

SGI VACATION CLUB TRUST FUND (SCHEME 2) [199601019226 (391578 – V)]
(Established under the Trust Deed dated 14 September 2018)

REPORT AND AUDITED FINANCIAL STATEMENTS
31 DECEMBER 2024

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

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SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

REPORT BY THE OPERATOR AND TRUSTEE

The Operator and Trustee of the SGI Vacation Club Trust Fund (Scheme 2) (“the Trust Fund”) have pleasure in presenting their report and the audited financial statements of the Trust Fund for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Trust Fund are to receive and administer funds in relation to contributions to the trust fund and sinking fund in accordance with the terms of the Trust Deed. There have been no significant changes in the nature of these activities during the financial year.

THE TRUST FUND, OPERATOR AND TRUSTEE

The Trust Fund was constituted pursuant to the execution of a Trust Deed dated 14 September 2018 by SGI Vacation Club Berhad (“the Operator”), MTrustee Berhad (“the Trustee”) and the persons who have become holders of the transferable timeshare intervals by executing a timeshare membership agreement with the Operator to timeshare intervals by executing a timeshare members the right to use and enjoy the facilities provided as stipulated in the Trust Deed.

The Trustee shall hold on trust all purchase price received from application for membership of the timeshare intervals until the expiry of the cooling-off period, and all contributions by the Operator to the sinking fund account set up for the purposes of defraying costs of major repairs or replacements of the facilities in accordance with the terms of the Trust Deed.

TRUST ACCOUNT AND SINKING FUND ACCOUNT

The Trust Deed required a Trust Account under clause 9.1 and a Sinking Fund Account under clause 10.1 to be established.

Sinking fund contributions received and receivable during the year amounted to RM41,669 (2023: RM45,068).

Total Annual Maintenance Fees collected during the year amounted to RM416,699 (2023: RM450,685).

A total of 695 (2023: 875) timeshare members were registered as at 31 December 2024.

On behalf of SGI Vacation Club Berhad



.....
Fan Pui Chin
Director

On behalf of MTrustee Berhad



.....
Nurizan Binti Jalil
Chief Executive Officer

Kuala Lumpur
7 February 2025

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

STATEMENT BY THE OPERATOR AND TRUSTEE


In the opinion of the Operator and Trustee, the financial statements set out on pages 9 to 17 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Trust Fund as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

On behalf of SGI Vacation Club Berhad



.....
Fan Pui Chin
Director

On behalf of MTrustee Berhad



.....
Nurizan Binti Jalil
Chief Executive Officer

Kuala Lumpur
7 February 2025

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

STATUTORY DECLARATION

I, Au Yong Pai Ghee (CA 31575), being the officer of the Trustee primarily responsible for the financial management of SGI Vacation Club Trust Fund (Scheme 2), do solemnly and sincerely declare that the financial statements set out on pages 9 to 17 are, to the best of my knowledge and belief, 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 at Kuala Lumpur on 7 February 2025.



.....
Au Yong Pai Ghee

Before me:



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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF
SGI VACATION CLUB TRUST FUND (SCHEME 2)
(Established under the Trust Deed dated 14 September 2018)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SGI Vacation Club Trust Fund (Scheme 2), which comprise the statement of assets and liabilities as at 31 December 2024, and the statement of income and expenditure, statement of recognised gains and losses and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 9 to 17.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust Fund as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 opinion.

Independence and Other Ethical Responsibilities

We are independent of the Trust Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *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 Operator and Trustee of the Trust Fund are responsible for the other information. The other information comprises the Report by The Operator and Trustee but does not include the financial statements of the Trust Fund and our auditors' report thereon.

Our opinion on the financial statements of the Trust Fund does not cover the Report by The Operator and Trustee and we do not express any form of assurance conclusion thereon.



**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF
SGI VACATION CLUB TRUST FUND (SCHEME 2)
(Established under the Trust Deed dated 14 September 2018)(continued)**

**Information Other than the Financial Statements and Auditors' Report Thereon
(continued)**

In connection with our audit of the financial statements of the Trust Fund, our responsibility is to read the Report by The Operator and Trustee and, in doing so, consider whether the Report by The Operator and Trustee is materially inconsistent with the financial statements of the Trust Fund 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 the Report by The Operator and Trustee, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Operator and Trustee for the Financial Statements

The Operator and Trustee are responsible for the preparation of financial statements of the Trust Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Operator and Trustee are also responsible for such internal control as the Operator and Trustee determine are necessary to enable the preparation of financial statements of the Trust Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Trust Fund, the Operator and Trustee are responsible for assessing the ability of the Trust Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Operator and Trustee either intend to liquidate the Trust Fund 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 Trust Fund 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF
SGI VACATION CLUB TRUST FUND (SCHEME 2)
(Established under the Trust Deed dated 14 September 2018)(continued)**

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 Trust Fund, 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 internal control of the Trust Fund.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Operator and Trustee.
- Conclude on the appropriateness of the Operator and Trustee's 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 ability of the Trust Fund 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 Trust Fund 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 Trust Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Trust Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Operator and Trustee 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.



**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF
SGI VACATION CLUB TRUST FUND (SCHEME 2)
(Established under the Trust Deed dated 14 September 2018)(continued)**

Other Matters

This report is made solely to the Trustee of SGI Vacation Club Trust Fund (Scheme 2). We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read 'BDO PLT'.

BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206

Chartered Accountants

Kuala Lumpur
7 February 2025

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 2024

	Note	2024 RM	2023 RM
ASSETS			
Current assets			
Receivables	4	4,623	3,689
Bank balances	5	<u>148,896</u>	<u>490,599</u>
TOTAL ASSETS		<u><u>153,519</u></u>	<u><u>494,288</u></u>
FUND BALANCES AND LIABILITY			
Fund balances			
Trust account	6	29,816	369,183
Sinking fund account	6	<u>117,838</u>	<u>119,240</u>
TOTAL FUND BALANCES		<u><u>147,654</u></u>	<u><u>488,423</u></u>
Current liability			
Payable	7	<u>5,865</u>	<u>5,865</u>
TOTAL LIABILITY		<u><u>5,865</u></u>	<u><u>5,865</u></u>
TOTAL FUND BALANCES AND LIABILITY		<u><u>153,519</u></u>	<u><u>494,288</u></u>

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

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
Income	8	7,203	3,848
Expenditure		<u>(457)</u>	<u>(507)</u>
Excess of income over expenditure		<u>6,746</u>	<u>3,341</u>

STATEMENT OF RECOGNISED GAINS AND LOSSES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Trust Fund has no recognised gains and losses other than the excess of income over expenditure for the year.

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

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of income over expenditure		6,746	3,341
Changes in working capital:			
Receivable		(934)	(881)
Payable		-	(1,000)
Net cash from operating activities		5,812	1,460
CASH FLOWS FROM FINANCING ACTIVITIES			
Closure of trust fund account		-	(23,457)
Amount due to Operator		-	1,000
Trust fund - net membership fees (released)/received		(343,247)	56,480
Sinking fund - net contributions (released)/received		(4,268)	45,068
Net cash (used in)/from financing activities		(347,515)	79,091
Net (decrease)/increase in cash and cash equivalents		(341,703)	80,551
Cash and cash equivalents at beginning of financial year		490,599	410,048
Cash and cash equivalents at end of financial year	5	148,896	490,599

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

SGI VACATION CLUB TRUST FUND (SCHEME 2)

(Established under the Trust Deed dated 14 September 2018)

NOTES TO THE FINANCIAL STATEMENTS**31 DECEMBER 2024****1. CORPORATE INFORMATION**

SGI Vacation Club Trust Fund (Scheme 2) is a trust fund, incorporated and domiciled in Malaysia.

The registered office is located at B-2-9 (2nd Floor), Pusat Perdagangan Kuchai, No.2, Jalan 1/27, Off Jalan Kuchai Lama, 58200 Kuala Lumpur.

During the financial year, the principal place of business has changed from 15th Floor, Menara AmFirst, No. 1, Jalan 19/3, 46300, Petaling Jaya, Selangor Darul Ehsan to 2nd Floor, Plaza Armada, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Trust Fund's functional currency.

2. PRINCIPAL ACTIVITIES

The principal activities of the Trust Fund are to receive and administer funds in relation to contributions to the trust fund and sinking fund in accordance with the terms of the Trust Deed. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

During the year, the Trust Fund adopted applicable MFRSs and amendments to MFRSs as disclosed in Note 12.1 to the financial statements.

4. RECEIVABLES

	2024	2023
	RM	RM
Non-trade		
Amount due from Operator	4,497	3,652
Other receivable	126	37
	<u>4,623</u>	<u>3,689</u>

- (a) Receivables are classified as financial assets, and measured at amortised cost using the effective interest method. The Trust Fund applied the "general approach" in providing for expected credit losses under MFRS 9 *Financial Instruments* which uses the forward looking expected credit loss model. No expected credit loss is recognised arising from receivables as it is negligible.

4. RECEIVABLES (CONT'D)

- (b) Amount due from Operator represents contributions to sinking fund receivable from the Operator, which are unsecured, interest-free and receivable within next twelve (12) months in cash and cash equivalents.
- (c) Receivables are denominated in RM.
- (d) At the end of reporting year, concentration of credit risk arose from receivables with a carrying amount of RM4,623 (2023: RM3,689) due from two (2) (2023: two (2)) receivables of the Trust Fund. The maximum exposure of credit risk is represented by the carrying amount of the financial asset.

5. BANK BALANCES

	2024 RM	2023 RM
Bank balances	33,932	378,380
Deposit placed with a licensed bank	<u>114,964</u>	<u>112,219</u>
	<u>148,896</u>	<u>490,599</u>

- (a) Bank balances are financial assets that are measured at amortised cost using the effective interest method. The Trust Fund applied the "general approach" in providing for expected credit losses under MFRS 9 which uses the forward looking expected credit loss. No expected credit loss is recognised arising from bank balances as it is negligible.
- (b) Bank balances are denominated in RM.
- (c) Deposit placed with a licensed bank are subject to average effective interest rate of 2.43% (2023: 1.93%) and have an average maturity period of 30 days (2023: 30 days).
- (d) The following table demonstrates the sensitivity analysis if interest rates at the end of the reporting period changed by 50 basis points with all other variables held constant:

	2024 RM	2023 RM
Excess of income over expenditure		
- Increase by 0.5% (2023: 0.5%)	437	426
- Decrease by 0.5% (2023: 0.5%)	<u>(437)</u>	<u>(426)</u>

6. FUND BALANCES

The fund balances are as follows:

	2024 RM	2023 RM
(i) Trust account		
Opening balance	369,183	333,588
Membership fees received from Operator	1,622,328	2,642,023
Membership fees released to Operator	(1,965,575)	(2,583,043)
Membership Returned/Over charged	-	(2,500)
Closure of trust fund account	-	(23,457)
Amount due to Operator	-	1,000
Expenditure	3,880	1,572
	<u>29,816</u>	<u>369,183</u>
Closing balance		
(ii) Sinking fund account		
Opening balance	119,240	72,403
Contributions received and receivable	41,669	45,068
Contributions released to Operator	(45,937)	-
Income	2,866	1,769
	<u>117,838</u>	<u>119,240</u>
Closing balance		
	<u>147,654</u>	<u>488,423</u>

(a) The Trustee shall retain a sum of not less than ten percent (10%) of the total Annual Maintenance Fees paid by the Timeshare Members in the Sinking Fund.

(b) Fund balances are denominated in RM.

7. PAYABLE

	2024 RM	2023 RM
Non-trade		
Amount due to Operator	<u>5,865</u>	<u>5,865</u>

(a) Payable is classified as financial liabilities, and measured at amortised cost using the effective interest method.

(b) Amount due to Operator is in respect of advances, which are unsecured and interest-free. At the end of the period, such amounts are due to be paid.

(c) Payable is denominated in RM.

7. PAYABLE (CONT'D)

- (d) The maturity profile of the payable at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below.

2024	On demand or within one year RM	Total RM
Financial liability:		
Payable	<u>5,865</u>	<u>5,865</u>
Total undiscounted financial liability	<u><u>5,865</u></u>	<u><u>5,865</u></u>
2023	On demand or within one year RM	Total RM
Financial liability:		
Payable	<u>5,865</u>	<u>5,865</u>
Total undiscounted financial liability	<u><u>5,865</u></u>	<u><u>5,865</u></u>

8. INCOME

	2024 RM	2023 RM
Interest income received from fixed deposits	4,255	1,774
Interest income received from current account	<u>2,948</u>	<u>2,074</u>
	<u><u>7,203</u></u>	<u><u>3,848</u></u>

9. AUDIT FEE

The audit fee of RM2,000 (2023: RM2,000) was borne by the Operator.

10. TAXATION

For taxation purposes, income earned by the Trust Fund is deemed to be income of the Operator.

11. CAPITAL AND FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Capital management

The primary objective of the Trust Fund is to ensure that the Trust Fund would be able to continue as a going concern. The overall strategy of the Trust Fund remains unchanged from that in the previous financial year.

The Trust Fund's capital structure is represented by the fund balances of the Trust Fund. No changes were made in the objectives, policies or processes relating to the Trust Fund's capital structure during the financial year ended 31 December 2024.

The Trust Fund is not subject to any externally imposed capital requirements.

(b) Financial risk management

The financial risk management policies of the Trust Fund is to ascertain that adequate financial resources are available for the Trust Fund whilst managing its credit, liquidity and cash flow as well as interest rate risks. The policies in respect of the major areas of treasury activity are as follows:

(i) Credit risk

Cash deposits and receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are major licensed financial institutions and reputable organisations. It is the Trust Fund's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Trust Fund is exposed to minimal credit risk.

The credit risk concentration profile have been disclosed in Notes 4 and 5 to the financial statements.

(ii) Liquidity and cash flow risk

Liquidity and cash flow risk arises from the Trust Fund's management of working capital. It is the risk that the Trust Fund would encounter difficulty in meeting its financial obligations when due.

The Trust Fund actively manages its operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In its liquidity risk management strategy, the Trust Fund maintains a level of cash and cash equivalents deemed adequate to finance the Trust Fund's activities.

The maturity profile of the liability of the Trust Fund at the end of the reporting period based on contractual undiscounted repayment obligations has been disclosed in Note 7 to the financial statements.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Trust Fund will fluctuate because of changes in market interest rates.

The Trust Fund's deposits placed with a licensed bank is exposed to a risk of changes in its fair values due to changes in market interest rate.

Sensitivity analysis for interest rate has been disclosed in Note 5 to the financial statements.

12. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs

12.1 New MFRSs adopted during the financial year

The Trust Fund adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“MASB”) during the financial year.

Title	Effective Date
<i>Lease liability in a sale and leaseback</i> (Amendments to MFRS 16 <i>Leases</i>)	1 January 2024
<i>Classification of Liabilities as Current or Non-current</i> (Amendments to MFRS 101 <i>Presentation of Financial Statements</i>)	1 January 2024
<i>Non-current Liabilities with Covenants</i> (Amendments to MFRS 101 <i>Presentation of Financial Statements</i>)	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Standards did not have any material effect on the financial performance or position of the Trust Fund.

12.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been early adopted by the Trust Fund.

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Trust Fund is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.