

BERJAYA GROUP BERHAD
(COMPANY NO: 7308-X)

30 September 2002

Listing Department
KUALA LUMPUR STOCK EXCHANGE
9th Floor Exchange Square
Bukit Kewangan
50200 Kuala Lumpur

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

CONSOLIDATED INCOME STATEMENT

| | INDIVIDUAL QUARTER | | | CUMULATIVE QUARTERS | | |
|--|--|--|--------------|---|---|--------------|
| | CURRENT YEAR QUARTER 31/07/2002 RM'000 | PRECEDING YEAR CORRES- PONDING QUARTER 31/07/2001 RM'000 | + / (-) % | CURRENT YEAR TODATE 31/07/2002 RM'000 | PRECEDING YEAR CORRES- PONDING PERIOD 31/07/2001 RM'000 | + / (-) % |
| 1 (a) Revenue | 2,124,548 | 2,153,463 | -1.3% | 2,124,548 | 2,153,463 | -1.3% |
| (b) Investment income | 7,199 | 244 | 2850.4% | 7,199 | 244 | 2850.4% |
| (c) Other income including interest income | 7,694 | 8,600 | -10.5% | 7,694 | 8,600 | -10.5% |
| 2 (a) Operating profit before finance cost, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items | 220,491 | 208,725 | 5.6% | 220,491 | 208,725 | 5.6% |
| (b) Finance cost | (124,073) | (130,938) | -5.2% | (124,073) | (130,938) | -5.2% |
| (c) Depreciation and amortisation | (42,501) | (45,780) | -7.2% | (42,501) | (45,780) | -7.2% |
| Operating profit before exceptional items | 53,917 | 32,007 | 68.5% | 53,917 | 32,007 | 68.5% |
| (d) Exceptional items | 5,432 | (17,106) | N/A | 5,432 | (17,106) | N/A |
| (e) Profit before income tax, minority interests and extraordinary items | 59,349 | 14,901 | 298.3% | 59,349 | 14,901 | 298.3% |
| (f) Share of profits and losses of associated companies | (4,116) | (296) | 1290.5% | (4,116) | (296) | 1290.5% |
| (g) Profit before income tax, minority interests and extraordinary items | 55,233 | 14,605 | 278.2% | 55,233 | 14,605 | 278.2% |

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

CONSOLIDATED INCOME STATEMENT (CONTINUED)

| | INDIVIDUAL QUARTER | | | CUMULATIVE QUARTERS | | |
|--|----------------------------|--|--------------|---------------------------|---|--------------|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRES- PONDING QUARTER | + / (-) % | CURRENT YEAR TODATE | PRECEDING YEAR CORRES- PONDING PERIOD | + / (-) % |
| | 31/07/2002 RM'000 | 31/07/2001 RM'000 | | 31/07/2002 RM'000 | 31/07/2001 RM'000 | |
| (h) Income tax | (60,742) | (55,024) | 10.4% | (60,742) | (55,024) | 10.4% |
| 2 (i) (i) Loss after income tax before deducting minority interests | (5,509) | (40,419) | -86.4% | (5,509) | (40,419) | -86.4% |
| (ii) Less : minority interests | (57,564) | (51,137) | 12.6% | (57,564) | (51,137) | 12.6% |
| (j) Net loss from ordinary activities attributable to members of the company | (63,073) | (91,556) | -31.1% | (63,073) | (91,556) | -31.1% |
| (k) (i) Extraordinary items | - | - | N/A | - | - | N/A |
| (ii) Less : minority interests | - | - | N/A | - | - | N/A |
| (iii) Extraordinary items attributable to members of the company | - | - | N/A | - | - | N/A |
| (l) Net loss attributable to members of the company | (63,073) | (91,556) | -31.1% | (63,073) | (91,556) | -31.1% |
| 3 (a) Loss per share based on 2(l) above after deducting any provision for preference dividends, if any : | | | | | | |
| (i) Basic (based on weighted average 1,498,171,000 [corresponding period: 1,498,171,000] ordinary shares in issue)(sen) | (4.21) | (6.11) | | (4.21) | (6.11) | |
| (ii) Fully diluted | # | # | | # | # | |

NOTE

N/A : Not applicable

: The fully diluted loss per share is not shown as the effect on the basic loss per share is anti-dilutive.

The comparative figure for 1 (c) has been restated to exclude the inter-company interest income due to the non-elimination for the inter-company interest income in preceding year corresponding quarter.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

CONSOLIDATED BALANCE SHEET

| | AS AT END OF CURRENT QUARTER 31/07/2002 RM'000 | AS AT PRECEDING FINANCIAL YEAR END (Audited) 30/4/2002 RM'000 |
|---|---|---|
| NON-CURRENT ASSETS | | |
| PROPERTY, PLANT AND EQUIPMENT | 2,740,043 | 2,760,040 |
| OTHER INVESTMENTS | 368,732 | 364,549 |
| INVESTMENT PROPERTIES | 564,857 | 565,895 |
| LAND HELD FOR DEVELOPMENT | 1,069,168 | 1,066,660 |
| INVESTMENT IN ASSOCIATED COMPANIES | 249,882 | 250,215 |
| OTHER LONG TERM ASSETS | 882 | 401 |
| GOODWILL ON CONSOLIDATION | 2,318,257 | 2,310,165 |
| INTANGIBLE ASSETS | 127,253 | 132,075 |
| | <u>7,439,074</u> | <u>7,450,000</u> |
| Current Assets | | |
| Development properties | 698,378 | 726,545 |
| Inventories | 700,992 | 735,196 |
| Trade and other receivables | 1,772,266 | 1,733,519 |
| Tax recoverable | 180,150 | 196,739 |
| Deposits with financial institutions | 378,532 | 351,437 |
| Cash and bank balances | 259,791 | 248,571 |
| | <u>3,990,109</u> | <u>3,992,007</u> |
| Current Liabilities | | |
| Trade and other payables | 2,248,263 * | 1,974,374 |
| Provisions | 164,938 | 157,887 |
| Short term borrowings | 1,598,164 | 1,699,465 |
| Taxation | 104,675 | 115,268 |
| | <u>4,116,040</u> | <u>3,946,994</u> |
| NET CURRENT (LIABILITIES) / ASSETS | <u>(125,931)</u> | <u>45,013</u> |
| | <u>7,313,143</u> | <u>7,495,013</u> |
| FINANCED BY | | |
| Share Capital | 1,498,171 | 1,498,171 |
| Reserves | | |
| Share Premium | 734,356 | 734,356 |
| Capital Reserve | 142,382 | 139,277 |
| Foreign currency translation reserve | 13,466 | 15,214 |
| Accumulated losses | (1,585,377) | (1,522,304) |
| | <u>(695,173)</u> | <u>(633,457)</u> |
| SHAREHOLDERS' FUNDS BEFORE | | |
| PREMIUM ON BLB ICULS 1999/2009 PURCHASED | 802,998 | 864,714 |
| PREMIUM ON BLB ICULS 1999/2009 PURCHASED | (26,913) | - |
| SHAREHOLDERS' FUNDS AFTER | | |
| PREMIUM ON BLB ICULS 1999/2009 PURCHASED | <u>776,085</u> | <u>864,714</u> |
| IRREDEEMABLE CONVERTIBLE | | |
| UNSECURED LOAN STOCKS | 1,132,342 | 1,326,913 |
| BTOTO ICULS APPLICATION MONIES | 65,767 | - |
| MINORITY INTERESTS | 2,174,574 | 2,470,839 |
| | <u>4,148,768</u> | <u>4,662,466</u> |
| CAPITAL FUNDS | | |
| LONG TERM LIABILITIES | | |
| LONG TERM BORROWINGS | 2,703,803 | 2,390,192 |
| OTHER LONG TERM LIABILITIES | 300,466 | 286,530 |
| DEFERRED TAXATION | 101,312 | 104,707 |
| INSURANCE RESERVES | 58,794 | 51,118 |
| | <u>3,164,375</u> | <u>2,832,547</u> |
| | <u>7,313,143</u> | <u>7,495,013</u> |
| Net tangible assets ("NTA") per share (sen) | <u>(111.43)</u> | <u>(105.30)</u> |
| Fully adjusted NTA after minority interests (sen) | <u>2.61</u> | <u>8.93</u> |
| Net assets per share (sen) | <u>51.80</u> | <u>57.72</u> |

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

NOTES

* Included in the Trade and other payables is an amount of approximately RM361.7 million which is Berjaya Sports Toto Berhad's ("BToto") special dividend payable to minority shareholders of BToto, out of which RM65.8 million will be paid in cash to the minority shareholders of BToto. The balance of RM295.9 million will be utilised for subscription of BToto's rights issue of 8% nominal value of Irredeemable Convertible Unsecured Loan Stocks 2002/2012 ("BToto ICULS") as detailed in Note 17 (a) of this announcement.

1 The quarterly financial statements have been prepared using the same accounting policies and methods of computation as compared with the most recent annual financial statements, and complied with approved accounting standards applicable to the current financial year.

2 The exceptional items comprise of :-

| | 1st Quarter ended 31/07/2002 RM'000 | Financial period ended 31/07/2002 RM'000 |
|--|--|---|
| i) Gains on disposal of subsidiary companies | 23,065 | 23,065 |
| ii) Loss on partial disposal of subsidiary company | (16,861) | (16,861) |
| iii) Loss on change in composition of the Group (arising from dilution in shareholdings) | (244) | (244) |
| iv) Goodwill written off | (2,943) | (2,943) |
| v) Gain on disposal of property | 2,415 | 2,415 |
| | <u>5,432</u> | <u>5,432</u> |

3 There was no extraordinary item for the current quarter and financial year-to-date.

4 The taxation charge for the current quarter and financial year-to-date is detailed as follows :

| | 1st Quarter ended 31/07/2002 RM'000 | Financial period ended 31/07/2002 RM'000 |
|--------------------------------------|--|---|
| Current year provision | | |
| - In Malaysia | 58,753 | 58,753 |
| - Outside Malaysia | 4,919 | 4,919 |
| Deferred tax | (2,730) | (2,730) |
| Share of tax of associated companies | 299 | 299 |
| Over - provision in prior years | (499) | (499) |
| | <u>60,742</u> | <u>60,742</u> |

The disproportionate tax charge for the Group is due to certain expenses being disallowed for tax purposes and non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

5 The gain on disposal of investment properties for the financial period ended 31 July 2002 is approximately RM340,000. There was no profit / (loss) on sale of unquoted investment for the financial period ended 31 July 2002.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

6 The particulars of the acquisition and disposal of quoted securities by all companies other than insurance company, stockbroking companies and such other companies exempted by the Exchange were as follows :

- a. There were no acquisition or disposal of investments during the financial period under review.
- b. Investments in quoted shares are as follows :

| | RM'000 |
|--|---------|
| Total investments at cost | 100,857 |
| Total investments at carrying value / book value (after provision / write-down for diminution in value) | 28,070 |
| Total investment at market value | 33,304 |

7 a. On 16 May 2002, Carlovers Carwash Limited, an 88% owned subsidiary company of the Group, completed the disposal of its 60% equity interest in Video Ezy Australasia Pty Limited for AUD12.29 million.

- b. On 29 November 2001, Dunham-Bush (M) Bhd ("DBM") announced that Dunham-Bush International (Cayman) Limited ("DB-Cayman"), a wholly owned subsidiary company of DBM, has entered into an agreement with IPROKOM Ltd ("Russian Partner") of The Federation of Russia ("Russia") for the manufacture of Air-Handling Unit and Fancoil via a new company to be incorporated and to be known as DB Russia Limited ("New Co"). This equity investment of USD200,000 (approximately RM760,000), representing 10% of the proposed total issued and paid up capital of USD2 million, is expected to be paid upon obtaining the approval of the relevant authorities in Russia. In addition, DB-Cayman will have the option to purchase up to 49% of the paid up capital in New Co from the Russian Partner within a period of 10 years.

On 20 May 2002, the Russian Partner received the registration certificate in relation to the incorporation of the New Co and the New Co is deemed incorporated with an initial authorised and paid up capital of 50,000 ordinary shares at par value of 28.60 rubles (equivalent to approximately RM3.35) each.

- c. On 21 June 2002, DBM announced that its 5% Irredeemable Convertible Unsecured Loan Stocks 1997/2002 ("DBM ICULS") matured on 17 June 2002 and were automatically converted into 2,034,474 new ordinary shares of RM1 each on the basis of RM10.824 nominal value of DBM ICULS for one new ordinary share of RM1 each.
- d. On 10 July 2002, the Company completed the disposal of its entire enlarged equity interest in Berjaya Lerun Industries Berhad ("BLerun") (after capitalising the subordinated shareholder's loan of RM5,500,000) to Rodalink (M) Sdn Bhd for a cash consideration of RM7,000,000. On the same day, BLerun transferred its entire equity interest in Berjaya Cycles Sdn Bhd and 99% equity interest in VRS Malaysia Sdn Bhd to the Company for a nominal sum.

8 a. On 13 August 2001, Berjaya Land Berhad ("BLand") announced that Selat Makmur Sdn Bhd, a wholly owned subsidiary company of BLand, has successfully bid for the purchase of approximately 95.89 acres of freehold vacant land earmarked for industrial development held under Lot. 1, Mukim of Damansara, District of Klang, Selangor from Pengurusan Danaharta Nasional Berhad for a cash consideration of RM78,001,100.

- b. On 25 June 2001, BLand announced that its wholly owned subsidiary company, Noble Circle (M) Sdn Bhd ("NCSB") has offered to purchase a 10-storey office tower in KL Plaza, Jalan Bukit Bintang, Kuala Lumpur for a cash consideration of approximately RM27.5 million from Prudential Assurance Malaysia Berhad.

The office tower has a total lettable floor area of about 78,300 sq ft. Strata titles have yet to be issued for the office tower.

Approvals from the Foreign Investment Committee ("FIC") and the shareholders were obtained on 7 September 2001 and 14 September 2001 respectively and the proposal is now pending completion.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- c. On 23 May 2002, the Company entered into a conditional sale and purchase agreement with Nexnews Berhad ("Nexnews") for the proposed disposal of its entire 19.53% equity interest in Sun Media Corporation Sdn Bhd comprising 21,485,310 ordinary shares of RM1.00 each to Nexnews for a sale consideration of RM7,812,000 to be satisfied by the issuance of RM 7,812,000 new Irredeemable Convertible Preference Shares of RM0.10 each ("ICPS") in Nexnews at an issue price of RM1.00 per ICPS.

As an integral part of the proposed disposal, the Company will participate in the offer for sale of ICPS to be carried out by Nexnews on behalf of the holders of ICPS.

The abovementioned proposed disposal is subject to the approvals from the following:-

- (i) Securities Commission ("SC");
 - (ii) FIC;
 - (iii) shareholders of the Company at an extraordinary general meeting ("EGM") to be convened; and
 - (iv) any other relevant authorities, if required.
- d. On 23 May 2001, the Company announced a proposed restructuring exercise, which comprise the following :-
- the proposed voluntary members schemes of arrangement pursuant to Section 176 of the Companies Act, 1965;
 - the proposed rights issue of Newco zero coupon ICULS of RM0.20 nominal value;
 - the proposed repayment of the Group's bank borrowings;
 - the proposed acquisition of 20% equity interest in DiGi.Com Berhad;
 - the proposed acquisition of the entire enlarged share capital of Berjaya Times Square Sdn Bhd;
 - the proposed bonus issue of BLand shares;
 - the proposed delisting of Berjaya Capital Berhad ("BCapital") and Cosway Corporation Berhad ("CCB");
 - the proposed voluntary general offer by BLand for the remaining ordinary shares in BCapital and in CCB not held by the Group ("Proposed VGOs");
 - the proposed transfer of Berjaya General Insurance Berhad, Inter-Pacific Capital ("IPC") and Cosway (M) Sdn. Bhd. to BLand;
 - the proposed transfer of BLand's interest in BCapital and CCB (arising from the Proposed VGOs) to Newco; and
 - the proposed waiver from undertaking a mandatory general offer.

This proposed restructuring exercise has been aborted.

On 28 June 2002, the Company announced a revised corporate proposal as follows:

Part A: Proposed Restructuring Exercise

- i. The proposed voluntary members schemes of arrangement pursuant to Section 176 of the Companies Act, 1965 on the entire securities of the Company comprising the existing ordinary share of RM1.00 each ("BGB share"), 5% irredeemable convertible unsecured loan stocks 1999/2009 of RM1.00 nominal value each ("BGB ICULS") and warrants 1999/2009 ("BGB Warrants") through a newly incorporated company ("Newco") by way of exchange with Newco securities in the following ratio:-
 - 4 BGB shares for 1 Newco ordinary share at par;
 - 2 BGB ICULS for RM1.00 nominal value of 2% 10-year Newco irredeemable convertible unsecured loan stocks ("Newco ICULS"); and
 - 12 BGB Warrants for 1 Newco ordinary share at par.(Collectively the "Proposed Members Scheme")
- ii. The proposed repayment of the Group's bank borrowings ("Proposed Repayment of Bank Borrowings") through the issuance of approximately 444 million Newco shares at par and approximately RM848.0 million nominal value of Newco ICULS;

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- d. iii. The proposed acquisition of Bukit Tinggi Resort Berhad ("BTR") from Tan Sri Dato' Seri Tan Chee Yioun ("TSVT") of 244.3 million shares and other shareholders of BTR of 156.7 million at RM2.00 per share to be satisfied entirely through the issuance of 802 million Newco shares at par ("Proposed BTR Acquisition").
- iv. The proposed rights issue of approximately 289.3 million new Newco shares ("Rights Shares") at an issue price of RM1.00 per Rights Share with approximately 289.3 million free detachable warrants in Newco ("Rights Warrants") on the basis of one Rights Share and one Rights Warrant for every ten Newco shares or ten Newco ICULS held on a date to be determined and announced later ("Proposed Rights Issue").
- v. The proposed settlement of the inter-company balances, due to BLand and BCapital, through the issuance of approximately RM2,794 million nominal value of Newco ICULS ("Proposed Inter-Company Settlements").
- vi. The proposed transfer of the listing status of the Company on the Main Board of the KLSE to Newco ("Proposed Transfer Listing").

d. Part B: Proposed Waivers

The Proposed Waivers comprising the following:

- i. The proposed waiver by TSVT and parties acting in concert with him from undertaking any mandatory general offer ("MGO") that may arise from the Proposed Restructuring Exercise.
- ii. The proposed waiver by Newco from undertaking any MGO that may arise from the Proposed Restructuring Exercise.
- iii. The proposed waiver by the Company's lenders from undertaking any MGO that may arise from the Proposed Repayment of Bank Borrowings.

The aforesaid proposals are conditional upon the approvals from the following:

- i. SC;
- ii. FIC;
- iii. Kuala Lumpur Stock Exchange ("KLSE");
- iv. shareholders of the Company at an EGM to be convened;
- v. the shareholders of BLand and BCapital for the Proposed inter-company balances settlement at an EGM to be convened respectively;
- vi. the Company's lenders, for the Proposed Repayment of Bank Borrowings;
- vii. the Orders of the High Court of Malaya sanctioning the Proposed Members Schemes; and
- viii. any other relevant authorities.

The Proposed Repayment of Bank Borrowings, Proposed BTR Acquisition, Proposed Rights Issue, Proposed Inter-Company Settlements and Proposed Transfer Listing are conditional upon the Proposed Members Schemes.

The Proposed Restructuring Exercise is conditional upon the Proposed Waivers.

- e. On 12 November 2001, Matrix International Berhad ("Matrix") announced a proposed 3-for-1 bonus issue of 124,503,510 new ordinary shares of RM1.00 each ("Proposed Bonus Issue"). In order to accommodate the Proposed Bonus Issue, Matrix also proposed to increase its authorised share capital from 50,000,000 ordinary shares to 500,000,000 ordinary shares of RM1.00 each

The shareholders of Matrix approved the above proposals at an extraordinary general meeting held on 27 August 2002. The new shares pursuant to the Proposed Bonus Issue was allotted on 23 September 2002 and listed on the KLSE on 30 September 2002.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- f. On 3 June 2002, the Company announced the proposed disposal of 2,000,000 ordinary shares of RM 1.00 each representing 20% equity interest in BHLB Pacific Trust Management Berhad ("Pacific Trust") to BHL Venture Berhad ("BHLV"), a wholly owned subsidiary company of Southern Bank Berhad, for a sale consideration of RM40,000,000.

Concurrent with the above proposal, BHLV has also extended an offer to IPC to acquire its entire interests in Pacific Trust and BHLB Asset Management Sdn Bhd ("Asset Management") comprising 2,999,000 shares and 960,000 shares for a total cash consideration of RM59,980,000 and RM35,000,000 respectively.

Both the aforesaid disposals were completed on 19 September 2002.

- g. Up to the date of this report, Unza Holdings Berhad ("UHB") has completed the following exercises:-
- i. the issue of 12,931,034 new ordinary shares for the purpose of the acquisition of Unza International Limited ("UIL").
 - ii. the 1-for-1 bonus issue of 27,740,034 new ordinary shares.
 - iii. the restricted issue of 2,814,000 new ordinary shares out of a proposed 3,600,000 new ordinary shares on a non-renounceable basis to eligible directors and employees.
 - iv. the special issue of 9,280,000 new ordinary shares out of a proposed 10,000,000 new ordinary shares to Bumiputera investors. The balance of 720,000 has lapsed on 30 June 2002.
- h. On 2 August 2002, the Company announced the Group's proposed subscription of 18,750,000 new ordinary shares of RM1.00 each representing 9.10% of the enlarged share capital of BCB Berhad ("BBerhad") by its subsidiary companies for a total cash consideration of not more than RM18.75 million or RM1.00 each per share. Out of the total RM18.75 million shares in BBerhad, BLand and its subsidiary companies subscribed for RM15.95 million of the proposed subscription.

BBerhad Group is principally involved in property development. The above proposed subscription will enable the Company to own an interest in BBerhad and provide an opportunity for its subsidiaries, to work with BBerhad, to further expand and develop its land bank in Johor.

The proposed subscription was allotted on 9 August 2002 and the BBerhad shares was listed on 21 August 2002.

- i. On 8 May 2002, Matrix entered into a conditional sale and purchase agreement with Interflour Holdings Limited ("IHL") to dispose of its entire 99.99% equity interest in Sabah Flour and Feed Mills Sdn Bhd ("SFFM") comprising 31,997,997 ordinary shares of RM1.00 each to IHL for a total cash consideration of RM26,000,000.

The disposal of SFFM shall be conditional on, among others, the declaration of a total net dividend of RM6,000,000 by SFFM to its shareholders prior to completion. In aggregate, the cash proceeds receivable by Matrix from the proposed disposal of SFFM would amount to approximately RM32,000,000.

The disposal was approved by the shareholders of Matrix at an EGM on 27 August 2002 and completed on 24 September 2002.

- j. On 21 June 2002, Matrix announced the proposed acquisition of the entire equity interest in Sublime Cartel Sdn Bhd ("Sublime") from Puncak Buana Sdn Bhd ("Puncak Buana") comprising 100,000 ordinary shares of RM1.00 each together with at least 6,000,000 new ordinary shares of RM1.00 each to be issued pursuant to the capitalisation of debt owing to Puncak Buana for a total cash consideration of RM28,000,000. Sublime currently has an authorised share capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each with an issued and paid up share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each

Sublime is principally involved in the provision of lottery consultancy and related services.

The proposed acquisition has been approved by the shareholders of Matrix at an EGM on 27 August 2002 and was completed on 27 September 2002.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- k. On 1 July 2002, CCB announced that Navis Investment Partners (Asia) Limited had made an offer to acquire from CCB and other subsidiary companies of the Company all their shares in UHB at a price of RM5.50 per share.

The aforesaid offer is subject to the following:

- i. Satisfactory legal and accounting due diligence;
 - ii. Regulatory approval from Ministry of International Trade and Industry ("MITI") and FIC;
 - iii. Settlement of the inter-company loan between CCB and UHB; and
 - iv. the terms of a definitive sale and purchase agreement between the relevant parties.
- l. On 11 July 2002, BCapital announced a revision to the proposal announced on 23 May 2001 relating to the proposed restructuring exercise of the Company as follows:
- a. The proposed bonus issue ("Proposed BCapital Bonus Issue") of approximately of 794.99 million shares on the basis of seven new BCapital shares for every five existing BCapital shares held;
 - b. The proposed inter-company settlement ("Proposed Inter-Company Settlement") through the issuance of approximately RM1,355 million nominal value of Newco ICULS.
 - c. The proposed capital repayment ("Proposed Capital Repayment and Consolidation") of 90 sen for every one BCapital share held to all its shareholders satisfied as follows:
 - i. 15 sen in cash;
 - ii. 75 sen in Newco ICULS to be issued pursuant to the Proposed Inter-Company Settlement.

On completion of the proposed capital repayment exercise, BCapital shares of 10 sen par value each will be consolidated back into shares of RM1.00 each.

The aforesaid proposals are conditional upon the approvals from the following:

- i. SC;
- ii. KLSE;
- iii. shareholders of BCapital at an EGM to be convened;
- iv. the Orders of the High Court of Malaya sanctioning the Proposed Members Schemes; and
- v. any other relevant authorities.

The Proposed Capital Repayment and Consolidation is conditional upon the Proposed BCapital Bonus Issue and Proposed Inter-Company Settlement.

The Proposed Inter-Company Settlement and the Proposed Capital Repayment and Consolidation are conditional upon the Proposed Member Schemes of the Company.

- m. In 1999, pursuant to a debt conversion exercise, BLand entered into several put option agreements ("Put Options") with financial institutions ("FIs") wherein the FIs are entitled to put to BLand the BLand's 5% Irredeemable Convertible Unsecured Loan Stocks 1999/2009 ("BLB ICULS") at a pre-determined option price for a period of 3 years commencing from 31 December 2001. The Company had agreed with BLand to assume the put options. In July 2002, several FIs have exercised their options for approximately RM184.2 million of BLB ICULS.

The Company has informed BLand that it would not be able to meet its obligation. In view of this, BLand has made arrangements to finance the Put Options with internally generated funds and external borrowings. BLand has also arranged for Immediate Capital Sdn Bhd ("ICSB"), a wholly owned subsidiary company of BLand, to take up the Put Options of approximately RM184.2 million of BLB ICULS. The Company has undertaken to indemnify BLand and /or its subsidiary companies all costs incurred in relation to any funding obtained to fulfil BLand's obligations under the Put Options. Notwithstanding the Company's proposal to indemnify BLand, the Company continues to be liable to BLand for its failure to assume the Put Options. As such, BLand will reserve all legal rights against the Company and/or pursue other appropriate actions.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- m. On 11 July 2002, BLand announced a proposal as follows:
- a. The Company proposed a total of up to RM798.9 million BLB ICULS be offered for sale, at an indicative offer price of RM1.20 per RM1 of BLB ICULS, to all shareholders of BLand (excluding the Company and its wholly owned subsidiary companies), all BLB ICULS holders (excluding the FIs who are holding the BLB ICULS under the put option) and all the shareholders and BGB ICULS holders of the Company ("Proposed BLB ICULS OFS"). The offerors for the Proposed BLB ICULS OFS will be ICSB for approximately RM184.2 million and 15 FIs for RM 614.7 million nominal value of BLB ICULS. However, on 14 August 2002 it was announced by the Company that it has exercised its call option to acquire RM0.694 million BLB ICULS held by one of the FIs while BLand announced that ICSB will purchase a further RM28.523 million of BLB ICULS from one of the FIs. Accordingly, the offerors for the Proposed BLB ICULS OFS will revise the quantity to be offered such that ICSB will offer approximately RM212.735 million and the FIs will offer RM585.475 million.
 - b. It is proposed that conversion of the entire RM894.5 million BLB ICULS during a specific conversion period would entitle the holder of the new BLand share issued pursuant to the conversion to one free BLand Warrant ("Proposed BLB ICULS Early Conversion").
 - c. It is proposed that a bonus issue of a maximum of 1,789 million new BLand ordinary shares of RM1.00 each on the basis of one new BLand share for every one existing BLand share held be undertaken ("Proposed BLand Bonus Issue").

The aforesaid proposals are conditional upon the approvals from the following:

- i. SC;
- ii. FIC;
- iii. KLSE;
- iv. shareholders of BLand at an EGM to be convened;
- v. shareholders of the Company at an EGM to be convened;
- vi. the FIs in respect of the OFS of their respective portion of BLB ICULS; and
- vii. any other relevant authorities.

The Proposed BLB ICULS OFS, Proposed BLB ICULS Early Conversion and Proposed BLand Bonus Issue are not inter-conditional. The submission to SC is expected to be made within four months from 26 September 2002.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- n. On 11 July 2002, BLand announced a revision to the proposal announced on 23 May 2001 relating to the proposed restructuring exercise of the Company as follows:
- a. The proposed inter-company settlement ("Proposed Inter-Company Settlement") through the issuance of approximately RM1,436 million nominal value of Newco ICULS.
 - b. The proposed capital distribution scheme ("Proposed Capital Distribution Scheme") to be undertaken as follows:
 - i. a capital repayment of 40 sen for every BLand share held will be satisfied through the distribution of Newco ICULS;
 - ii. an intermediate bonus issue of up to 2,385 million new ordinary shares of RM0.60 each in BLand on the basis of two new ordinary shares of RM0.60 each for every three ordinary shares of RM0.60 each after (i); and
 - iii. the consolidation of approximately 1.667 ordinary shares of RM0.60 each held after (i) and (ii) into one BLand share of RM1.00 each.

The aforesaid proposals are conditional upon the approvals from the following:

- i. SC;
- ii. FIC;
- iii. KLSE;
- iv. shareholders of BLand at an EGM to be convened;
- v. shareholders of the Company at an EGM to be convened;
- vi. the Orders of the High Court of Malaya sanctioning the Proposed Members Schemes;
- vii. any other relevant authorities.

The Proposed Capital Distribution Scheme is conditional upon Proposed BLand Bonus Issue and Proposed Inter-Company Settlement.

The Proposed Inter-Company Settlements and Proposed Capital Distribution Scheme are conditional upon the Proposed Member Schemes of the Company.

- o. On 30 August 2002, the Company announced that it has entered into a share sale agreement with Berjaya Systems Integrators Sdn Bhd ("BSI"), its wholly owned subsidiary company, to transfer its 51% equity interest in Hyundai-Berjaya Sdn Bhd ("HBSB") to BSI for a consideration of RM51.0 million ("Indebtedness").

The Company then entered into a conditional share sale agreement ("SSA") with Transwater Corporation Berhad ("Transwater") for the proposed disposal of its 100% equity interest in BSI for a cash consideration of RM2.00 and the undertaking from Transwater to repay on behalf of BSI the Indebtedness of RM51.0 million in full to be satisfied by an issue of 51.0 million new Transwater ordinary shares of RM1.00 each ("T-Shares").

To date, the Company and its subsidiary companies have a total 12.73% equity interest in Transwater. Upon the settlement of the Indebtedness, the total equity interest in Transwater will increase to 82.27%. The Company proposed to seek an exemption under the Take-over Code from SC from having to undertake the mandatory general offer.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- o. As a consequence of the proposed acquisition of 100% equity interest of BSI from the Company and pursuant to the Take-over Code, Transwater is obliged to undertake a mandatory general offer to acquire the remaining 49% equity interest in HBSB ("Proposed HB-GO") not held by Transwater via BSI. Transwater proposed to issue up to 49.0 million new T-shares for the Proposed HB-GO. Upon completion of the Proposed HB-GO, the equity interest in Transwater held by the Company and its subsidiary companies will be reduced to about 46.60%.

The above proposals are subject to approvals from the following:

- i. SC;
- ii. FIC;
- iii. KLSE;
- iv. Shareholders of Transwater at an EGM to be convened; and
- v. any other relevant authorities; and

conditional upon the proposed rights issue to be carried out by Transwater.

- p. On 4 September 2002, the Company and Bizurai Bijak (M) Sdn Bhd, its wholly owned subsidiary company, entered into a Share Sale Agreement to dispose of their entire shareholdings in Iris Technologies (M) Sdn Bhd to Iris Corporation Berhad ("Iris Corp") for a total sale consideration of RM84,625,000 or at RM2.50 per share.

The proposal is now pending approvals being obtained by Iris Corp from the following:

- i. KLSE;
- ii. SC (if applicable); and
- iii. shareholders of Iris Corp at an EGM to be convened.

- q. On 6 September 2002, the Company entered into a Share Sale Agreement with Aneka Damai Sdn Bhd ("ADSB") to dispose of its entire 51% shareholding in Cosda (M) Sdn Bhd ("Cosda") to ADSB for a cash consideration of RM2,142,000 and an undertaking to repay inter-company loan owing to the Company of approximately RM15,827,000.

The above proposal is pending approval being obtained by ADSB from FIC.

- r. On 23 September 2002, the Company announced that its wholly owned subsidiary company, Berjaya Group (Cayman) Limited ("BGCL") has subscribed for 8.3 million shares of new common stock in Roadhouse Grill, Inc. ("RHG") for a total cash consideration of approximately USD3.0 million (equivalent to approximately RM11.4 million) or at a subscription price of USD0.36 per share.

In conjunction with and as an integral part of the above subscription, BGCL will receive 4.2 million shares of new RHG common stock at the same issue price for the repayment of an existing loan owing to BGCL of USD1.5 million. The reorganisation plan of RHG involves issuing 0.15 new shares for each existing RHG share held. Based on BGCL's existing shareholding of 6.0 million shares, BGCL will receive an additional 0.9 million shares of new RHG common stock. The total shareholding after the proposed share subscription and additional allotment will amount to 19.4 million shares representing approximately 66.4% of the enlarged share capital of RHG. This represents an increase of 4.2% over its current interest.

- 9 There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 31 July 2002.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

10 Group borrowings

Short term borrowings

Secured

| <u>Denominated in</u> | <u>Foreign currency amount</u> | |
|-----------------------|--------------------------------|---|
| | <u>'000</u> | |
| Ringgit Malaysia | | |
| USD | 107,487 | * |
| GBP | 4,454 | * |
| HKD | 3,388 | * |
| SGD | 15,569 | * |
| AUD | 174 | * |
| CAD | 99,220 | * |

| <u>RM'000</u> |
|---------------|
| 654,493 |
| 408,450 |
| 24,760 |
| 1,653 |
| 33,513 |
| 361 |
| 239,419 |

Unsecured

| <u>Denominated in</u> | | |
|-----------------------|----|---|
| | | |
| Ringgit Malaysia | | |
| SGD | 56 | * |

| 1,362,649 |
|---------------|
| <u>RM'000</u> |
| 235,394 |
| 121 |
| 235,515 |
| 1,598,164 |

Long term borrowings

Secured

| <u>Denominated in</u> | <u>Foreign currency amount</u> | |
|-----------------------|--------------------------------|---|
| | <u>'000</u> | |
| Ringgit Malaysia | | |
| USD | 17,400 | * |
| CAD | 4,510 | * |
| SGD | 9,430 | * |
| AUD | 142 | * |
| SLRs | 44,874 | * |
| SRs | 428 | * |

| <u>RM'000</u> |
|---------------|
| 2,330,744 |
| 66,120 |
| 10,883 |
| 20,298 |
| 293 |
| 1,775 |
| 293 |
| 2,430,406 |

Unsecured

| <u>Denominated in</u> |
|-----------------------|
| Ringgit Malaysia |

| <u>RM'000</u> |
|---------------|
| 273,397 |
| 2,703,803 |

* *Converted at the respective exchange rate prevailing as at 31 July 2002.*

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- 10 Debt securities
 Secured

| | <u>Denominated in</u> | <u>Foreign currency amount</u> | <u>RM'000</u> |
|--------------------|-----------------------|--------------------------------|---------------|
| | | <u>'000</u> | |
| Short term portion | USD | 35,000 | 133,000 |

The repayment of the debt securities of USD35 million will be made by 31 December 2002.

The Board of Directors are of the opinion that the Group has the ability to meet its short term obligations including those relating to the Company's existing 5% Irredeemable Convertible Unsecured Loan Stocks 1999/2009.

- 11 There were no contingent liabilities of the Group since the last audited balance sheet as at 30 April 2002.
- 12 There were no financial instruments with off balance sheet risk as at the date of this announcement.
- 13 There was no pending material litigation as at the date of this announcement.
- 14 Segmental revenue and profit/(loss) before taxation for the current quarter ended 31 July 2002 and total assets employed as at 31 July 2002 were as follows :

| <u>Primary basis - by activities</u> | <u>Revenue</u> | <u>Profit/(Loss)</u> | <u>Total assets</u> |
|---|------------------|------------------------|---------------------|
| | <u>RM'000</u> | <u>before taxation</u> | <u>employed</u> |
| | | <u>RM'000</u> | <u>RM'000</u> |
| Financial services | 64,396 | 6,606 | 973,911 |
| Manufacturing | 168,853 | 9,015 | 589,462 |
| Property investment and development | 65,739 | (7,637) | 2,795,021 |
| Hotel, resort and recreation | 70,364 | 3,149 | 1,873,209 |
| Restaurants | 147,776 | (6,671) | 315,234 |
| Toto betting and related activities | 554,558 | 90,190 | 1,685,739 |
| Marketing of consumer products and services | 1,023,210 | 17,162 | 1,922,002 |
| Investment holding and others | 29,652 | (62,013) | 1,274,605 |
| | <u>2,124,548</u> | <u>49,801</u> | <u>11,429,183</u> |
| Exceptional items | - | 5,432 | - |
| | <u>2,124,548</u> | <u>55,233</u> | <u>11,429,183</u> |

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- 15 As compared to the preceding quarter ended 30 April 2002, the Group registered a revenue of RM2.12 billion representing an increase of 5%. This was mainly attributed to:-
- i. higher sales of lumber and related building products recorded by Taiga Forest Products Ltd in the North American market;
 - ii. higher revenue generated by the hotels and resorts division from higher occupancy rates at the beach resorts located at the East Coast of Peninsular Malaysia;
 - iii. higher sales reported by the marketing of consumer durables and manufacturing and marketing of Heating , ventilating, air-conditioning and related products ("HVAC") businesses; and
 - iv. higher sales recorded by the motor vehicles trading business.

The Group recorded a pretax profit of RM55.2 million for the current quarter under review. The turnaround in profitability was mainly attributed to:-

- i. a net gain of exceptional items of RM5.4 million recorded in the current quarter as compared to the preceding quarter of a net loss of exceptional items of RM 235.8 million.
 - ii. the turnaround in profitability by the manufacturing and marketing of HVAC business following the completion of its rationalisation exercise of the North American operations and the better performance from its China operations;
 - iii. higher profit contribution from the hotels and resorts business resulting from higher occupancy rates at the beach resorts located at the East Coast of Peninsular Malaysia; and
 - iv. the higher progress billings on the sale of residential and commercial properties by the property development and investment division.
- 16 As compared to the preceding year corresponding quarter ended 31 July 2001, the Group's revenue was marginally lower whereas the Group's pretax profit for the current quarter under review increased by 278%. The lower revenue attained was mainly due to the recent Soccer World Cup in June 2002 which had an adverse impact on sales of the gaming division.

The higher Group pretax profit was mainly attributed to:-

- i. net gain of exceptional items made as disclosed in Note 2 above whereas the preceding year corresponding quarter incurred a net loss of exceptional items;
- ii. the turnaround in profitability by the manufacturing and marketing of HVAC business following the completion of its rationalisation exercise of the North American operations and the better performance from its China operations;
- iii. higher sales recorded by the motor vehicles trading business which showed an increase of more than 270% in profits to RM 6.19 million; and
- iv. improved performance by the marketing of consumer products and services business.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- 17 a. On 13 June 2002, BToto obtained the approval-in-principle from KLSE for the listing of and quotation for the BToto ICULS and the new BToto shares arising from the conversion of BToto ICULS. The special dividend of 170% (45% tax exempt and 125% less tax of 28%) amounted to RM751,348,605, which is inter-conditional upon the rights issue of BToto ICULS, was approved by shareholders of BToto at an EGM held on 22 April 2002.

The Abridged Prospectus for the BToto ICULS was issued on 20 June 2002 and the appropriation of the special dividend was made in the current quarter upon the close of acceptance of the BToto ICULS on 15 July 2002. Subsequently, the BToto ICULS was issued on 5 August 2002. This corporate exercise was completed following the listing of the total RM751,348,605 nominal value of BToto ICULS, that was fully subscribed, on the KLSE as well as the distribution of the special dividend of RM751,348,605 on 9 August 2002. An amount of RM685,581,306 of the special dividend have been utilised towards the subscription of the BToto ICULS while the balance of RM65,767,299 have been paid in cash on 9 August 2002 from the proceeds of the BToto ICULS subscription.

On 23 January 2002, BLand gave BToto a written undertaking relating to the settlement arrangement for the inter-company advances. As at 31 July 2002, the outstanding inter-company balance due to BToto from the BLand Group was RM1,118.48 million. As at the date of this announcement, there are no dealings in the BToto ICULS, pursuant to the written undertaking provided by BLand for repayment, in cash, of the inter-company loans to BToto.

On 24 September 2002, BToto announced that an application has been submitted to the SC for a further 6 months extension of time for BLand to fulfil the SC's condition that BLand will ensure that at least 50% of the BToto ICULS beneficially owned by the BLand Group will be redeemed from the relevant lenders of the Group within 60 days after the listing of and quotation for the BToto ICULS on the KLSE.

As at 24 September 2002, the BLand Group beneficially owns RM133.609 million nominal value of BToto ICULS which are unencumbered representing approximately 69.45% of the RM192.374 million nominal value of BToto ICULS to be redeemed pursuant to the abovementioned written undertaking.

- b. On 5 September 2002, BLand announced that its interest in BToto has been diluted from 51.40% to 48.03% due to the increase in the issued and paid-up capital of BToto following the conversion of RM39.74 million nominal amount of BToto ICULS into shares during the period from 12 August 2002 to 30 August 2002. Following the dilution, BToto became a 48.03% associated company of BLand.

As at 24 September 2002, the interest of BLand in BToto has been further diluted to 43.2% following the conversion of more BToto ICULS into shares.

- c. On 17 April 2002, the Company announced that RHG, its 62.2% owned subsidiary company listed on the NASDAQ, USA has on 16 April 2002 announced its reorganisation under Chapter 11 of the U.S. Bankruptcy Code with the U.S. Bankruptcy Court for the Southern District of Florida ("U.S. Bankruptcy Court"). Chapter 11 is the reorganisation provision of the U.S. Bankruptcy Code that enables companies to continue regular operation, restructure past-due payments and emerge as profitable.

On 21 August 2002, the U.S. Bankruptcy Court confirmed RHG's reorganisation plan and RHG is expected to emerge from Chapter 11 within 30 days.

Further, on 23 September 2002, the Company announced that its wholly owned subsidiary company, Berjaya Group (Cayman) Limited ("BGCL"), has subscribed for 8.3 million shares of new common stock in RHG for a total cash consideration of approximately USD3.0 million (equivalent to approximately RM11.4 million) or at a subscription price of USD0.36 per share pursuant to RHG's recapitalisation exercise.

BERJAYA GROUP BERHAD
UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 31 JULY 2002

- c. In conjunction with and as an integral part of the above subscription, BGCL will receive 4.2 million shares of new RHG common stock at the same issue price for the repayment of an existing loan owing to BGCL of USD1.5 million. The reorganisation plan of RHG involves issuing 0.15 new share for each existing RHG share held. Based on BGCL's existing shareholding of 6.0 million shares, BGCL will receive an additional 0.9 million shares of new RHG common stock. BGCL's total shareholding in RHG after the proposed share subscription and additional allotment will amount to 19.4 million shares. BGCL's interest will increase by 4.2% to 66.4%. With the approvals from the U.S. Bankruptcy Court and the recapitalisation exercise in place, RHG will emerge from Chapter 11 by 30 September 2002.
- 18 The Group's business operations are not significantly affected by seasonal or cyclical factors except for the following segments:
- a. the consumer durables segment are affected by major festive seasons and sales campaign in certain period of the financial year.
 - b. the property development segment is affected by the prevailing cyclical economic conditions.
 - c. the stockbroking business may be affected by the economic conditions and the stock market performance.
 - d. the local beach resorts situated at the East Coast of Peninsular Malaysia which are affected by the North-East monsoon season in the third quarter of the financial year.
 - e. the overseas operations of industrial products and lumber trading are traditionally affected by the winter and festivity period in the third quarter of the financial year.
 - f. the Toto betting business that may be favourably impacted by the festive seasons.
- 19 Barring unforeseen circumstances, the Board anticipates that the performance of the Group's various operating units is expected to be satisfactory for the remaining period of this financial year ending 30 April 2003.
- 20 Not applicable.
- 21 The Board does not recommend the payment of any dividend for the financial quarter ended 31 July 2002. (2002: Nil)

c.c. Securities Commission