

**BOULEVARD JAYA SDN. BHD.
200401003216 (641719-W)
(Incorporated in Malaysia)**

**Directors' Report and Audited Financial Statements
30 June 2023**

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Directors: Tan Sri Datuk Ling Chiong Ho
Ling Chiong Sing
Ling Chiong Pin
Dennis Ling Lu Jing
Chin Sheng Hung

Secretary: Tang Tiong Ing (MIA4356)
(SSM Practising Certificate No: 202008002361)

Registered office: Lot 515, Jalan Datuk Edward Jeli
Piasau Industrial Estate
98000 Miri, Sarawak

Auditors: Ernst & Young PLT

Principal bankers: CIMB Bank Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad
Affin Bank Berhad
Malayan Banking Berhad
Public Bank Berhad
Affin Islamic Bank Berhad
Bank of China (M) Berhad

Index	Page
Directors' Report	1 - 4
Statement by Directors and Statutory Declaration	5
Independent Auditors' Report	6 - 9
Statement of Comprehensive Income	10
Statement of Financial Position	11 - 12
Statement of Changes in Equity	13
Statement of Cash Flows	14 - 15
Notes to the Financial Statements	16 - 39

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Company for the financial year ended 30 June 2023.

Principal activities

The principal activities of the Company are those of car dealership, sales of spare parts and after-sales service. There have been no significant changes in the nature of the principal activities during the financial year.

Results

	RM
Profit net of tax	4,669,734

Reserves and provisions

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 Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

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:

Tan Sri Datuk Ling Chiong Ho
Ling Chiong Sing
Ling Chiong Pin
Dennis Ling Lu Jing
Chin Sheng Hung

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than as disclosed in Note 20 to the financial statements.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

Directors' benefits (contd.)

Details of directors' remuneration in accordance with the requirements of Companies Act 2016 are as follows:

	2023 RM	2022 RM
Executive		
Salaries and other emoluments	206,125	129,050
Contributions to defined contribution plan	12,564	9,684
Total directors' remuneration (Note 8(b))	<u>218,689</u>	<u>138,734</u>

The directors and officers of the Company are not indemnified for any liability that may arise during the discharge of their duties. No payment was made for any indemnification during the financial year and up to the date of this report.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its holding company during the financial year were as follows:

Company	Number of ordinary shares At 1 July 2022 and 30 June 2023
Direct interest:	
Ling Chiong Sing	1
Shin Yang Holding Sendirian Berhad	
Indirect interest:	
Tan Sri Datuk Ling Chiong Ho	6,250,000
Ling Chiong Sing	6,250,000
Ling Chiong Pin	6,250,000

None of the other 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.

Other statutory information

- (a) Before the statement of comprehensive income and statement of financial position 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 there were no known bad debts and that no provision for doubtful debts was necessary; and

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

Other statutory information (contd.)

- (a) Before the statement of comprehensive income and statement of financial position of the Company were made out, the directors took reasonable steps: (contd.)
- (ii) to ensure that any current assets which were unlikely to realise their value 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) it necessary to write off any bad debts or to make any provision for doubtful debts in respect of these financial statements; and
 - (ii) the values attributed to the current assets in the financial statements of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (iii) any contingent liability 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 Company to meet its 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 Company for the financial year in which this report is made.

Holding company

The holding company is Shin Yang Holding Sendirian Berhad, a company incorporated in Malaysia.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

Auditors

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

The auditors' remuneration of the Company for the financial year is RM18,000.

Signed on behalf of the Board in accordance with a resolution of the directors dated **04 DEC 2023**



Ling Chiong Sing



Ling Chiong Pin

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement by Directors pursuant to Section 251(2) of the Companies Act 2016

We, **Ling Chiong Sing** and **Ling Chiong Pin**, being two of the directors of **Boulevard Jaya Sdn. Bhd.**, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 10 to 39 are drawn up in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 30 June 2023 and of its financial performance and its cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated **04 DEC 2023**


Ling Chiong Sing


Ling Chiong Pin

Statutory Declaration pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Ling Chiong Sing**, being the director primarily responsible for the financial management of **Boulevard Jaya Sdn. Bhd.**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 10 to 39 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 **Ling Chiong Sing**
at Miri in the State of Sarawak
on **04 DEC 2023**


Ling Chiong Sing

Before me,


D-2-02, Miri Time Square,
Marina Park City,
98000 Miri, Sarawak.
Tel: 085-419226





Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
SST ID: W10-2002-32000062
Chartered Accountants
3rd Floor Wisma Bukit Mata Kuching
Jalan Tunku Abdul Rahman
93100 Kuching
Sarawak, Malaysia

Tel: +6082 752 668
Fax: +6082 421 287
ey.com

Registration No: 200401003216 (641719-W)

**Independent Auditors' Report to the Members of
Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Boulevard Jaya Sdn. Bhd.**, which comprise the statement of financial position as at 30 June 2023, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 39.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Malaysian Private Entities Reporting Standard 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 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 Company and our auditors' report thereon.

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



Registration No: 200401003216 (641719-W)

**Independent Auditors' Report to the Members of
Boulevard Jaya Sdn. Bhd. (contd.)**

Report on the audit of the financial statements (contd.)

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

In connection with our audit of the financial statements 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 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 Company that give a true and fair view in accordance with the Malaysian Private Entities Reporting Standard 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 Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing 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 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 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.



Registration No: 200401003216 (641719-W)

Independent Auditors' Report to the Members of
Boulevard Jaya Sdn. Bhd. (contd.)

Report on the audit of the financial statements (contd.)

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

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 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 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Registration No: 200401003216 (641719-W)

Independent Auditors' Report to the Members of
Boulevard Jaya Sdn. Bhd. (contd.)

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

ERNST & YOUNG PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

AU YONG SWEE YIN
No. 03101/02/2024 J
Chartered Accountant

Kuching, Malaysia

Date: **04 DEC 2023**

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement of Comprehensive Income
For the financial year ended 30 June 2023

	Note	2023 RM	2022 RM
Revenue	5	178,356,476	130,198,909
Cost of sales		(169,723,401)	(123,730,455)
Gross profit		<u>8,633,075</u>	<u>6,468,454</u>
Selling and distribution expenses		(3,220,077)	(2,185,869)
Administrative expenses		(6,828,444)	(6,121,724)
Other income		9,909,160	5,873,481
Profit from operations		<u>8,493,714</u>	<u>4,034,342</u>
Finance costs	6	(1,742,456)	(1,509,148)
Profit before tax	7	<u>6,751,258</u>	<u>2,525,194</u>
Income tax expense	9	(2,081,524)	(298,744)
Profit net of tax, representing total comprehensive income for the year		<u><u>4,669,734</u></u>	<u><u>2,226,450</u></u>

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

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement of Financial Position
As at 30 June 2023

	Note	2023 RM	2022 RM
ASSETS			
Non-current assets			
Property, plant and equipment	10	60,419,354	60,469,450
Current assets			
Inventories	11	4,651,902	2,450,899
Trade and other receivables	12	4,162,811	5,178,203
Other current assets	13	66,346	66,012
Cash and bank balances	14	5,698,351	4,662,464
		<u>14,579,410</u>	<u>12,357,578</u>
TOTAL ASSETS		<u><u>74,998,764</u></u>	<u><u>72,827,028</u></u>
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings	15	15,950,768	21,851,626
Trade and other payables	17	7,836,386	3,381,466
Tax payable		769,220	17,467
		<u>24,556,374</u>	<u>25,250,559</u>
Net current liabilities		<u>(9,976,964)</u>	<u>(12,892,981)</u>
Non-current liabilities			
Borrowings	15	16,013,194	18,801,007
Deferred tax liability	18	1,218,890	234,890
		<u>17,232,084</u>	<u>19,035,897</u>
TOTAL LIABILITIES		<u><u>41,788,458</u></u>	<u><u>44,286,456</u></u>

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement of Financial Position
As at 30 June 2023 (contd.)

	Note	2023 RM	2022 RM
EQUITY AND LIABILITIES (CONTD.)			
Equity			
Share capital	19	35,000,000	35,000,000
Accumulated losses		(1,789,694)	(6,459,428)
TOTAL EQUITY		<u>33,210,306</u>	<u>28,540,572</u>
TOTAL EQUITY AND LIABILITIES		<u><u>74,998,764</u></u>	<u><u>72,827,028</u></u>

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

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement of Changes in Equity
For the financial year ended 30 June 2023

	Share capital (Note 19) RM	Accumulated losses RM	Total RM
At 1 July 2021	35,000,000	(8,685,878)	26,314,122
Total comprehensive income for the year	-	2,226,450	2,226,450
At 30 June 2022	35,000,000	(6,459,428)	28,540,572
Total comprehensive income for the year	-	4,669,734	4,669,734
At 30 June 2023	35,000,000	(1,789,694)	33,210,306

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

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement of Cash Flows
For the financial year ended 30 June 2023

	Note	2023 RM	2022 RM
Cash flows from operating activities			
Profit before tax		6,751,258	2,525,194
Adjustments for:			
Depreciation of property, plant and equipment	7	2,670,232	2,625,157
Gain on disposal of property, plant and equipment	7	(198,053)	(694,601)
Interest expense	7	1,736,274	1,503,039
Operating profit before working capital changes		10,959,711	5,958,789
(Increase)/decrease in inventories		(2,201,003)	4,244,271
Decrease/(increase) in receivables		1,015,392	(2,769,179)
Increase in other current assets		(334)	(9,642)
Increase in payables		4,454,920	121,041
Cash generated from operating activities		14,228,686	7,545,280
Tax paid, net of refund		(345,771)	17,326
Interest paid		(1,736,274)	(1,503,039)
Net cash generated from operating activities		12,146,641	6,059,567
Cash flows from investing activities			
Acquisition of property, plant and equipment	10	(760,045)	(360,660)
Proceeds from disposal of property, plant and equipment		1,501,533	2,960,901
Net cash generated from investing activities		741,488	2,600,241
Cash flows from financing activities			
Proceeds from loans and borrowings		321,653,101	194,165,772
Repayment of loans and borrowings		(333,178,812)	(200,586,060)
Net cash used in financing activities		(11,525,711)	(6,420,288)

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Statement of Cash Flows
For the financial year ended 30 June 2023 (contd.)

	Note	2023 RM	2022 RM
Net increase in cash and cash equivalents		1,362,418	2,239,520
Cash and cash equivalents at the beginning of the year		4,335,933	2,096,413
Cash and cash equivalents at the end of the year	14	<u>5,698,351</u>	<u>4,335,933</u>

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

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

1. Corporate information

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Lot 515, Jalan Datuk Edward Jeli, Piasau Industrial Estate, 98000 Miri, Sarawak. The principal place of business of the Company is located at Lot 12648, Block 16, KCLD, Jalan Datuk Tawi Sli, 93250 Kuching, Sarawak.

The principal activities of the Company are those of car dealership, sales of spare parts and after-sales service. There have been no significant changes in the nature of the principal activities during the financial year.

The holding company of the Company is Shin Yang Holding Sendirian Berhad, a company incorporated in Malaysia.

2. Basis of preparation

These financial statements have been prepared in accordance with the Malaysian Private Entities Reporting Standard ("MPERS") issued by the Malaysian Accounting Standards Board ("MASB") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Company have been prepared on the historical cost basis except otherwise disclosed in the notes below. The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

3. Summary of significant accounting policies

3.1 Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation and impairment.

Depreciation of property, plant and equipment is provided for on a straight-line method to write off the cost of the asset to its residual value over the estimated useful lives, which are as follows:

Short term leasehold land and buildings	46.5 years
Office renovation	46.5 years
Furniture, fittings and equipment	10 years
Motor vehicles	5 years
Plant and machinery	10 years
Computers	5 years
Signboards	10 years

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.1 Property, plant and equipment (contd.)

Capital work-in-progress are not depreciated as these assets are not yet available for use.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The resultant gain or loss recognised in profit or loss.

3.2 Inventories

Inventories are measured at the lower of cost and selling price less costs to complete and sell.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- ▶ Spare parts: purchase cost on a first-in/first-out basis
- ▶ Finished goods: purchase cost on a first-in/first-out basis

Inventories are assessed for impairment at each reporting date by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, the carrying amount is reduced to its selling price less costs to complete and sell, and the impairment loss is recognised immediately in profit or loss.

3.3 Impairment of non-financial assets

At each reporting date, non-financial assets are reviewed to determine whether there is any indication of impairment. If there is an indication of impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss. The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.3 Impairment of non-financial assets (contd.)

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.4 Financial instruments

Initial recognition and measurement

The Company recognises a financial instrument (including derivative instruments) in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at the transaction price, including transaction costs, except for financial instruments subsequently measured at fair value through profit or loss for which the transaction costs are expensed to profit or loss when incurred.

If the transaction constitutes a financing arrangement, the financial instrument is measured at the present value of future payments discounted at market rate for similar debt instrument.

Subsequent measurement

When the following conditions are met, the financial instruments shall be measured at amortised cost using the effective interest rate ("EIR") method:

- returns to the holders are determinable;
- no contractual provision which would result in the holder losing the principal amount or the attributable interest; and
- prepayment options which is not contingent upon future events.

All other financial instruments not measured at amortised cost are measured at fair value with changes in fair value recognised in profit or loss.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.4 Financial instruments (contd.)

Impairment of financial assets

Other than those financial assets measured at fair value through profit or loss, all financial assets are assessed at each reporting date for objective evidence of impairment. Where such evidence exist, impairment loss is measured as follows:

- financial asset measured at amortised cost, the impairment loss recognised is the difference between the carrying amount of the asset and the present value of the cash flow of the assets discounted at its original EIR.
- financial asset measured at cost less impairment, the impairment loss recognised is the difference between the carrying amount of the asset less the amount receivable had the asset been sold at the reporting date.

All impairment losses are recognised in profit or loss.

Derecognition of financial instruments

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expires, or when the Company transfers the contractual rights to receive cash flows without retaining significant risks and rewards of ownership and ceases to be involved in the control of the financial asset transferred.

A financial liability is derecognised when it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.5 Fair value measurement

For assets, liabilities and equity instruments (whether financial or non-financial) that require fair value measurement or disclosure, the Company uses the following measurement hierarchy:

- highest priority to quoted prices in active markets provided that price is observable. The active market is the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and for which the Company can enter into a transaction for the asset or liability at the price in that market at the measurement date;
- in the absence of an active market price, the price observed from a recent binding agreement or a recent transaction negotiated at arm's length and where necessary, adjusted for relevant economic conditions and time value of money; and
- in the absence of both market price and observable inputs, a fair value measurement of an item is estimated by an established valuation technique using unobservable inputs, including internally developed assumptions that are reasonable and supportable.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term deposits with licensed bank (with original maturities of three months or less) that are readily convertible to known amount of cash and that are subject to an insignificant risk of changes in value.

3.7 Provisions

Provision is recognised when a reliable estimate can be made of a present obligation (legal or constructive) arising from a past event and for which a probable outflow of economic resources will be required to settle the obligation.

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 risk 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.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.9 Sales and Service Tax ("SST")

Revenues, expenses and assets are recognised net of the amount of SST except:

- Where the SST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the SST are recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of SST included.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognised as assets of the Company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

3.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable, net of taxes, returns and discounts.

The specific recognition criteria described below must also be met before revenue is recognised:

(i) Sale of motor vehicles and spare parts

Revenue relating to sale of motor vehicles and spare parts are recognised net of sales taxes and discounts when the significant risks and rewards of ownership have passed to the buyer, usually on delivery of the motor vehicles and spare parts.

(ii) Revenue from servicing

Revenue from servicing is recognised upon performances of services.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

3. Summary of significant accounting policies (contd.)

3.11 Revenue recognition (contd.)

The specific recognition criteria described below must also be met before revenue is recognised: (contd.)

(iii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms.

3.12 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they incurred based on the EIR method.

3.13 Employee benefits

Short-term employee benefits

Wages and salaries are usually accrued and paid on a monthly basis and are recognised as an expense, unless they relate to cost of producing inventories or other assets.

Bonus payments are recognised when, and only when, the Company has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Defined contribution plans

The Company makes contributions to the Employees' Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised in the profit or loss in the period in which the related service is performed.

3.12 Share capital

Ordinary share capital are classified as equity. Dividends on ordinary share are recognised in equity in the period in which they are declared.

4. Key judgements and estimations

There are no significant judgement or estimates applied in the preparation of these financial statements.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

5. Revenue	2023 RM	2022 RM
Sales of motor vehicles	165,187,215	119,600,013
Revenue from servicing and spare parts	7,550,109	6,342,298
Revenue from body and paint	5,619,152	4,256,598
	<u>178,356,476</u>	<u>130,198,909</u>

6. Finance costs	2023 RM	2022 RM
Bank overdraft interest	377	8,332
Bankers' acceptance interest	297,492	202,338
Floor stocking facilities interest	39,022	109,802
Hire purchase interest	142,709	134,132
Interest on amount due to holding company	91,589	-
Term loan interest	869,337	831,595
Revolving credit interest	295,748	216,840
Interest expense (Note 7)	1,736,274	1,503,039
Bank commitment fee	4,952	4,879
Bank guarantee fee	1,230	1,230
	<u>1,742,456</u>	<u>1,509,148</u>

7. Profit before tax

The following amounts have been included in arriving at profit before tax:

	2023 RM	2022 RM
Auditors' remuneration	18,000	18,000
Dealer incentive	(8,352,112)	(3,781,316)
Depreciation of property, plant and equipment (Note 10)	2,670,232	2,625,157
Employee benefits expense (Note 8)	5,338,294	3,998,344
Gain on disposal of property, plant and equipment	(198,053)	(694,601)
Interest expense (Note 6)	1,736,274	1,503,039
Rental income	(375,301)	(362,966)
Rental expense	376,641	377,556
	<u></u>	<u></u>

There were no payments for any indemnity given to or insurance effected for any directors, officers or auditor of the Company.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

8.	(a) Employee benefits expense			
		2023	2022	
		RM	RM	
	Salaries, wages, allowances, commission and bonus	4,847,939	3,558,381	
	Contributions to defined contribution plan	393,352	375,847	
	Social security organisation contributions	58,324	48,866	
	Other benefits	38,679	15,250	
		<u>5,338,294</u>	<u>3,998,344</u>	
	Included in employee benefits expense of the Company is a director's remuneration amounting to RM218,689 (2022: RM138,734) as shown below.			
	(b) Director's remuneration			
		2023	2022	
		RM	RM	
	Executive director			
	Salaries, allowances and bonus	206,125	129,050	
	Contributions to defined contribution plan	12,564	9,684	
	Total director's remuneration (Note 20(c))	<u>218,689</u>	<u>138,734</u>	
9.	Income tax expense			
		2023	2022	
		RM	RM	
	Tax expense for the year	1,094,000	61,000	
	Under provision in prior year	3,524	2,854	
		<u>1,097,524</u>	<u>63,854</u>	
	Deferred tax (Note 18):			
	Relating to origination and reversal of temporary differences	930,000	234,890	
	Under provision in prior year	54,000	-	
		<u>984,000</u>	<u>234,890</u>	
	Income tax expense for the year	<u>2,081,524</u>	<u>298,744</u>	

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

9. Income tax expense (contd.)

Current income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

	2023	2022
	RM	RM
Profit before tax	6,751,258	2,525,194
Taxation at Malaysian statutory tax rate of 24% (2022: 24%)	1,620,302	606,047
Expenses not deductible for tax purposes	403,698	385,938
Income not subject to tax	-	(116,733)
Utilisation of previously unrecognised tax benefits	-	(579,362)
Under provision of deferred tax in prior year	54,000	-
Under provision of income tax in prior year	3,524	2,854
Income tax expense for the year	<u>2,081,524</u>	<u>298,744</u>

At the reporting date, the Company has the following available for offset against future taxable income:

	2023	2022
	RM	RM
Unutilised business losses	-	747,112
Unabsorbed capital allowances	-	3,405,001
	<u>-</u>	<u>3,405,001</u>

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

9. Income tax expense (contd.)

Pursuant to Section 44(5F) of the income Tax Act, 1967, the unutilised business losses can only be carried forward until the following years of assessment:

	2023 RM	2022 RM
Unutilised business losses to be carried forward until:		
- Year of assessment 2028	-	115,800
- Year of assessment 2030	-	631,312
	<u>-</u>	<u>747,112</u>
	<u>-</u>	<u>747,112</u>

APPENDIX III(A): AUDITED FINANCIAL STATEMENTS OF BOULEVARD JAYA FOR FYE 30 JUNE 2023 (CONT'D)

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

10. Property, plant and equipment	Cost	Short-term	Office	Furniture,	Motor	Plant and	Computers	Signboards	Total
		leasehold land and buildings RM	renovation RM	fittings and equipment RM	vehicles RM	machinery RM	RM	RM	
At 1 July 2021		67,011,976	399,765	2,531,544	3,617,300	2,745,406	424,782	486,015	77,216,788
Additions		12,300	-	26,740	2,480,959	43,000	10,304	-	2,573,303
Disposals		-	-	-	(3,088,681)	-	-	-	(3,088,681)
At 30 June 2022		67,024,276	399,765	2,558,284	3,009,578	2,788,406	435,086	486,015	76,701,410
At 1 July 2022		67,024,276	399,765	2,558,284	3,009,578	2,788,406	435,086	486,015	76,701,410
Additions		-	-	31,409	3,713,520	-	178,687	-	3,923,616
Disposals		-	-	(3,748)	(1,537,105)	-	-	-	(1,540,853)
At 30 June 2023		67,024,276	399,765	2,585,945	5,185,993	2,788,406	613,773	486,015	79,084,173

APPENDIX III(A): AUDITED FINANCIAL STATEMENTS OF BOULEVARD JAYA FOR FYE 30 JUNE 2023 (CONT'D)

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

10. Property, plant and equipment (contd.)	Short-term leasehold land and buildings	Office renovation	Furniture, fittings and equipment	Motor vehicles	Plant and machinery	Computers	Signboards	Total
Accumulated depreciation								
At 1 July 2021	9,524,705	138,991	1,508,158	894,479	1,694,964	403,908	263,979	14,429,184
Depreciation charge for the year (Note 7)	1,441,022	8,595	237,988	600,544	277,766	10,640	48,602	2,625,157
Disposals	-	-	-	(822,381)	-	-	-	(822,381)
At 30 June 2022	10,965,727	147,586	1,746,146	672,642	1,972,730	414,548	312,581	16,231,960
At 1 July 2022	10,965,727	147,586	1,746,146	672,642	1,972,730	414,548	312,581	16,231,960
Depreciation charge for the year (Note 7)	1,441,022	8,595	241,696	638,691	278,840	12,786	48,602	2,670,232
Disposals	-	-	(3,748)	(233,625)	-	-	-	(237,373)
At 30 June 2023	12,406,749	156,181	1,984,094	1,077,708	2,251,570	427,334	361,183	18,664,819
Net book value								
At 30 June 2022	56,058,549	252,179	812,138	2,336,936	815,676	20,538	173,434	60,469,450
At 30 June 2023	54,617,527	243,584	601,851	4,108,285	536,836	186,439	124,832	60,419,354

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

10. Property, plant and equipment (contd.)

Acquisition of property, plant and equipment during the financial year are by the following means:

	2023 RM	2022 RM
Hire purchase arrangement	3,163,571	2,212,643
Cash	760,045	360,660
	<u>3,923,616</u>	<u>2,573,303</u>

Property, plant and equipment under hire purchase arrangement

	Motor vehicles RM	Plant and machinery RM	Total RM
Cost			
At 30 June 2022	<u>2,613,364</u>	<u>84,300</u>	<u>2,697,664</u>
At 30 June 2023	<u>4,650,924</u>	<u>-</u>	<u>4,650,924</u>
Net book value			
At 30 June 2022	<u>2,238,821</u>	<u>65,333</u>	<u>2,304,154</u>
At 30 June 2023	<u>3,870,563</u>	<u>-</u>	<u>3,870,563</u>

The net book value of short-term leasehold land and building pledged for banking facilities granted to the Company as disclosed in Note 15 amounted to RM15,572,948 (2022: RM16,263,088).

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

11. Inventories	2023	2022
	RM	RM
At cost		
Motor vehicles	3,533,616	2,008,696
Spare parts	1,118,286	442,203
	<u>4,651,902</u>	<u>2,450,899</u>
Inventories recognised as an expense	<u>160,444,828</u>	<u>117,758,739</u>
12. Trade and other receivables	2023	2022
	RM	RM
Trade receivables		
Third parties	2,006,749	3,875,659
Amount due from related companies	816,831	316,001
	<u>2,823,580</u>	<u>4,191,660</u>
Other receivables		
Sundry receivables	841,692	608,215
Deposits	492,732	375,012
Amount due from companies which the directors have interest	4,807	3,316
	<u>1,339,231</u>	<u>986,543</u>
Total trade and other receivables	<u>4,162,811</u>	<u>5,178,203</u>

Trade receivables

The Company's normal trade credit term is 30 days (2022: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

13. Other current assets	2023	2022
	RM	RM
Prepayments	66,346	66,012

14. Cash and bank balances	2023	2022
	RM	RM
Cash and bank balances	5,698,351	4,662,464

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following as at the reporting date:

	2023	2022
	RM	RM
Cash and bank balances	5,698,351	4,662,464
Bank overdraft (Note 15)	-	(326,531)
Total cash and cash equivalents	5,698,351	4,335,933

15. Borrowings	2023	2022
	RM	RM
Secured		
Short term borrowings		
Bank overdraft (Note 14)	-	326,531
Bankers' acceptances	4,350,000	6,804,000
Floor stocking facilities	760,066	4,790,815
- Floor stocking facilities I	375,266	1,202,792
- Floor stocking facilities II	-	650,209
- Floor stocking facilities III	384,800	1,833,613
- Floor stocking facilities IV	-	1,104,201

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

15. Borrowings (contd.)	2023 RM	2022 RM
Secured (contd.)		
Short term borrowings (contd.)		
Hire purchase payables (Note 16)	1,557,822	801,510
Revolving credit	6,000,000	6,000,000
- Revolving credit I	5,000,000	5,000,000
- Revolving credit II	1,000,000	1,000,000
Term loans	3,282,880	3,128,770
- Term loan I	2,160,000	2,070,000
- Term loan II	1,122,880	1,058,770
	<u>15,950,768</u>	<u>21,851,626</u>
Long term borrowings		
Hire purchase payables (Note 16)	2,196,522	1,685,107
Term loans	13,816,672	17,115,900
- Term loan I	10,900,000	13,060,000
- Term loan II	2,916,672	4,055,900
	<u>16,013,194</u>	<u>18,801,007</u>
Total borrowings		
Bank overdraft (Note 14)	-	326,531
Bankers' acceptances	4,350,000	6,804,000
Floor stocking facilities	760,066	4,790,815
Hire purchase payables (Note 16)	3,754,344	2,486,617
Revolving credit	6,000,000	6,000,000
Term loans	17,099,552	20,244,670
	<u>31,963,962</u>	<u>40,652,633</u>

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

15. Borrowings (contd.)

The interest rates at the reporting date for borrowings, excluding hire purchase, were as follows:

	2023 %	2022 %
Bank overdraft	-	6.06
Bankers' acceptances	4.58 – 4.64	2.94 - 3.61
Floor stocking facilities	6.81 – 7.22	5.40 - 6.22
Revolving credit	4.79 – 5.32	3.45 - 4.40
Term loans	4.50 – 5.81	4.50 - 4.56

The borrowings of the Company are secured by the following:

- (a) The bankers' acceptances are jointly and severally guaranteed by certain directors of the Company, a third party and corporate guarantee by the holding company.
- (b) The bank overdraft and revolving credit II of the Company are secured by a third party second legal charge over leasehold land of a related company and guaranteed by certain directors, a third party and the holding company.
- (c) The floor stocking facility I is guaranteed by a director of the Company. Floor stocking facility II is guaranteed by certain directors of the Company and a third party. Floor stocking facility III is guaranteed by certain directors of the Company and the holding company. Floor stocking facility IV is guaranteed by the holding company.
- (d) The revolving credit I is secured by second legal charge over leasehold land of the Company and guaranteed by certain directors, a third party and the holding company.
- (e) The term loan I is secured by first legal charge over leasehold land of the Company and guaranteed by certain directors, a third party and the holding company. The term loan II is secured by third legal charge over leasehold land of a related Company and guaranteed by certain directors, a third party and the holding company.

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

16. Hire purchase payables	2023 RM	2022 RM
Minimum hire purchase payments:		
Not later than 1 year	1,650,041	907,781
Later than 1 year and not later than 2 years	1,508,249	813,894
Later than 2 years and not later than 5 years	861,715	918,938
More than 5 years	17,151	79,843
	<u>4,037,156</u>	<u>2,720,456</u>
Less: Future finance charges	(282,812)	(233,839)
Present value of hire purchase payables	<u>3,754,344</u>	<u>2,486,617</u>
Present value of hire purchase payables:		
Not later than 1 year	1,481,589	801,510
Later than 1 year and not later than 2 years	1,420,571	745,548
Later than 2 years and not later than 5 years	835,871	865,691
More than 5 years	16,313	73,868
	<u>3,754,344</u>	<u>2,486,617</u>
Analysed as:		
Due within 1 year (Note 15)	1,481,589	801,510
Due after 1 year (Note 15)	2,272,755	1,685,107
	<u>3,754,344</u>	<u>2,486,617</u>

The hire purchase payables bore interest at the balance sheet date of 2.31% to 6.50% (2022: 2.75% to 5.05%) per annum.

17. Trade and other payables	2023 RM	2022 RM
Trade payables		
Third parties	<u>4,971,357</u>	<u>901,017</u>

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

17. Trade and other payables (contd.)	2023 RM	2022 RM
Other payables		
Accruals	248,576	102,854
Sundry payables	294,439	355,242
Amounts due to holding company	2,089,805	1,998,216
Amounts due to related companies	186,835	22,605
Amounts due to companies which the directors have interests	45,374	1,532
	<u>2,865,029</u>	<u>2,480,449</u>
Total trade and other payables	<u><u>7,836,386</u></u>	<u><u>3,381,466</u></u>

(a) Trade payables

The Company's normal trade credit term is 30 days (2022: 30 days).

(b) Sundry payables

These amounts are unsecured, non-interest bearing and repayable on demand.

(c) Amounts due to holding company

The amount is unsecured, repayable on demand and bears interest at 4.50% - 5.00% per annum (2022: nil).

(d) Amounts due to related companies and companies which the directors have interests

These amounts are unsecured, non-interest bearing and are repayable on demand.

18. Deferred tax liability	RM	RM
At 1 July 2022/2021	234,890	-
Recognised in the income statement (Note 9)	984,000	234,890
At 30 June 2023/2022	<u><u>1,218,890</u></u>	<u><u>234,890</u></u>

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

18. Deferred tax liability (contd.)

Deferred income tax as at 30 June relates to the following:

	At 1.7.2021 RM	Recognised in profit or loss RM	At 30.6.2022 RM
Deferred tax liabilities			
Property, plant and equipment	1,073,375	(83,072)	990,303
Deferred tax assets			
Unabsorbed capital allowances and unutilised tax losses	(1,073,375)	317,962	(755,413)
	-	234,890	234,890

	At 1.7.2022 RM	Recognised in profit or loss RM	At 30.6.2023 RM
Deferred tax liabilities			
Property, plant and equipment	990,303	228,587	1,218,890
Deferred tax assets			
Unabsorbed capital allowances and unutilised tax losses	(755,413)	755,413	-
	234,890	984,000	1,218,890

Presented after appropriate offsetting as follows:

	2023 RM	2022 RM
Deferred tax assets	-	(755,413)
Deferred tax liabilities	1,218,890	990,303
	<u>1,218,890</u>	<u>234,890</u>

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

19. Share capital

	Number of ordinary shares		Amount	
			RM	RM
Issued and fully paid				
As at 1 July 2022 and as at 30 June 2023	15,000,000	15,000,000	35,000,000	35,000,000

20. Related party disclosure

Significant related party transactions

During the financial year, the Company had, in the normal course of business, transacted on terms agreed by both parties for the following:

	2023 RM	2022 RM
(a) Transactions with related companies		
Administrative charges incurred	63,000	60,000
Purchase of IT hardware and software	184,028	-
Sales	(3,021,201)	(116,785)
Security charges incurred	32,991	66,338
IT expenses incurred	5,317	5,317
Transportation charges incurred	-	19,968
Rental income	(207,545)	(207,545)
Rental expense	360,000	360,000
Interest expense	91,589	-

(b) Transaction with companies in which certain directors of the Company have substantial financial interest:

	2023 RM	2022 RM
Sales	(458,294)	(877,338)
Rental income	(167,755)	(155,420)

Registration No: 200401003216 (641719-W)

Boulevard Jaya Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the Financial Statements
For the financial year ended 30 June 2023

20. Related party disclosure (contd.)

Significant related party transactions (contd.)

(c) Key management personnel compensation

The Company's key management personnel compensation for the year ended 30 June 2023 and the comparative prior year are as follows:

	2023 RM	2022 RM
Director's remuneration (Note 8(b))	218,689	138,734

21. Financial instruments

Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

	2023		2022	
	Carrying amount RM	Amortised cost RM	Carrying amount RM	Amortised cost RM
Financial assets:				
Trade and other receivables	4,162,811	4,162,811	5,178,203	5,178,203
Cash and bank balances	5,698,351	5,698,351	4,662,464	4,662,464
	<u>9,861,162</u>	<u>9,861,162</u>	<u>9,840,667</u>	<u>9,840,667</u>
Financial liabilities:				
Trade and other payables	7,836,386	7,836,386	3,381,466	3,381,466
Loans and borrowings	31,963,962	31,963,962	40,652,633	40,652,633
	<u>39,800,348</u>	<u>39,800,948</u>	<u>44,034,099</u>	<u>44,034,099</u>

22. Authorisation of financial statements

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on **04 DEC 2023**

**BOULEVARD MOTOR SDN. BHD.
201701013175 (1227340-V)
(Incorporated in Malaysia)**

**Directors' Report and Audited Financial Statements
31 December 2023**

Registration No.: 201701013175 (1227340-V)

**Boulevard Motor Sdn. Bhd.
(Incorporated in Malaysia)**

Directors: Tan Sri Datuk Ling Chiong Ho
Ling Chiong Sing
Dennis Ling Lu Jing

Secretary: Tang Tiong Ing

Registered office: Lot 515, Jalan Datuk Edward Jeli
Piasau Industrial Estate
98008 Miri, Sarawak

Auditors: Kevin How & Co PLT

Principal bankers: CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
Public Bank Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad

Index	Page
Directors' Report	1 - 4
Statement by Directors and Statutory Declaration	5
Independent Auditors' Report	6 - 9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13 - 14
Notes to the Financial Statements	15 - 34

Registration No.: 201701013175 (1227340-V)

Boulevard Motor Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

The directors present their report together with the audited financial statements of the Company for the financial year ended 31 December 2023.

Principal activities

The Company is principally engaged in car dealership, sales of spare parts, repairing and servicing of motor vehicles. There has been no significant change in the nature of the principal activities during the financial year.

Results

	RM
Profit after tax	<u>38,825,335</u>

In the opinion of the directors, the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

Reserves and provisions

There were no material transfers to or from reserves or provisions during the financial year, other than as disclosed in the financial statements.

Dividends

The amount of dividends paid by the Company was as follows:

In respect of the financial year ended 31 December 2023:

	RM
First interim dividend of RM1.50 per share, single tier tax exempt declared on 30 June 2023 and paid on 6 July 2023	3,750,000
Second interim dividend of RM1.60 per share, single tier tax exempt declared on 23 December 2023 and payable on 29 December 2023	<u>4,000,000</u>
	<u>7,750,000</u>

The directors do not recommend any final dividend in respect of the current financial year.

Registration No.: 201701013175 (1227340-V)

Boulevard Motor Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

Directors

The directors of the Company in office during the current financial year and up to the date of this report are:

Tan Sri Datuk Ling Chiong Ho
Ling Chiong Sing
Dennis Ling Lu Jing

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 10 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 a director is a member, or with a company in which a director has a substantial financial interest, except as disclosed in Note 23 to the financial statements.

Details of directors' remunerations are disclosed in Note 10 to the financial statements.

Directors' interests

Pursuant to Section 59(3) of the Companies Act 2016, the beneficial interest of Dennis Ling Lu Jing is disclosed in the Directors' Report of the holding company, Dwi Bumijaya Sdn. Bhd..

The other directors in office at the end of the financial year did not have any interest in shares in the Company or the holding company during the financial year.

Registration No.: 201701013175 (1227340-V)

Boulevard Motor Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

Other statutory information

- a) Before the statement of comprehensive income and statement of financial position 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 allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and
 - ii) to ensure that any current assets which were unlikely to realise their value 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) it necessary to write off any bad debts or to make any allowance for doubtful debts in respect of the financial statements of the Company; and
 - ii) the values attributed to the current assets in the financial statements of the Company misleading.
- c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- d) As at the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.
- e) As at the date of this report, there does not exist:
- i) any charge on the assets 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 Company which has arisen since the end of the financial year.

Registration No.: 201701013175 (1227340-V)

Boulevard Motor Sdn. Bhd.
(Incorporated in Malaysia)

Directors' Report

Other statutory information (contd.)

- 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 Company to meet its 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 Company for the financial year in which this report is made.

Holding company

The Company is a wholly-owned subsidiary of Dwi Bumijaya Sdn. Bhd., a company incorporated in Malaysia.