

Berjaya Corporation Berhad

Company No: 554790-X

Date: 28 March 2019

Subject: **UNAUDITED QUARTERLY (Q3) INTERIM FINANCIAL REPORT FOR
THE PERIOD ENDED 31 JANUARY 2019**

	Page
Table of contents	
Condensed Consolidated Statement of Profit or Loss	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3
Condensed Consolidated Statement of Changes in Equity	4 - 5
Condensed Consolidated Statement of Cash Flows	6
Notes to the Unaudited Interim Financial Report	7 - 14
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR")	15 - 31

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended		Year to date ended	
	31-01-2019	31-01-2018	31-01-2019	31-01-2018
	RM'000	RM'000	RM'000	RM'000
GROUP REVENUE	2,010,806	2,171,346	6,143,231	6,555,859
PROFIT FROM OPERATIONS	94,513	77,466	345,789	306,751
Investment related income	30,515	42,231	161,333	107,044
Investment related expenses	(362)	(27,049)	(3,442)	(230,985)
Finance costs	(82,788)	(91,907)	(279,467)	(280,104)
Share of results of associates	(5,117)	5,425	6,470	9,871
Share of results of joint ventures	2,287	180	1,814	2,563
PROFIT/(LOSS) BEFORE TAX	39,048	6,346	232,497	(84,860)
INCOME TAX EXPENSE	(62,316)	(67,987)	(202,254)	(195,776)
PROFIT/(LOSS) AFTER TAX	(23,268)	(61,641)	30,243	(280,636)
ATTRIBUTABLE TO:				
- Equity holders of the parent	(62,897)	(92,502)	(98,880)	(281,883)
- Non-controlling interests	39,629	30,861	129,123	1,247
	(23,268)	(61,641)	30,243	(280,636)
LOSS PER SHARE (SEN)				
- Basic, for the period	(1.09)	(1.60)	(1.66)	(4.87)
- Diluted, for the period	(1.09)	(1.61)	(1.66)	(4.88)

The annexed notes form an integral part of this interim financial report.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		Year to date ended	
	31-01-2019 RM'000	31-01-2018 RM'000	31-01-2019 RM'000	31-01-2018 RM'000
PROFIT/(LOSS) AFTER TAX	(23,268)	(61,641)	30,243	(280,636)
OTHER COMPREHENSIVE ITEMS				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Net changes on available-for-sale ("AFS") financial assets				
- Changes in fair value of AFS investments	-	(4,885)	-	(4,435)
- Transferred to profit or loss due to				
- Disposals of AFS investments	-	8,401	-	5,247
- Impairment of AFS investments	-	1,224	-	2,918
Foreign currency translation	8,798	(131,396)	24,460	(180,173)
Foreign currency translation reserve transferred to profit or loss due to disposal of associate	-	885	-	885
Amortisation of gaming rights	-	(2,508)	-	(7,524)
Share of other comprehensive items of associates	(519)	1,207	(2,838)	(10,567)
Taxation relating to components of other comprehensive income	-	1,269	-	5,352
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")				
	2,169	-	(8,566)	-
Share of an associated company's changes in fair value of financial assets - other investments	12,359	-	(8,999)	-
Tax effects relating to FVTOCI investments	(2,568)	-	3,793	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(3,029)	(187,444)	38,093	(468,933)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
- Equity holders of the parent	(55,220)	(157,528)	(100,959)	(391,523)
- Non-controlling interests	52,191	(29,916)	139,052	(77,410)
	(3,029)	(187,444)	38,093	(468,933)

The annexed notes form an integral part of this interim financial report.

BERJAYA CORPORATION BERHAD
(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31-01-2019 RM'000	Group As at 30-04-2018 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,481,632	3,461,128
Biological assets	3,720	3,923
Investment properties	880,953	877,871
Inventories - Land held for development	1,884,046	1,867,476
Investment in associated companies	1,211,538	1,189,135
Investment in joint ventures	117,448	105,586
Other investments	131,894	148,954
Other long term receivables	1,361,343	1,552,280
Intangible assets	5,693,828	5,695,064
Deferred tax assets	68,403	67,465
	<u>14,834,805</u>	<u>14,968,882</u>
Current Assets		
Inventories - Development properties	343,307	310,629
Inventories - Completed properties and others	1,770,153	1,764,324
Trade and other receivables	1,780,599	1,545,685
Contract assets	9,732	-
Short term investments	48,175	44,362
Tax recoverable	56,304	72,473
Deposits with financial institutions	647,880	710,830
Cash and bank balances	770,556	920,816
	<u>5,426,706</u>	<u>5,369,119</u>
Assets of disposal group/Non-current assets classified as held for sale	228,049	489,488
	<u>5,654,755</u>	<u>5,858,607</u>
	<u>20,489,560</u>	<u>20,827,489</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Share capital	4,930,556	4,930,556
Irredeemable Convertible Unsecured Loan Stocks ("ICULS") - Equity component	306,739	306,739
Reserves	1,350,499	1,607,189
	<u>6,587,794</u>	<u>6,844,484</u>
Less: Treasury shares	(34,253)	(33,669)
	<u>6,553,541</u>	<u>6,810,815</u>
Non-controlling interests	3,463,820	3,514,472
Equity funds	<u>10,017,361</u>	<u>10,325,287</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stocks	115,862	128,193
Long term borrowings	2,731,177	3,587,054
Provisions and other long term liabilities	625,417	250,606
Deferred tax liabilities	1,352,898	1,355,570
	<u>4,825,354</u>	<u>5,321,423</u>
Current Liabilities		
Trade and other payables	2,385,505	2,441,453
Provisions	7,942	7,071
Short term borrowings	3,208,060	2,633,185
Taxation	42,292	52,690
	<u>5,643,799</u>	<u>5,134,399</u>
Liabilities directly associated with disposal groups classified as held for sale	3,046	46,380
	<u>5,646,845</u>	<u>5,180,779</u>
Total Liabilities	<u>10,472,199</u>	<u>10,502,202</u>
TOTAL EQUITY AND LIABILITIES	<u>20,489,560</u>	<u>20,827,489</u>
Basic net assets per share (sen)	128.18	133.40
Dilutive net assets per share (sen)	114.92	118.73

The net assets per share is calculated based on the following :

Basic : Equity funds less non-controlling interests and ICULS - equity component divided by the number of outstanding shares in issue with voting rights.

Dilutive : Equity funds less non-controlling interests divided by the number of outstanding shares in issue with voting rights and the potential conversion of the Company's outstanding ICULS to shares and exercise of Warrants.

The annexed notes form an integral part of this interim financial report.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent										Distributable					
	Share capital RM'000	ICULS - equity component # RM'000	AFS reserves RM'000	Reserve of disposal group classified as held for sale RM'000	FVTOCI reserves RM'000	Share option reserves RM'000	Warrants reserve ^ RM'000	Fair value reserves RM'000	Capital reserves RM'000	Consolidation reserve RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000	Treasury shares RM'000	Total net equity funds RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 May 2018 (as reported)	4,930,556	306,739	2,832	111,775	-	1,524	258,797	167,227	224,820	(626,840)	87,665	1,379,389	(33,669)	6,810,815	3,514,472	10,325,287
Effect of adoption of MFRS 9	-	-	(2,832)	-	(61,456)	-	-	-	-	-	64,288	-	-	-	-	-
Effect of adoption of MFRS 15	-	-	-	-	-	-	-	-	-	-	886	-	-	(157,702)	(52,838)	(210,540)
At 1 May 2018 (as restated)	4,930,556	306,739	-	111,775	(61,456)	1,524	258,797	167,227	224,820	(626,840)	88,551	1,285,089	(33,669)	6,653,113	3,461,634	10,114,747
Total comprehensive income	-	-	-	-	(11,205)	-	-	-	(7)	(1,117)	10,250	(98,880)	-	(100,959)	139,052	38,093
Share of an associated company's effect arising from disposal of FVTOCI investment	-	-	-	-	773	-	-	-	-	-	(773)	-	-	-	-	-
Share of an associated company's effect arising from dilution on equity interest of its subsidiary company	-	-	-	-	-	-	-	-	-	-	844	-	-	844	-	844
Transactions with owners:																
Transfer of reserves	-	-	-	(111,775)	1,943	(12)	-	-	7	-	3,508	106,329	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-	-	(584)	-	(584)	-	(584)
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	-	470	-	-	-	(3,583)	-	-	-	(3,113)	255	(2,858)
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	-	4,782	-	(359)	-	4,423	(30,615)	(26,192)
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,996)	(32,996)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,282	17,282
Share based payment	-	-	-	-	-	(183)	-	-	-	-	-	-	-	(183)	754	571
Dividends paid to non-controlling interests	-	-	-	(111,775)	1,943	275	-	-	7	1,199	3,508	105,970	(584)	543	(91,546)	(91,546)
At 31 January 2019	4,930,556	306,739	-	-	(69,945)	1,799	258,797	167,227	224,820	(626,758)	102,309	1,292,250	(34,253)	6,553,541	3,463,820	10,017,361

Notes:

This comprises the equity components of Irredeemable Convertible Unsecured Loan Stocks ("ICULS").

^ This comprises the fair values of warrants .

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent										Total net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000	
	Non-distributable					Distributable								
	Share capital RM'000	ICULS - equity component # RM'000	AFS reserves RM'000	Share option reserves RM'000	Warrants reserve ^ RM'000	Fair value reserves RM'000	Capital reserves RM'000	Consolidation reserve RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000	Treasury shares RM'000			
At 1 May 2017	4,930,556	306,848	1,079	243	258,797	130,788	230,150	(660,083)	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669
Total comprehensive income	-	-	(2,495)	-	-	(5,368)	-	(1,974)	(99,803)	(281,883)	-	(391,523)	(77,392)	(468,915)
Share of an associated company's effect arising from dilution on equity interest of its subsidiary company	-	-	-	-	-	-	-	-	-	5,643	-	5,643	18,810	24,453
Transactions with owners:														
Transfer of reserves	-	-	(37)	(62)	-	(89)	9,234	-	(5,794)	(3,252)	-	-	-	-
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	-	-	-	2,425	-	-	-	2,425	9,556	11,981
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	(576)	-	-	-	(576)	(5,226)	(5,802)
Adjustments arising from amortisation of gaming rights	-	-	-	-	-	-	-	-	-	5,368	-	5,368	(103)	5,265
Share based payment	-	-	-	968	-	-	-	-	-	-	-	968	1,235	2,203
Dividends paid to non-controlling interests	-	-	(37)	906	-	(89)	9,234	1,849	(5,794)	2,116	-	8,185	(45,489)	(37,304)
At 31 January 2018	4,930,556	306,848	(1,453)	1,149	258,797	125,331	239,384	(660,208)	75,271	1,535,604	(33,669)	6,777,610	3,559,293	10,336,903

Notes:

This comprises the equity components of Irredeemable Convertible Unsecured Loan Stocks ("ICULS")

^ This comprises the fair values of warrants

The annexed notes form an integral part of this interim financial report.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	31-01-2019 RM'000	31-01-2018 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	6,602,004	7,181,715
Payments for operating expenses	(6,181,389)	(6,632,024)
Payment of taxes	(195,775)	(181,775)
Other receipts (including tax refunds)	58,328	8,796
Net cash generated from operating activities	<u>283,168</u>	<u>376,712</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of property, plant and equipment and non-current assets	21,588	8,856
Disposal of investments in subsidiary company	217,354	42,469
Disposal of investments in associated companies	-	58,891
Disposal of other investments	2,549	41,678
Acquisition of property, plant and equipment and non-current assets	(172,502)	(145,870)
Acquisition of investments in subsidiary companies	(10,460)	(21,641)
Acquisition of investments in associated companies and a joint venture	(49,163)	(26,786)
Acquisition of other investments and short term investments	(59,825)	(57,516)
Acquisition of treasury shares by a subsidiary company	(21,021)	-
Interest received	32,351	48,586
Dividend received	9,925	28,253
Repayment from joint ventures and associated companies	91,291	50,084
Other receipts	71,137	141,669
Net cash generated from investing activities	<u>133,224</u>	<u>168,673</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of share capital to non-controlling interests of subsidiary companies	17,282	1,751
Dividends paid to non-controlling interests of subsidiary companies	(89,307)	(51,037)
Interest paid	(307,245)	(272,166)
Drawdown of bank and other borrowings	1,975,828	1,638,544
Repayment of bank and other borrowings	(2,251,882)	(1,879,568)
Movement in vehicle stocking loans	(14,894)	28,699
Net placement to banks as security pledges for borrowings	(27,765)	(9,847)
Net cash used in financing activities	<u>(697,983)</u>	<u>(543,624)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(281,591)	1,761
OPENING CASH AND CASH EQUIVALENTS	1,443,596	1,408,191
Effect of exchange rate changes	14,002	(41,841)
CLOSING CASH AND CASH EQUIVALENTS	<u>1,176,007</u>	<u>1,368,111</u>
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	647,880	726,794
Cash and bank balances	770,556	902,080
Bank overdraft (included under short term borrowings)	(81,561)	(78,107)
	<u>1,336,875</u>	<u>1,550,767</u>
Less :		
Remisiers' deposit held in trust	(12,578)	(13,399)
Cash and cash equivalents restricted in use	(148,335)	(221,449)
	<u>1,175,962</u>	<u>1,315,919</u>
Including: Cash and cash equivalents classified as held for sale	45	52,192
	<u>1,176,007</u>	<u>1,368,111</u>

The annexed notes form an integral part of this interim financial report.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

- A1 The interim financial report is not audited and has been prepared in compliance with Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting, requirements of the Companies Act 2016 ("CA 2016") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 April 2018. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for understanding the changes in the financial position and performance of the Company since the year ended 30 April 2018.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning 1 May 2018.

The financial statements of the Group for the quarter ended 31 July 2018 are the first set of interim financial report prepared in accordance with the MFRS Framework, hence MFRS 1 First-time Adoption of Malaysian Financial Standards has been applied. The MFRS Framework is effective for the Group from 1 May 2018 and the date of transition to the MFRS Framework for the purpose of preparation of the MFRS compliant interim financial report is 1 May 2017.

As provided in MFRS 1, first-time adopter of MFRS Framework can elect optional exemptions from full retrospective application of MFRSs. The Group has elected not to apply MFRS 3 Business Combinations and MFRS 10 Consolidated Financial Statements retrospectively, that is not to restate any of its business combinations that occurred before the date of transition to MFRS Framework.

The two newly effective standards which were adopted pursuant to the adoption of the MFRS Framework, namely MFRS 15 Revenue from Contracts with Customers and MFRS 9 Financial Instruments have resulted in the following key changes to the financial statements:

MFRS 9: Financial Instruments

MFRS 9 introduces new requirements for classification and measurements, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

i. Classification and measurements

There is no significant impact on the statements of financial position on applying the classification and measurement requirements of MFRS 9. All financial assets will continue to be held at fair value, quoted equity shares classified as available-for-sale ("AFS") will continue to record gains and losses in other comprehensive income ("OCI"). The equity shares in non-quoted companies are intended to be held for the foreseeable future and the Group will apply the option to present its fair value changes in OCI.

Loans and receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group has analysed the contractual cash flow characteristics of these instruments and concluded that they meet the criteria for amortised cost measurement under MFRS 9. Therefore, reclassification for these instruments is not required.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

MFRS 9: Financial Instruments (Continue)

ii. **Impairment**

Under MFRS 9, the Group is required to record expected credit loss on its trade and other receivables either on a 12-month or lifetime basis. The Group will apply the simplified approach and record lifetime expected credit losses on its trade receivables.

The trade receivables mainly consist of creditworthy debtors with good payment records and debtors with no concerns on the credit worthiness. The Group minimizes credit risk by dealing with high credit rating counterparties, application of credit approval limits and continuous monitoring procedures. There is no significant impact to the Group's financial statements from the impairment based on the expected credit loss model on its trade receivables.

For other non-trade receivables, there is no significant impact to the Group's financial statements.

The Group has applied MFRS 9 retrospectively on the initial application date of 1 May 2018 and has elected not to restate its comparative.

MFRS 15: Revenue from Contracts with Customers

MFRS 15 established a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 superseded previous revenue recognition guidance including MFRS 118: Revenue, MFRS 111: Construction Contracts and the related interpretations.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e when control of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group has adopted the new standard on the required effective date using the full retrospective method and has applied all the practical expedients available for full retrospective approach.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

The Group had reassessed the total financial impact on the Group's financial statements upon adoption of MFRS 9 and MFRS 15 on 1 May 2018 which have been summarised in the table below.

The Group evaluated and concluded that there is no element of financing present as the Group's sale of goods and services are either on cash terms or on credit terms of up to 60 days.

Financial impact

The financial impact from the initial adoption of MFRS 9 and MFRS 15 as at 1 May 2018 are as follows:

	As previously stated RM'000	Effects of adoption MFRS 9 RM'000	Effects of adoption MFRS 15 RM'000	As restated RM'000
Increase/(decrease):				
AFS reserves	2,832	(2,832)	-	-
FVTOCI reserves	-	(61,456)	-	(61,456)
Retained earnings	1,379,389	64,288	(158,588)	1,285,089
Exchange reserves	87,665	-	886	88,551
Inventories - Development properties	310,629	-	600	311,229
Trade and other receivables (current)	1,545,685	-	4,227	1,549,912
Contract assets	-	-	13,178	13,178
Investment in associated companies	1,189,135	-	(474)	1,188,661
Trade and other payables (current)	2,441,453	-	(13,665)	2,427,788
Provisions - Retirement benefits	6,757	-	90	6,847
Other long term liabilities	205,273	-	241,646	446,919
Non-controlling interests	3,514,472	-	(52,838)	3,461,634

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

- A2 The following business operations of the Group are affected by seasonal or cyclical factors:
- the property development segment is affected by the prevailing cyclical economic conditions.
 - the stock and futures broking businesses are influenced by the performance of the stock market.
 - the local island beach resorts situated at the East Coast of Peninsular Malaysia are affected by the North-East monsoon season in the third quarter of the financial year.
 - the gaming business may be positively impacted by the festive seasons.

- A3 (a) The following are the unusual items that occurred during the current quarter under review:

Recognised directly in statement of profit or loss

- (i) Included under investment related income and (expenses):

	Current Quarter RM'000	Financial Year to date RM'000
Gain on disposal of a subsidiary company	-	76,644
Impairment of property, plant and equipment	-	(3,000)
Net fair value changes of fair value through profit or loss ("FVTPL") investments	(520)	(421)
Net fair value changes of investment properties	-	40
Net reversal of impairment in associated companies	51	265
	<u>(469)</u>	<u>73,528</u>

Statement of financial position

The management had identified certain group of companies, which the management has intention to dispose of, and reclassified the assets and liabilities associated to these companies as held for sale in accordance to MFRS 5: Non-current assets held for sale and discontinued operations.

- (b) There were no material changes in estimates reported in the prior financial year that had a material effect in the current quarter ended 31 January 2019.

- A4 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 January 2019 except for the following:

(a) Treasury shares

1,991,848 units of ordinary shares were bought back and held as treasury shares with none of these shares being cancelled or sold.

The details of the share buyback during the financial period ended 31 January 2019 are as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
July 2018	0.295	0.295	0.295	1,000,000	295
August 2018	0.290	0.290	0.290	991,848	289
			0.293	1,991,848	584

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

The number of treasury shares held in hand as at 31 January 2019 are as follows:

	Average price per share RM	Number of shares	Amount RM'000
Balance as at 30 April 2018	0.701	48,008,152	33,669
Increase in treasury shares	0.293	1,991,848	584
Total treasury shares as at 31 January 2019	0.685	50,000,000	34,253

As at 31 January 2019, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 4,873,591,000 (31 January 2018: 4,875,583,000) ordinary shares.

Subsequent to the quarter ended 31 January 2019 and up to the date of this announcement, there were no issuance of ordinary shares pursuant to the conversion of BCorp ICULS and exercise of warrants.

A5 The Company did not pay any dividend in the financial period ended 31 January 2019.

A6 Segment information for the financial year ended 31 January 2019:-

REVENUE

	External RM'000	Inter-segment RM'000	Total RM'000
Gaming operations	2,461,309	72,472	2,533,781
Financial services	29,367	-	29,367
Property investment and development	227,088	13,772	240,860
Hotels and resorts	396,076	1,639	397,715
Marketing of consumer products and services	2,436,519	30,227	2,466,746
Restaurants and cafes	541,370	291	541,661
Others	51,502	24,849	76,351
Elimination: Inter-segment Revenue	-	(143,250)	(143,250)
Total revenue	6,143,231	-	6,143,231

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

RESULTS

	RM'000
Gaming operations	302,651
Financial services	27,196
Property investment and development	4,558
Hotels and resorts	47,893
Marketing of consumer products and services	58,452
Restaurants and cafes	22,158
Others	<u>(26,003)</u>
	436,905
Unallocated corporate items	<u>(91,116)</u>
Profit from operations	345,789
Investment related income	
-Interest income	81,502
-Gain on disposal of a subsidiary company	76,644
-Fair value gain on FVTPL investments	21
-Fair value gain on investment property	40
-Reversal of impairment in associated companies	265
-Dividend income and others	2,861
	<u>161,333</u>
Investment related expenses	
-Fair value loss on FVTPL investment	<u>(442)</u>
-Impairment of property, plant and equipment	<u>(3,000)</u>
	(3,442)
Finance costs	(279,467)
Share of results of associates	6,470
Share of results of joint ventures	1,814
Profit before tax	<u>232,497</u>
Income tax expense	<u>(202,254)</u>
Profit after tax	<u><u>30,243</u></u>

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

- A7 There were no significant events since the end of this current quarter that have not been reflected in the financial statements for this current financial quarter under review.
- A8 There were no changes in the composition of the Group for the current period ended 31 January 2019, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-
- (a) On 25 June 2018, the Company announced the completion of the disposal of DSG Holdings Limited ("DSG") to Besino Environment Limited ("Besino"), a company incorporated in the People's Republic of China ("PRC"). Previously on 6 March 2018, the Company announced that the Company and other shareholders of DSG, namely Earthlodge Investments Limited and Elque Resources Sdn Bhd, have entered into an agreement with Besino for the proposed disposal of their entire equity interest comprising 10.00 million ordinary shares in DSG to Besino or its affiliate for a total cash consideration of RMB508 million (about RM312.93 million). The Company's portion of the sale proceeds is RMB431.80 million (about RM265.99 million).
 - (b) On 13 July 2018, the Company announced that Berjaya HR Cafe Limited, its wholly owned subsidiary company, subscribed for 19,600 common stocks representing a 98% equity interest in Just KPop Limited ("JKP") at par value of KRW5,000 each for a total consideration of KRW98 million (about RM354,000). The intended principal activities of JKP are to carry out food and beverages businesses and restaurants.
 - (c) Berjaya HT Eco Company Limited ("BHTEL") was incorporated by Berjaya Myanmar Holdings Sdn Bhd ("BMHSB"), a wholly owned subsidiary of Berjaya Land Berhad. Subsequently, BHTEL became a 90%-owned subsidiary company of BMHSB. The intended principal activities of BHTEL are to carry on the service business relating to provision of consultation and technical services for property development projects.
 - (d) On 16 August 2018, the Company announced that Berjaya Group Berhad, its wholly owned subsidiary company, acquired 2 ordinary shares, representing 100% equity interest, in Save the Sea Sdn Bhd ("STS"). The intended principal activity of STS is provision of environmental engineering and river cleaning services.
 - (e) On 8 November 2018, the Company announced that BLoyalty Pte Ltd, a 60% owned subsidiary company of the Group, had on even date acquired 1 ordinary share, representing 100% equity interest, in B Infinite Asia Pte Ltd, for a total cash consideration of SGD1.00. Its intended principal activity is provision of digital loyalty services.
 - (f) On 30 November 2018, BLand announced that Berjaya Vacation Club Berhad, had on even date incorporated a wholly owned subsidiary company, Redang Development Sdn Bhd, with a cash subscription of RM1.00. Its intended principal activities are airport development, property development, hotel and resort operation.
 - (g) On 7 December 2018, the Company announced that Berjaya Group Berhad, had on even date incorporated a wholly owned subsidiary company, Berjaya Pangkor Sdn Bhd, with a cash subscription of RM1.00. Its intended principal activity is providing infrastructure and land development, hotel and resorts.
 - (h) On 24 December 2018, BLand announced the acquisition of 100 ordinary shares of EUR1.00 each, representing 100% equity interest, in Berjaya Property Ireland Limited for a cash consideration of EUR100. Its intended principal activity is investment holding.
 - (i) On 31 January 2019, BLand announced that Redang Development Sdn Bhd, its wholly owned subsidiary company, had incorporated a wholly owned subsidiary company Redang Infra Sdn Bhd for a cash subscription of 1 ordinary share for RM1.00. Its intended principal activity is infrastructure development such as airport, road and others.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

NOTES TO THE INTERIM FINANCIAL REPORT

- A9 There were no material changes in contingent liabilities or contingent asset since the last annual reporting date.
- A10 There were no material changes in capital commitment since the last audited statement of financial position as at 30 April 2018.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

- B1 The main operating businesses of the Group are marketing of consumer products and services, restaurants and cafes, property investment and development, hotels and resorts and gaming operations. The key factors (other than the general economic conditions) affecting the performance of the main operating businesses in the Group are as follows:

Marketing of consumer products and services

Effectiveness of marketing initiatives, new product launches, sales productivity, consumer preferences and spending trends, the fluctuation of foreign exchange rates impacting product costs and competitive pricing and promotions offered by competitors and the disposable income of the consumers.

Restaurants and cafes

Festive season, tourism, eating out culture, raw material costs, staff costs and affluent lifestyle as well as consumer perception.

Property investment and development

Demography of population, location of the properties, costs of building materials and related services, lending guidelines and interest rates of the financial institutions, rental rates, age and condition of investment properties and the quality of property management.

Hotels and resorts

Room rates, seasonal festive periods and school holidays, location of the hotels and resorts, tourism and currency exchange trends, energy/other supplies costs, quality of rooms/amenities/service.

Gaming operations

Disposable income of the general public, Jackpot cycles, luck factor, illegal gaming activities and the number of draws in the financial period.

The summarised results of the Group are as follows:

	3-Month Ended			9-month Ended		
	31-Jan-19	31-Jan-18	+/(-) %	31-Jan-19	31-Jan-18	+/(-) %
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	2,010,806	2,171,346	(7)	6,143,231	6,555,859	(6)
Profit from operations	94,513	77,466	22	345,789	306,751	13
Profit/(Loss) before tax	39,048	6,346	515	232,497	(84,860)	N/A

Review of results for the quarter

The Group registered a revenue of RM2.01 billion and pre-tax profit of RM39.05 million in the current quarter ended 31 January 2019 as compared to revenue of RM2.17 billion and pre-tax profit of RM6.35 million reported in the previous year corresponding quarter.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on revenue

The Group recorded a lower revenue for the current quarter mainly due to lower revenue reported by the consumer products and services segment from its overseas operations and the property segment as compared to the preceding year corresponding quarter. The property segment reported lower progress billings and lower sales for the high-end projects of the Group.

Marketing of consumer products and services

The marketing of consumer products and services segment reported lower revenue. This was mainly due to the retail distribution business being affected by the intense competition, the absence of any major product launches as well as the reduced number of outlets. The reduced number of outlets resulted from the Group's ongoing efforts to rationalise the cost structure of the retail distribution business by scaling down the number of outlets via the progressive closing of the non-performing outlets.

The motor distribution business reported a lower revenue from H.R.Owen Plc ("HR Owen) due to lower sales from the used car sector but mitigated by improved sales from the new car sector.

In addition, the disposal of DSG in the first quarter of this current financial year also contributed to the lower revenue registered for this quarter.

Restaurants and cafes

Higher revenue achieved mainly due to same-store-sales growth recorded by Starbucks as well as additional Starbucks cafes operating in Malaysia as compared to the previous year corresponding quarter.

Property investment and development

This segment registered lower revenue in the current quarter as there were lower progress billings as well as lower sales from the high-end projects of the Group.

Hotels and resorts

The hotels and resorts segment reported marginally higher revenue. The overseas hotels and resorts reported higher revenue due to better average room rates, but the local hotels and resorts reported lower revenue due to lower occupancy rates.

Gaming operations

Revenue from the gaming operations in this quarter registered lower than that of the corresponding quarter in the previous financial year mainly due to lower number of draws.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on results

The Group pre-tax profit for the current quarter was higher than previous year corresponding quarter. This was mainly due to improved performances from the marketing of consumer products. In the previous year corresponding quarter, there was substantial foreign exchange losses and a loss on disposal of a subsidiary company.

Marketing of consumer products and services

The marketing of consumer products and services segment achieved improved performances for the current quarter. This was mainly due to the lower operating expenses recorded by the retail distribution business following its implementation of a rationalisation exercise in the prior years to close non-performing stores and reduce operating expenses.

The motor distribution business also reported a higher pre-tax profit in the current quarter mainly contributed from HR Owen operations, which attained higher sales in the new car sector.

Restaurants and cafes

The restaurants and cafes segment recorded a higher profit contribution in the current quarter mainly due to higher profit contributions from Starbucks operations in tandem with the higher revenue achieved as well as improved performance from KRR Malaysia's operations in the current quarter.

Property investment and development

The property investment and development segment reported a lower pre-tax profit mainly due to lower revenue as mentioned above.

Hotels and resorts

The hotels and resorts segment reported lower pre-tax profit mainly due to higher operating expenses.

Gaming operations

The gaming operations reported lower pre-tax profit mainly due to the higher prize payout.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Review of results for the financial period

The Group registered a revenue of RM6.14 billion and pre-tax profit of RM232.50 million for the financial period ended 31 January 2019 as compared to a revenue of RM6.56 billion and pre-tax loss of RM84.86 million reported in the previous year corresponding period.

Commentary on revenue

The Group registered a lower revenue for the financial period under review mainly due to lower contribution from the consumer products and services segment and the property segment. The reasons for the lower revenue are similar to those reasons mentioned in the commentary on revenue for the quarter.

Marketing of consumer products and services

The marketing of consumer products and services segment reported a lower revenue in the current financial period as compared to the previous year corresponding period. The lower revenue reported by the retail distribution business was affected by the intense competition in the retail landscape and the absence of any major product launches.

The disposal of DSG in the first quarter of current financial period also contributed to the lower revenue being consolidated.

The revenue contributed by motor distribution business reduced as compared to the previous year corresponding financial period. HR Owen registered a drop in revenue due to unfavourable foreign exchange effect upon translating to Ringgit Malaysia (ie. the reporting currency). However, HR Owen (in its functional currency) reported growth in revenue from higher new car sales.

Restaurants and cafes

Higher revenue achieved mainly due to same reasons mentioned in the commentary on revenue for the quarter.

Property investment and development

The property investment and development business registered lower revenue in the current financial period. This was due to the lower progress billings as well as lower sales contribution from both the Group's local and overseas projects in the current financial period.

Hotels and resorts

The hotels and resorts business reported a lower revenue mainly due to lower occupancy rates in the current financial period.

Gaming operations

The gaming operations reported lower revenue in the current financial period from both Malaysia and Vietnam operations.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on results

The Group reported a pre-tax profit in the current period under review, while in the previous financial period the Group reported a pre-tax loss which was mainly due to the provision for impairment of a portion of the balance sale proceeds from the sale of GMOC Project and loss on partial disposal of an associated company, which amounted to RM155.08 million and RM39.94 million respectively. The higher operating profit for the current financial period and together with the gain on disposal of DSG, led to the Group recording a pre-tax profit of RM232.50 million. The improved operating profit was due to improved performances from the consumer marketing and services segment.

Marketing of consumer products and services

The marketing of consumer products and services segment reported improved results. This was mainly due to the lower operating expenses recorded by the retail distribution business following its implementation of a rationalisation exercise in the prior years to close non-performing stores and reduce operating expenses.

The motor distribution business reported higher pre-tax profit arising from higher sales from the new car sector due to the delivery of certain new models as well as lower operating expenses incurred following the closure and disposal of certain loss making brands in the current financial period.

Restaurants and cafes

The pre-tax profit of the restaurants and cafes business was higher mainly due to the abovementioned reasons in the commentary on results for the quarter.

Property investment and development

The property investment and development business registered a lower pre-tax profit in the current financial period. This was due to lower sales contribution from the Group's local and overseas projects in the current financial period.

Hotels and resorts

The hotels and resorts business reported lower pre-tax profit mainly due to lower overall occupancy rates in the current financial period.

Gaming operations

The lower pre-tax profit in the current financial period was mainly due to the higher prize payout.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B2 Review of results of current quarter vs preceding quarter

	3-Month Ended		
	31-Jan-19	31-Oct-18	+ / (-)
	RM'000	RM'000	%
Revenue	<u>2,010,806</u>	<u>1,990,018</u>	<u>1</u>
Profit from operations	<u>94,513</u>	<u>104,035</u>	<u>(9)</u>
Profit before tax	<u>39,048</u>	<u>34,126</u>	<u>14</u>

For the quarter under review, the Group recorded a revenue of RM2.01 billion and pre-tax profit of RM39.05 million as compared to a revenue of RM1.99 billion and pre-tax profit of RM34.13 million reported in the preceding quarter.

Commentary on revenue

The Group registered an increase in revenue for the current quarter as compared to the preceding quarter. The higher revenue was mainly due to higher revenue achieved by the property investment and development segment, restaurant and cafe segment and gaming segment.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher revenue as compared to the preceding quarter mainly due to the higher sales from the motor distribution business. During the quarter under review, HR Owen reported higher sales in the new car sector following the catch up on vehicles delivery that were delayed in the preceding quarter by the change on the emission testing of all new vehicles under the Worldwide Harmonised Light Vehicle Test Procedure.

Restaurants and cafes

The restaurants and cafes business reported higher revenue in the current quarter mainly due to the calendar year end and festive promotions, school holidays and the Christmas season during the third quarter.

Property investment and development

The higher revenue reported by property investment and development segment in the current quarter was mainly due to sales from the overseas project in the current quarter.

Hotels and resorts

The hotels and resorts segment reported a lower revenue mainly due to lower occupancy rates as compared to the preceding quarter.

Gaming operations

The gaming operations reported higher revenue mainly from the higher contribution from the Malaysian operations despite it had a lower number of draws in the current quarter.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on results

Despite lower profit from operations reported in the current quarter, the Group reported higher pre-tax profit in the current quarter mainly due to lower finance costs in the current quarter under review.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher pre-tax profit as compared to the preceding quarter mainly due to the motor distribution business as explained above.

Restaurants and cafes

The increase in pre-tax profit of the restaurants and cafes segment was mainly due to the reasons as explained above.

Property investment and development

The property investment and development segment contributed higher pre-tax profit in the current quarter mainly due to sales from the overseas project in the current quarter under review.

Hotels and resorts

The hotels and resorts segment reported lower pre-tax profit as compared to the preceding quarter mainly due to lower occupancy rates and higher operating expenses.

Gaming operations

The gaming operations reported higher pre-tax profit mainly due to the lower prize payout in the current quarter.

B3 Future prospects

Given the prevailing economic conditions and global financial outlook, the Directors are of the view that the Group's operating environment for the remaining quarter will be challenging.

With the completion of the disposal of the TPC Nghi Tam Village Ltd (as disclosed in Note B7(B)(d)) on 1 March 2019, the Group is expected to recognise an exceptional gain in the remaining quarter of this financial year ending 30 April 2019.

B4 There is no profit forecast or profit guarantee for the financial period ended 31 January 2019.

B5 The taxation charge for the current quarter and financial period ended 31 January 2019 are detailed as follows:

	Current Quarter RM'000	Financial Year to date RM'000
Based on the results for the period:-		
Current period provision		
- In Malaysia	44,267	141,767
- Outside Malaysia	8,731	38,921
Deferred tax	5,543	18,665
Under provision in prior years	3,775	2,901
	<u>62,316</u>	<u>202,254</u>

The disproportionate tax charge of the Group for the current quarter/financial period ended 31 January 2019 was mainly due to certain expenses or losses being disallowed for tax purposes, certain gains which are not taxable and non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B6 Profit before tax is stated after charging/(crediting):

	Current Quarter RM'000	Financial Year to date RM'000
Interest income	(30,117)	(81,502)
Dividend income	(505)	(2,861)
Gain on disposal of property, plant and equipment	(63)	(343)
Gain on disposal of a subsidiary company	-	(76,644)
Gain on disposal of other investments	-	-
Reversal of impairment in associated companies	(51)	(265)
Loss arising from disposal of a subsidiary company	-	-
Loss arising from dilution of interest in an associated company	-	-
Depreciation of property, plant and equipment	55,840	164,542
Amortisation of intangible assets	7,428	22,756
Impairment loss on receivables	506	690
Impairment of property, plant and equipment	-	3,000
Impairment in value of investment in associated companies	-	-
Provision for and write off of inventories	5,179	24,655
Loss on partial disposal of an associated company	-	-
Foreign exchange loss/(gain) (net)	3,400	(43,875)
Fair value changes of FVTPL investments (net)	<u>520</u>	<u>421</u>

B7 (A) There has been no further developments for those corporate proposals disclosed in Notes 46 and 47 to the audited financial statements of the Company for the financial year ended 30 April 2018.

(B) Events announced subsequent to the date of the audited financial statements:

- (a) On 18 January 2019, the Company announced that it had entered into a Memorandum of Understanding with SAIC Motor Passenger Vehicle Company for the proposed collaboration on the manufacture, assembly and sale of Morris Garages brand vehicles and other related services in Malaysia ("Proposed Cooperation"). On 25 March 2019, the Company announced that a new 51% owned subsidiary company has been incorporated under the name of MG Berjaya Sdn Bhd to facilitate the Proposed Cooperation.
- (b) On 11 February 2019, BToto announced that FEAB Equities Sdn Bhd, its wholly owned subsidiary company, had on even date entered into a shareholders' agreement with PP Cylabs (M) Sdn Bhd on a 50:50 joint venture basis to set up a joint venture company to explore business opportunities as well as undertake projects in Sri Lanka.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

- B7 (B) (c) On 18 February 2019, BLand announced that it has incorporated a wholly owned subsidiary company, Berjaya Reykjavik Investment Limited ("BRIL") in the Republic of Ireland for a cash subscription of 1 ordinary share for EUR1.00. The principal activity of BRIL is investment holding. Following the incorporation of BRIL, it has entered into an agreement with Fiskitangi EHF ("FEFH") and Utgerdafelag Reykjavikur HF ("URHF") to:
- (i) acquire all the shares of Geirsgata 11 EHF ("GE11") for a cash consideration of about USD1.4 million (about RM5.75 million) from FEFH. The principal activities of GE11 are provision of real estate, lending activities and related operations.
 - (ii) repay on behalf of GE11 to URHF of about USD12.59 million, being a loan taken by GE11 to purchase a piece of leasehold land in Iceland.

The acquisition is pending completion.

- (d) On 1 March 2019, BLand announced that TPC Development Ltd ("TPCDev"), a wholly owned subsidiary company of Berjaya Leisure (Cayman) Limited which is a wholly owned subsidiary company of BLand, completed the disposal of its entire 75% stake in TPC Nghi Tam Village Ltd ("TPCVillage") to Hanoi Hotel Tourism Development Limited Liability Company ("HanoiHot") for a cash consideration of VND1,244.59 billion (or about RM222.18 million). In conjunction with this disposal, all amounts owing by TPCVillage to TPCDev, amounting to about VND1,670.41 billion (about RM298.20 million), will be fully settled. The total of the sale consideration and the repayment amount is about VND2,915.00 billion (about RM520.338 million) ("TotalReceivable"). A total of VND2,619.57 billion (about RM467.64 million), equivalent to about 90% of the TotalReceivable has been received by TPCDev. Another VND233.20 billion (about RM41.63 million) will be received on or before 3 May 2019 while the balance of VND62.23 billion (about RM11.11 million) will be received upon receipt of the amended Investment Certificate to be issued by the Vietnamese authority.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B8 Group borrowings and debt securities as at 31 January 2019 were as follows:

		At end of current quarter RM'000
Short term borrowings		
Secured		
	Foreign currency amount	
Denominated in	'000	
Ringgit Malaysia	#	2,559,630
USD	17,205	70,325
SGD	20,503	62,204
GBP	56,302	302,602
PHP	310,829	24,359
JPY	2,088,227	78,383
VND	89,455,000	17,891
		3,115,394
Unsecured		
Denominated in		
Ringgit Malaysia		92,666
		92,666
		3,208,060
Long term borrowings		
Secured		
Denominated in	'000	
Ringgit Malaysia	#	1,596,920
USD	3,600	14,716
SGD	32	97
GBP	10,890	58,433
PHP	150,000	11,750
JPY	25,007,413	937,778
RMB	139,989	85,519
EUR	5,528	25,964
		2,731,177
		5,939,237
Total bank borrowings		
* Converted at the respective exchange rates prevailing as at 31 January 2019		
# Includes medium term notes		
- short term		1,044,613
- long term		254,832
		1,299,445

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B9 There is no change in material litigation since the last annual reporting date up to the date of this announcement, other than as disclosed in Note A9, except for the following:-

(a) Note 41(2) regarding the matter with Armen&Anor

With reference to Note 41(2) to the financial statements regarding the matter with Armen&Anor, CoswayUSA has been given an extension of time till 28 September 2018 to file its reply brief. CoswayUSA filed its reply brief and Armen&Anor filed further reply to CoswayUSA on 2 November 2018. The appeal is now deliberated by the Court. The parties are awaiting whether the Court will require further oral arguments.

(b) Note 41(3) regarding the STC Proposals proceedings

With reference to the conditional sale and purchase agreement ("SPA") entered into by Berjaya Tagar Sdn Bhd ("BTSB") with Selangor Turf Club ("STC") for the acquisition of 3 parcels of leasehold land measuring a total area of approximately 244.79 acres located in Sungai Besi together with all existing buildings and fixtures erected thereon ("Sungai Besi Land") for a total consideration of RM640.0 million to be settled by way of cash of RM35.0 million payable to STC and the balance of RM605.0 million to be satisfied by a transfer to STC of 750 acres of land located in Sungai Tinggi ("Sungai Tinggi Land") with a newly built turf club ("NewSTC") thereon ("STC Proposals"), for which BTSB had proposed to acquire the Sungai Tinggi Land from BerjayaCity Sdn Bhd, ("BCity"), a subsidiary company of Berjaya Corporation Berhad and to appoint BCity as the turnkey contractor of the new turf club ("BCity Project"), BTSB subsequently entered into supplemental agreement for an extension of time until 18 January 2018 to fulfil certain conditions precedent. The conditions precedent that have not been fulfilled are as follows:

- 1) renewal of the consent by Land and Mines Department (Federal) for the transfer to BTSB of the portion of the Sungai Besi Land (held under H.S.(D) 61790 No. P.T. 2872 in the Mukim of Petaling, District and State of Wilayah Persekutuan) that is situated in Wilayah Persekutuan, Kuala Lumpur which had expired on 11 January 2006; and
- 2) the approvals, permits or consents of any other relevant authorities as may be required by applicable laws including inter-alia the following:
 - (i) approval from the Town and Country Planning Department of the State of Selangor on the re-tabling of the amended master layout plan which was re-submitted on 19 August 2008;
 - (ii) approval from the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order and building plan pertaining to the construction of the new turf club after approval under item 2(i) above is obtained; and
 - (iii) approval from the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land after approvals under items 2 (i) and (ii) above are obtained.

On 10 November 2017, BLand announced that further to the legal proceedings instituted by BLand, BTSB and BCity (the "Applicants") in March 2016 against the (1) Selangor State Government, (2) MDHS, (3) Majlis Daerah Kuala Selangor, (4) Pengarah Pejabat Tanah & Galian Negeri Selangor, (5) Pengarah Jabatan Perancangan Bandar dan Desa Negeri Selangor, (6) Pengarah Jabatan Kerja Raya Negeri Selangor, (7) Pengarah Jabatan Alam Sekitar Negeri Selangor and (8) Pengarah Jabatan Geosains Negeri Selangor (the "Respondents") by way of an application for judicial review in the Shah Alam High Court, the High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(b) Note 41(3) regarding the STC Proposals proceedings (continued)

The judgment rendered on 9 November 2017 was as follows:

- 1) The Applicants' applications against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents were dismissed with costs of RM2,000.00 awarded to the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents respectively.
- 2) The Applicants are allowed to proceed with the development.
- 3) The Applicants are required to submit the relevant documents to the relevant technical departments for comments.
- 4) The technical departments are directed to respond within 3 months from the receipt of these documents, and failing which it is deemed that they have no objection to these documents.
- 5) Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents are directed to re-table the Applicants' proposal papers to relocate and construct the Selangor Turf Club before the National Physical Planning Council within 3 months after the receipt of the proposal papers from the Applicants.
- 6) The Applicants are directed to submit the said proposal papers within 1 month upon receipt of the fair order, failing which the Applicants shall forfeit the benefit of the order of mandamus pursuant to paragraph (5) above.
- 7) The 1st and 5th Respondents are ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation will be assessed in subsequent proceedings.

Further to the above, on 14 December 2017, the Company announced that the Selangor State Government and several other respondents have filed a Notice of Appeal to the Court of Appeal to appeal against the decision of the Shah Alam High Court made on 9 November 2017. The hearing at the Court of Appeal has been fixed on 8 October 2018 ("Appeal"). The 1st and 5th respondents have also applied to stay the ongoing proceedings in the Shah Alam High Court and the execution of the Shah Alam High Court judgment in the judicial review proceedings ("Stay Application").

The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the the first and fifth respondents ("Extension of Time Application"). The hearing for the extension of time was fixed on 26 July 2018. However, the matter was adjourned.

In addition, the Applicants have also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgment ("Assessment Proceedings").

At a hearing on 15 March 2019, the Shah Alam High Court has set aside the Stay of Proceedings Application with costs. The hearing date for the Extension of Time Application has been fixed on 19 June 2019. The next case management date for the Assessment Proceedings has been fixed on 26 April 2019. The STC Proposals proceedings are still ongoing.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(c) Note 41(4) regarding the JDC Lawsuit

On 6 November 2015, the Company announced that its 72.6% subsidiary, Berjaya Jeju Resort Limited ("BJR"), had instituted legal proceedings in the Republic of Korea against Jeju Free International City Development Center ("JDC") for the breach by JDC of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 ("Land SPA") entered into between BJR and JDC in relation to the proposed mixed development of an international themed village known as the "Jeju Airst City" in Jeju Island, Republic of Korea ("Jeju Project") and to claim for losses and damages incurred as a result thereof ("JDC Lawsuit"). JDC holds a 19% stake in BJR.

Pursuant to the Land SPA, JDC is obligated to transfer the lands acquired thereunder to BJR free from all liens, security interests and encumbrances. However, on 20 March 2015 the Supreme Court of the Republic of Korea ("Korean Supreme Court") ruled that the expropriation by JDC of certain parcels of lands which were then subsequently sold to BJR pursuant to the Land SPA was invalid. Hence JDC had breached the terms of the Land SPA as it failed to transfer good and unencumbered title to the said lands to BJR. Under the circumstances, the on-going development works on the Jeju Project were suspended pending the resolution of the lawsuits. A consequence of the Korean Supreme Court decision is that certain former owners of the said lands had filed lawsuits against JDC and BJR, seeking the cancellation of registration of land titles ("Landowners Lawsuits").

Pursuant to the financing arrangement for Phase 1 of the Jeju Project and following the suspension of the development work thereon, JDC had repurchased part of the lands (under Phases 2 to 9) for KRW107.0 billion (or about RM374.5 million) and the cash proceeds were used to fully settle the loan outstanding with the financiers, and to partially settle the Phase 1 construction cost due and owing to the main contractor.

On completion of the land repurchased by JDC, BJR gave notice to terminate the Land SPA in respect of the remaining land under Phase 1 of the Jeju Project. BJR has grounds to terminate the Land SPA following court decisions rendered in certain of the Landowner Lawsuits to cancel the registration of land titles.

At the sixth court hearing on 14 October 2016, the presiding judge had agreed to BJR's application to conduct a land price appraisal of the Jeju Project to quantify the amount of damages. The presiding judge had also made an inspection of the Jeju Project site on 25 November 2016. The land price appraisal report of the Jeju Project had been completed by the court-appointed land appraisal company and the land price appraisal report has been submitted directly to the court.

On 13 September 2017, Jeju District Court rendered a judgement against JDC and Seogwipo City in the Administrative Lawsuit. The judgement rendered all of the development approvals issued in connection with the Jeju Project null and void. JDC and Seogwipo City have filed an appeal against the Administrative Lawsuit judgement, and the appellate proceedings are still pending.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(c) Note 41(4) regarding the JDC Lawsuit (continued)

In view of the nullification of all the development approvals issued in connection with the Jeju Project, BJR made an application to the court in the JDC Lawsuit for a supplementary land price appraisal report, to be prepared with respect to the Jeju Project site subject to a revised assumption that no development approval had been issued on the Jeju Project site. In February 2018, the presiding judge in the JDC Lawsuit was re-assigned to another court, and another judge was appointed as the new presiding judge in the JDC Lawsuit. In July 2018, BJR made an application to the court in the JDC Lawsuit to conduct a second supplementary land price appraisal report, as BJR was dissatisfied with the first supplementary land appraisal report which was based on disputable land reference. The court in the JDC Lawsuit granted BJR's application to conduct a second supplementary appraisal, to be undertaken by a different appraiser. The second supplementary land price appraisal report has been completed. BJR is in the process of reviewing and verifying the second supplementary appraisal before submitting a request to fix a hearing date to the court. The JDC Lawsuit is still ongoing.

(d) Note 41(5) regarding the GMOC Project Arbitration Proceedings

On 16 December 2015, the Company announced that Berjaya (China) Great Mall Co. Ltd ("GMOC"), a 51%-owned subsidiary of Berjaya Leisure (Cayman) Limited, which in turn is a wholly-owned subsidiary of the Company had entered into a Construction Project Transfer Agreement ("Contract") with Beijing SkyOcean International Holdings Limited ("Beijing SkyOcean"), for the proposed disposal of the Berjaya (China) Great Mall Recreation Centre which is under construction and located in Sanhe City, Hebei Province, the People's Republic of China ("Great Mall Project"), for a cash consideration of RMB2.08 billion (or about RM1.39 billion) ("Proposed Disposal").

Beijing SkyOcean has paid:

- (i) RMB50.0 million (or about RM33.4 million) to GMOC on the signing of the Contract; and
- (ii) RMB1.015 billion (or about RM677.92 million) paid into an escrow bank account ("1st Instalment"). This amount shall be released to GMOC within 5 working days after all condition precedents ("CP") have been fulfilled.

On 16 December 2016, the Company announced that the Proposed Disposal has been completed with the receipt of RMB1.015 billion or 1st Instalment by GMOC from the escrow bank account following the fulfilment of all CP. The balance of cash consideration of RMB1.015 billion will be received by November 2017 ("Final Instalment").

Subsequently, on 28 April 2017, the Company announced that following the completion of the Proposed Disposal, GMOC has entered into a supplementary agreement with Beijing SkyOcean to adjust the total cash consideration pursuant to the Proposed Disposal from RMB2.08 billion to RMB2.039 billion, and accordingly revise the Final Instalment to RMB974.07 million as a result of part of the land being regained by Sanhe Land and Resource Bureau, reimbursement of theme park equipment and shared expenses relating to certain electrical works.

SkyOcean Holdings Group Limited which holds 100% stake in Beijing SkyOcean, and its major shareholder, Mr. Zhou Zheng ("the Guarantors") shall guarantee the performance of the obligations by Beijing SkyOcean pursuant to the Contract.

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(d) Note 41(5) regarding the GMOC Project Arbitration Proceedings (continued)

On 8 December 2017, the Company announced Beijing SkyOcean had not remitted the Final Instalment to GMOC by the appointed time. Hence, GMOC after seeking legal advice, had on 7 December 2017, issued a notice of demand to Beijing SkyOcean and the Guarantors to pay to GMOC the Final Instalment and accrued late payment interest within 3 days upon receipt of the said notice, failing which GMOC will take all relevant legal measures, including commencing legal proceeding in Hong Kong against Beijing SkyOcean and the Guarantors to protect and enforce GMOC's legitimate rights.

On 19 January 2018, the Company announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre ("HKIAC") against Beijing SkyOcean and the Guarantors ("Respondents") to seek recovery of the Final Instalment and accrued late payment interests as well as other reliefs. The arbitration proceedings have entered the constitution of the tribunal stage. HKIAC has confirmed the appointment of the co-arbitrator nominated by GMOC and has designated the Respondents' co-arbitrator. HKIAC has also recommended the candidate to be the presiding arbitrator in this case. The constitution of the arbitral tribunal was completed at the end of June 2018 and the arbitration proceedings are still ongoing.

(e) Note 41(6) regarding the PGMC Arbitration Proceedings

Philippine Gaming Management Corporation ("PGMC"), an indirect subsidiary of BToto, commenced arbitration proceedings against Philippine Charity Sweepstakes Office ("PCSO") at the International Chamber of Commerce, International Court of Arbitration, pursuant to an interim settlement agreement between PGMC and PCSO whereby parties agreed to resort to arbitration in order to settle issues regarding PGMC's exclusivity as an online lottery lessor of PCSO in Luzon, Philippines. On 13 August 2015, PGMC and PCSO entered into a supplemental and status quo agreement to maintain the status quo existing as provided for in an interim settlement agreement for a period of three (3) years from 22 August 2015 until 21 August 2018, pending the resolution of the issue on the exclusivity rights through arbitration proceedings.

On 1 March 2018, Berjaya Philippines Inc. ("BPI"), the immediate holding company of PGMC, released an announcement to Philippine Stock Exchange that the Arbitral Tribunal Court had ruled in favour of PCSO. PGMC has filed a petition with the Makati Regional Trial Court to appeal on all aspects of the Final Award issued by the Arbitral Tribunal Court. The appeal process is still ongoing. In spite of the above, on 28 September 2018, BPI announced the execution of a Supplemental Equipment Lease Agreement ("ELA") between PGMC and PCSO for an extension of the ELA for a period of one year to August 2019.

The PGMC Arbitration Proceedings are still ongoing.

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B10 The Board does not recommend any dividend for the current quarter under review (previous year corresponding quarter ended 31 January 2018: Nil).

B11 The basic and diluted loss per share are calculated as follows:

	Group (3-month period)			
	31-01-2019	31-01-2018	31-01-2019	31-01-2018
	RM'000		sen	
Net loss for the quarter	(62,897)	(92,502)		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2	1,663	2,054		
- BCorp ICULS 4	121	203		
Adjusted net loss for the quarter	<u>(61,113)</u>	<u>(90,245)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,873,591	4,875,583		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>747,835</u>	<u>747,835</u>		
Number of shares used in the calculation of basic loss per share ('000)	<u>5,621,426</u>	<u>5,623,418</u>		
Basic loss per share			<u>(1.09)</u>	<u>(1.60)</u>
Adjusted net loss for the quarter	(61,113)	(90,245)		
Dilution effect on conversion of Redtone International Berhad ICULS	(3)	(196)		
Dilution effect on exercise of Berjaya Assets Berhad warrants	-	-		
	<u>(61,116)</u>	<u>(90,441)</u>		
Number of shares used in the calculation of diluted loss per share ('000)	<u>5,621,426</u>	<u>5,623,418</u>		
Diluted loss per share			<u>(1.09)</u>	<u>(1.61)</u>

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2019

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B11	Group (9-month period)			
	31-01-2019	31-01-2018	31-01-2019	31-01-2018
	RM'000		sen	
Net loss for the year	(98,880)	(281,883)		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2	4,899	7,534		
- BCorp ICULS 4	504	622		
Adjusted net loss for the year	<u>(93,477)</u>	<u>(273,727)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,874,247	4,875,583		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>747,835</u>	<u>747,835</u>		
Number of shares used in the calculation of basic loss per share ('000)	<u>5,622,082</u>	<u>5,623,418</u>		
Basic loss per share			<u>(1.66)</u>	<u>(4.87)</u>
Adjusted net loss for the year	(93,477)	(273,727)		
Dilution effect on exercise of Redtone International Berhad ICULS	(12)	(587)		
Dilution effect on exercise of Berjaya Assets Berhad warrants	-	-		
	<u>(93,489)</u>	<u>(274,314)</u>		
Number of shares used in the calculation of diluted loss per share ('000)	<u>5,622,082</u>	<u>5,623,418</u>		
Diluted loss per share			<u>(1.66)</u>	<u>(4.88)</u>

c.c. Securities Commission