tan Sri Shahril Ridza bin Ridzuan	(Resigned On 3 August 2021)
Teh Ija Binti Mohd Jalil	(Resigned On 21 June 2021)
Ungku Suseelawati Binti Ungku Omar	(Resigned On 21 June 2021)
Zaki Abdul Aziz M. H. Daud	(Resigned On 1 January 2021)
Zalinah binti A. Hamid	(Resigned On 18 May 2021)
Zane Qamariah Binti Ambotang	(Resigned On 30 August 2021)

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

Click to follow us on social media:

