Berjaya Corporation Berhad

Registration Number: 200101019033 (554790-X)

Date: 15 June 2020

Subject: **UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020**

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BERJAYA CORPORATION BERHAD
Registration Number: 200101019033 (554790-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended		Year to date ended	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000	RM'000	RM'000	RM'000
GROUP REVENUE	1,975,461	N/A	6,129,343	N/A
(LOSS)/PROFIT FROM OPERATIONS	(24,900)	N/A	89,567	N/A
Investment related income	689,517	N/A	756,309	N/A
Investment related expenses	(36,080)	N/A	(71,008)	N/A
Finance costs	(93,791)	N/A	(274,004)	N/A
Share of results of associates	2,779	N/A	14,071	N/A
Share of results of joint ventures	557	N/A	7,104	N/A
PROFIT BEFORE TAX	538,082	N/A	522,039	N/A
INCOME TAX EXPENSE	(94,334)	N/A	(211,748)	N/A
PROFIT AFTER TAX	443,748	N/A	310,291	N/A
ATTRIBUTABLE TO:				
- Equity holders of the parent	412,521	N/A	223,874	N/A
- Non-controlling interests	31,227	N/A	86,417	N/A
	443,748	N/A	310,291	N/A
EARNINGS PER SHARE (SEN)				
- Basic, for the period	7.03	N/A	3.86	N/A
- Diluted, for the period	7.03	N/A	3.86	N/A

Note:
There are no comparative figures disclosed for the current quarter and financial period following the Company's change of its financial year end from 30 April to 30 June.

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

BERJAYA CORPORATION BERHAD
Registration Number: 200101019033 (554790-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		Year to date ended	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000	RM'000	RM'000	RM'000
PROFIT AFTER TAX	443,748	N/A	310,291	N/A
OTHER COMPREHENSIVE ITEMS				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation	(92,405)	N/A	(118,630)	N/A
Share of other comprehensive items of associates	(3,757)	N/A	17,879	N/A
Items that will not be reclassified subsequently to profit or loss				
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")	(14,981)	N/A	(15,650)	N/A
Share of an associated company's changes in fair value of financial assets - other investments	(8,104)	N/A	(9,069)	N/A
Tax effects relating to FVTOCI investments	1,646	N/A	1,914	N/A
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	326,147	N/A	186,735	N/A
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
- Equity holders of the parent	323,184	N/A	144,018	N/A
- Non-controlling interests	2,963	N/A	42,717	N/A
	326,147	N/A	186,735	N/A

Note:
There are no comparative figures disclosed for the current quarter and financial period following the Company's change of its financial year end from 30 April to 30 June.

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

BERJAYA CORPORATION BERHAD
Registration Number: 200101019033 (554790-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31/03/2020 RM'000	Group As at 30/06/2019 RM'000 (Audited)
ASSETS		
Non-current assets		
Property. plant and equipment	3,948,040	3,481,071
Investment properties	911,210	859,094
Inventories - Land held for development	2,009,794	1,931,657
Investment in associated companies	1,079,650	1,137,140
Investment in joint ventures	113,460	98,302
Other investments	132,308	132,315
Other long term receivables	1,389,566	1,406,951
Intangible assets	5,220,398	5,251,165
Deferred tax assets	105,300	107,572
	14,909,726	14,405,267
Current Assets		
Inventories - Development properties	166,906	196,621
Inventories - Completed properties and others	1,764,697	1,750,432
Contract cost assets	83,151	97,951
Derivative assets	2,948	-
Trade and other receivables	1,511,333	1,302,692
Contract assets	48,545	137,121
Short term investments	54,045	33,040
Tax recoverable	63,668	66,573
Deposits with financial institutions	743,306	688,129
Cash and bank balances	1,279,832	881,706
	5,718,431	5,154,265
Assets of disposal group/Non-current assets classified as held for sale	213,022	261,107
	5,931,453	5,415,372
TOTAL ASSETS	20,841,179	19,820,639
EQUITY AND LIABILITIES		
Share capital	5,017,956	5,017,956
Irredeemable Convertible Unsecured Loan Stocks ("ICULS") - Equity component	306,739	306,739
Reserves	1,565,515	1,398,628
	6,890,210	6,723,323
Less: Treasury shares	(60,715)	(34,253)
	6,829,495	6,689,070
Non-controlling interests	3,122,895	3,043,826
Equity funds	9,952,390	9,732,896
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stocks	54,427	67,259
Long term borrowings	2,806,337	3,491,437
Other long term liabilities	135,280	114,209
Lease liabilities	1,266,394	-
Contract liabilities	255,257	240,206
Provisions	19,732	23,125
Deferred tax liabilities	1,284,475	1,250,904
	5,821,902	5,187,140
Current Liabilities		
Irredeemable Convertible Unsecured Loan Stocks	34,332	34,332
Trade and other payables	2,337,085	2,000,670
Contract liabilities	367,982	395,478
Derivative liabilities	3,600	-
Provisions	16,624	5,988
Short term borrowings	2,163,850	2,412,990
Lease liabilities	110,111	-
Taxation	33,303	39,052
	5,066,887	4,888,510
Liabilities directly associated with disposal groups classified as held for sale	-	12,093
	5,066,887	4,900,603
Total Liabilities	10,888,789	10,087,743
TOTAL EQUITY AND LIABILITIES	20,841,179	19,820,639
Basic net assets per share (sen)	129.59	123.57
Dilutive net assets per share (sen)	115.83	112.00

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
Registration Number: 200101019033 (554790-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent														
	Non-distributable										Distributable				
	Share capital RM'000	ICULS - equity component # 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 July 2019	5,017,956	306,739	926	(151,338)	2,077	258,797	63,387	226,266	(488,705)	98,694	1,388,524	(34,253)	6,689,070	3,043,826	9,732,896
Total comprehensive income	-	-	-	(17,153)	-	-	-	3,740	15,841	(82,284)	223,874	-	144,018	42,717	186,735
Share of an associated company's effect arising from dilution on equity interest of its subsidiary company	-	-	-	-	-	-	-	-	-	-	808	-	808	-	808
Transactions with owners:															
Transfer of reserves	-	-	(926)	5,345	(68)	-	4,517	1,063	4,349	(2,277)	(12,003)	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-	-	(26,462)	(26,462)	-	(26,462)
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	108,022	108,022
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	432	-	-	-	(11,107)	-	343	-	(10,332)	114,397	104,065
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	32,343	-	205	-	32,548	(120,915)	(88,367)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	2,305	2,305
Share based payment	-	-	-	-	(155)	-	-	-	-	-	-	-	(155)	229	74
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(67,686)	(67,686)
	-	-	(926)	5,345	209	-	4,517	1,063	25,585	(2,277)	(11,455)	(26,462)	(4,401)	36,352	31,951
At 31 March 2020	5,017,956	306,739	-	(163,146)	2,286	258,797	67,904	231,069	(447,279)	14,133	1,601,751	(60,715)	6,829,495	3,122,895	9,952,390

Notes:
There are no comparative figures disclosed for the current financial period following the Company's change of its financial year end from 30 April to 30 June.
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
Registration Number: 200101019033 (554790-X)
UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	31/03/2020	31/03/2019
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	6,594,226	N/A
Payments for operating expenses	(6,396,828)	N/A
Payment of taxes	(203,669)	N/A
Other receipts (including tax refunds)	30,102	N/A
Net cash generated from operating activities	23,831	N/A
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of property, plant and equipment and non-current assets	2,008,640	N/A
Disposal of investments in subsidiaries company	109,513	N/A
Disposal of investments in joint venture/associated companies	23,085	N/A
Disposal of other investments	21,558	N/A
Acquisition of property, plant and equipment and non-current assets	(245,360)	N/A
Acquisition of investments in subsidiary companies	(59,391)	N/A
Acquisition of investments in associated companies and a joint venture	(10,088)	N/A
Acquisition of other investments and short term investments	(63,670)	N/A
Acquisition of treasury shares by a subsidiary company	(26,980)	N/A
Interest received	45,603	N/A
Dividend received	8,014	N/A
Net repayment from joint ventures and associated companies	43,017	N/A
Part payments for investment in foreign investees	(178,823)	N/A
Other receipts	1,345	N/A
Net cash generated from investing activities	1,676,463	N/A
CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition of treasury shares by the Company	(26,462)	N/A
Issuance of share capital to non-controlling interests of subsidiary companies	2,305	N/A
Dividends paid to non-controlling interests of subsidiary companies	(69,589)	N/A
Interest paid	(247,715)	N/A
Drawdown of bank and other borrowings	1,808,673	N/A
Repayment of bank and other borrowings	(2,817,789)	N/A
Movement in vehicle stocking loans	92,206	N/A
Net placement from banks as security pledges for borrowings	(236,859)	N/A
Net cash used in financing activities	(1,495,230)	N/A
NET CHANGE IN CASH AND CASH EQUIVALENTS	205,064	N/A
OPENING CASH AND CASH EQUIVALENTS	1,264,056	N/A
Effect of exchange rate changes	82,176	N/A
CLOSING CASH AND CASH EQUIVALENTS	1,551,296	N/A
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	743,306	N/A
Cash and bank balances	1,279,832	N/A
Bank overdraft (included under short term borrowings)	(61,813)	N/A
	1,961,325	N/A
Less :		
Remisiers' deposit held in trust	(11,806)	N/A
Cash and cash equivalents restricted in use	(398,223)	N/A
	1,551,296	N/A

Note:
There are no comparative figures disclosed for the current financial period following the Company's change of its financial year end from 30 April to 30 June.

The annexed notes form an integral part of this 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 financial period ended 30 June 2019. 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 financial period ended 30 June 2019.

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 July 2019.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption except for the following:

MFRS 16: Leases
MFRS 16 has replaced MFRS 117 Leases, IC Interpretation 4: Determining whether an Arrangement contains a Lease, IC Interpretation 115: Operating Lease-Incentives and IC Interpretation 127: Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single, on-balance sheet model similar to the accounting for finance leases under MFRS 117.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 does not have impact for leases where the Group is the lessor. MFRS 16 also requires lessees and lessors to make more extensive disclosures than under MFRS 117.

The Group adopted MFRS 16 using the modified retrospective approach with the date of initial application as at 1 July 2019. Under this standard, the Group initially measured its right-of-use assets to be equal to the lease liability, which is the present value of the remaining total lease payments (adjusted for any prepaid or accrued lease payments) discounted at the date of initial application (i.e. 1 July 2019). The Group does not restate the comparative information, which continues to be reported under MFRS 117.

The financial impact from the initial adoption of MFRS 16 as at 1 July 2019 are as follows:

Consolidated Statement of Financial Position	**Increase/ (Decrease)**
	RM'000
Asset	
Property, plant and equipment - Right-of-use assets	678,315
Liability	
Lease Liabilities	678,315

Significant accounting policies
The standard requires the Group to recognise a right-of-use asset and a lease liability on the lease commencement date.

The right-of-use asset is initially measured at cost, and subsequently at cost less accumulated depreciation and impairment losses, and adjusted for certain remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. In addition, the carrying amount of lease liability is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

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

A3 (a) The Covid-19 pandemic had resulted in unprecedented preventive measures of varying degrees of global population lockdown to curb the outbreak. The lockdown has caused the temporary closure of almost all businesses in many countries. As for Malaysia, the Malaysian Government had imposed the Movement Control Order ("MCO") beginning from 18 March 2020. The MCO requires temporary closure of all businesses except for those involved in the provision of essential services and products and had resulted in a 14-day closure of the business operations of the Group in Malaysia during the current third quarter under review. Further details are disclosed in Notes B1 and B2 below.

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 Period to date RM'000
Gain on deemed disposal of a subsidiary company	-	2,000
Gain on disposal of an investment property	-	8,578
Gain on disposal of property, plant and equipment	662,106	662,106
Gain arising from remeasurement	-	1,195
Negative goodwill	-	3,249
Property, plant & equipment written off	(7,124)	(7,124)
Additional provision for impairment on the balance of GMOC Project sales proceeds *	(467)	(12,508)
Loss arising from remeasurement	(569)	(1,361)
Loss on partial disposal of an associated company	(2,627)	(3,030)
Loss arising from accretion of interest in an associated company	-	(3,171)
Fair value gain on derivative assets	3,329	3,329
Fair value loss on derivative liabilities	(915)	(915)
Fair value changes on derivative assets	(381)	(381)
Fair value changes on derivative liabilities	(2,685)	(2,685)
Impairment of property, plant and equipment	-	(10,711)
Impairment of goodwill	(10,433)	(10,433)
Net fair value changes of fair value through profit or loss ("FVTPL") investments	(3,218)	(5,652)
Net fair value changes of investment properties	-	(2,431)
Net impairment in associated companies	(7,875)	(10,429)
	629,141	609,626

* *GMOC made a further provision for impairment to account for the time value of money for a further 3-month delay in GMOC Arbitration Proceedings. The provision for impairment that was attributable to the Group, which holds 51% equity interest in GMOC through BLand, amounted to RM4.91 million.*

(b) There were no material changes in estimates reported in the prior financial period that had a material effect in the current financial period ended 31 March 2020.

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 March 2020 except for the following:

(a) Treasury shares

The details of the share buy-back during the financial period ended 31 March 2020 were as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
March 2020	0.18	0.23	0.20	131,500,000	26,462
			0.20	131,500,000	26,462

The number of treasury shares held in hand as at 31 March 2020 were as follows:

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares as at 1 July 2019	0.69	50,000,000	34,253
Increase in treasury shares	0.20	131,500,000	26,462
Total treasury shares as at 31 March 2020	0.34	181,500,000	60,715

As at 31 March 2020, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 5,033,425 ordinary shares (31 March 2019: Not Applicable).

Subsequent to the financial period ended 31 March 2020 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 March 2020.

A6 Segment information for the financial period ended 31 March 2020:-

REVENUE	External RM'000	Inter-segment RM'000	Total RM'000
Gaming operations	2,503,508	78,772	2,582,280
Financial services	31,288	2,891	34,179
Property investment and development	239,551	15,356	254,907
Hotels and resorts	380,184	221	380,405
Marketing of consumer products and services	2,361,983	23,503	2,385,486
Restaurants and cafes	536,639	9,780	546,419
Others	76,190	8,370	84,560
Elimination: Inter-segment Revenue	-	(138,893)	(138,893)
Total revenue	6,129,343	-	6,129,343

RESULTS

	RM'000
Gaming operations	291,801
Financial services	4,815
Property investment and development	(114,516)
Hotels and resorts	9,614
Marketing of consumer products and services	(32,110)
Restaurants and cafes	39,124
Others	(21,772)
	176,956
Unallocated corporate items	(87,389)
Profit from operations	89,567
Investment related income	
-Interest income	75,546
-Gain on deemed disposal of a subsidiary company	2,000
-Gain on disposal of an investment property	8,578
-Gain on disposal of property, plant and equipments	662,106
-Gain arising from remeasurement	1,195
-Fair value gain on FVTPL investments	69
-Fair value gain on investment property	10
-Fair value gain on derivative assets	3,329
-Negative goodwill	3,249
-Reversal of impairment in an associated company	98
-Dividend income and others	129
	756,309
Investment related expenses	
-Fair value loss on FVTPL investments	(5,721)
-Fair value loss on investment property	(2,441)
-Property, plant and equipment written off	(7,124)
-Additional provision for impairment on the balance of GMOC Project sales proceeds	(12,508)
-Loss arising from remeasurement	(1,361)
-Loss on partial disposal of an associated company	(3,030)
-Loss arising from accretion of interest in an associated company	(3,171)
-Fair value changes on derivative assets	(381)
-Fair value loss on derivative liabilities	(915)
-Fair value changes on derivative liabilities	(2,685)
-Impairment of property, plant and equipment	(10,711)
-Impairment of goodwill	(10,433)
-Impairment in associated companies	(10,527)
	(71,008)
Finance costs	(274,004)
Share of results of associates	14,071
Share of results of joint ventures	7,104
Profit before tax	522,039
Income tax expense	(211,748)
Profit after tax	310,291

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 financial period ended 31 March 2020, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-

(a) On 1 July 2019, Berjaya Philippines Inc. ("BPI") disposed of 1,000,000 ordinary shares, representing 20% equity interest, in its wholly owned subsidiary, Philippine Gaming Management Corporation ("PGMC") for a consideration of Philippine Peso ("PHP") 117.15 million (equivalent to approximately RM9.49 million). BPI in turn, is a subsidiary company of Berjaya Sports Toto Berhad ("BToto"). Subsequently on 3 July 2019, PGMC issued additional 5,000,000 ordinary shares with par value of PHP100 each ("Share Subscription"). BPI waived its right to subscribe for the additional shares issued by PGMC. BPI's equity interest in PGMC was thus further diluted to 39.99% from 79.99%, and PGMC ceased as a subsidiary company and became an associated company of BPI.

(b) On 22 August 2019, Berjaya Leisure Capital (Cayman) Ltd ("BLCC"), a wholly owned subsidiary of the Group, subscribed for its entitlement and the excess of rights shares cum free warrants, totalling 100,000,000 new ordinary shares and 33,333,333 free warrants in Informatics Education Ltd ("Informatics") for a total cash consideration of SGD5.0 million (equivalent to approximately RM15.305 million). Consequently, the Group's equity interest in Informatics increased from 28.38% to 67.95%, thus making Informatics a subsidiary company of the Group.

(c) On 22 August 2019, Singapore Institute of Advanced Medicine Holdings Pte Ltd ("SIAMH"), (an associated company of the Group then) undertook a share buyback exercise which resulted in the reduction of its shares with voting rights. Consequently, the Group's interest in SIAMH increased from 47.44% to 50.01% and hence, it became a subsidiary company of the Group.

(d) On 9 October 2019, Cosway Corporation Limited, a wholly owned subsidiary of the Group acquired 1 unit of ordinary share which representing 100% equity interest in Aces Corporation Limited ("Aces") in Hong Kong for a total consideration of HKD1. The principal activity of Aces is to engage in E-Commerce platform for sales and marketing of healthcare products.

(e) Berjaya Enviro Holdings Sdn Bhd ("BEH"), a wholly owned subsidiary of the Group, incorporated Berjaya Alam Murni Sdn Bhd ("BAM"). The intended principal activities of BAM are to collect, transport, store, treat, recover, dispose and manage scheduled (hazardous and toxic), medical waste etc.

(f) BEH had, on 8 November 2019, subscribed for a total of 60 ordinary shares, representing 60% equity interest, in Berjaya Eco Services Sdn Bhd ("BES"). The intended principal activities of BES is to provide sales and marketing, handling and packaging of scheduled waste and other eco related services to stakeholders involved in scheduled waste management.

(g) The incorporation of BDS Smart City Co. Ltd ("BDS") in Myanmar by Berjaya Myanmar Holdings Sdn Bhd ("BMHSB"), a wholly owned subsidiary of the Group. Subsequently, BDS became a 80%-owned subsidiary company of BMHSB. The intended principal activities of of BDS are property development and other related activities.

(h) The incorporation of Berjaya Greenland Invest A/S ("BGI") in Denmark by Berjaya Vacation Club Berhad ("BVC"), a wholly owned subsidiary of the Group. The intended principal activities of BGI are to carry out the investments and operations of real estate activities in Greenland.

(i) The incorporation of Berjaya Hotels & Resorts A/S ("BHRS") in Denmark by BVC. The intended principal activities of BHRS are to carry out the investments and operations of real estate activities in Greenland.

(j) Berjaya Group Berhad, a wholly owned subsidiary of the Group, had on 21 January 2020, subscribed for 49 ordinary shares, which represent 49% equity interest, in Cekap Urus Sdn Bhd ("CUSB"). The intended principal activities of CUSB is to undertake the maintenance of government vehicle fleet.

(k) On 12 February 2020, Berjaya Group (Cayman) Limited, a wholly owned subsidiary of the Group, subscribed for 512,000 new ordinary shares in Antara Spacecom Pte Ltd ("ASPL") for a total consideration of SGD2.56 million (equivalent to approximately RM7.64 million). Consequently, the Group's equity interest in ASPL increased from 50% to 51%, thus making ASPL a subsidiary company of the Group.

(l) On 5 March 2020, Berjaya Engineering Construction Sdn Bhd, a wholly owned subsidiary of the Group, subscribed for 30 ordinary shares, which represent 30% equity interest, in Aces Architects Sdn Bhd ("AASB"). The intended principal activities of AASB is provision of architectural services.

(m) On 31 March 2020, Berjaya Group Capital (Cayman) Limited and Prime Assets (Cayman) Limited both wholly owned subsidiaries of the Group, were struck off from the register by the Registrar of Companies, Cayman Islands and dissolved accordingly.

(n) On 23 July 2019, BPI acquired 29,998 ordinary shares in Berjaya Auto Asia Inc. ("BAAI"), a company a company incorporated in the Philippines, for a total consideration of PHP29,998 (equivalent to about RM3,000), representing 30% equity interest in BAAI. The principal activity of BAAI is distribution of China brand vehicles through appointed dealers in the Philippines.

(o) Berjaya Reykjavik Investment Limited ("BRIL"), a wholly-owned subsidiary of the Group has completed the acquisition of the entire equity interest in Geirsgata 11 ehf ("GE11"), a company incorporated in Reykjavik, Iceland, that owns a piece of leasehold land in Iceland for a cash consideration of USD1.399 million (equivalent to approximately RM5.75 million).

A9 There were no material changes in contingent liabilities or contingent asset since the last annual reporting date.

<u>Contingent Asset</u>
A fire had occurred at the Group's beach resort, Berjaya Tioman Beach Resort in Pahang, resulting in loss of certain property, plant and equipment. A claim has been filed under the fire insurance policy and the amounts of claim are now being reviewed by the loss adjustors of the insurance company.

A10 There were no material changes in capital commitment since the last audited statement of financial position as at 30 June 2019 except for the reduction for the proposed investments in several foreign investees and approved capital expenditure amounting to RM67.48 million and RM238.64 million respectively in the current financial period.

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.

Due to the change of financial year end, the Group's performance of the current quarter and financial period is not comparable against the comparative periods.

The Covid-19 pandemic had resulted in unprecedented preventive measures of varying degrees of global population lockdown to curb the outbreak. By end of March 2020, the lockdown has caused the temporary closure of almost all businesses and imposition of travel and border restrictions in many countries. As for Malaysia, the Malaysian Government had imposed the Movement Control Order ("MCO") beginning from 18 March 2020. The MCO requires temporary closure of all businesses except for those involved in the provision of essential services and products and had resulted in a 14-day closure of the business operations of the Group in Malaysia during the current third quarter under review.

The summarised results of the Group are as follows:

	3-month Ended			**9-month Ended**		
	31/03/2020	**31/03/2019**	**+/(-)**	**31/03/2020**	**31/03/2019**	**+/(-)**
	RM'000	**RM'000**	**%**	**RM'000**	**RM'000**	**%**
Revenue	1,975,461	N/A	N/A	6,129,343	N/A	N/A
(Loss)/Profit from operations	(24,900)	N/A	N/A	89,567	N/A	N/A
Profit before tax	538,082	N/A	N/A	522,039	N/A	N/A

<u>Review of results for the current quarter</u>

The Group registered a revenue of RM1.98 billion and pre-tax profit of RM538.08 million in the current quarter ended 31 March 2020. The revenue was substantially contributed by the gaming business segment operated by Sports Toto Malaysia Sdn Bhd ("STM") and motor distribution business operated by H.R. Owen Plc ("HR Owen").

The implementation of MCO has resulted in the cancellation of 6 draws by STM in March 2020. In the United Kingdom ("UK"), HR Owen has shut down its operations since 23 March 2020, being the commencement date of the lockdown period in the UK. Prior to the imposition of the global lockdown, the Group's hotels and resorts business segment was affected by lower sales, cancellation of events and room sales primarily due to the growing concerns and uncertainties created by the Covid-19 pandemic. As for restaurants and cafes business segment and retail distribution business, the Group experienced reduction in sales and registered negative same-store-sales growth for the current quarter. The reduction in revenue led to lower gross profit contributions, which was insufficient to offset the fixed operating costs. In addition, the shopping malls and complexes of the Group had granted a 14-day rental relief to its eligible tenants who were also unable to operate during the MCO or lockdown period.

The Group has decided to start amortising from the current quarter its intangible assets of telecommunication licences with allocated spectrum over 24 months until December 2021 because of the Government's impending plan to change the telecommunication spectrum allocation policy. In addition, the hotels and resorts business segment has written off about RM7.06 million in respect of certain property, plant and equipment which were destroyed in a fire at Berjaya Tioman Beach Resort, Pahang.

During this current quarter under review, the Group has successfully concluded the sale of the trust beneficial interest on the hotel component of the Four Seasons Hotel & Hotel Residences Kyoto, Japan and recorded a significant gain of about RM662.11 million. This exceptional gain has helped the Group to surpass all the negative impacts mentioned above.

<u>Review of results for the 9-month period</u>

The Group registered a revenue of RM6.13 billion and pre-tax profit of RM522.66 million for the cumulative nine months period ended 31 March 2020. The gaming business segment and motor distribution business were the main contributors to the Group's revenue.

The operating profit reported is mainly from the gaming business operated by STM. As mentioned above, the Group's results were impacted by the implementation of the lockdown measures by the various countries which has resulted in the closure of operations of its subsidiaries. This included the cancellation of 6 draws in the current period under review by STM in March 2020. Prior to the imposition of the global lockdown, the Group's hotels and resorts business segment had registered lower occupancy rates mainly due to the lower demand from the leisure and corporate markets and lower revenue from events arising from the low influx of tourists as the tourism industry was severely affected by the Covid-19 pandemic since January 2020. The adverse results were overshadowed by the abovementioned exceptional gain.

B2 <u>Review of results of current quarter vs preceding quarter</u>

	3-Month Ended		
	31/03/2020	**31/12/2019**	**+/(-)**
	RM'000	**RM'000**	**%**
Revenue	1,975,461	2,082,837	(5)
(Loss)/Profit from operations	(24,900)	31,587	N/A
Profit/(Loss) before tax	538,082	(61,664)	N/A

For the current quarter ended 31 March 2020 under review, the Group recorded a revenue of RM1.98 billion and pre-tax profit of RM538.08 million as compared to a revenue of RM2.08 billion and pre-tax loss of RM61.66 million reported in the preceding quarter.

Commentary on revenue
The Group registered a decrease in revenue for the current quarter as compared to the preceding quarter. Since January 2020, the Covid-19 pandemic had severely affected the tourism industry, resulting in the drastic reduction in the influx of tourists to Malaysia and Singapore. The various preventive measures of global population lockdown to curb the outbreak and border closures as well as travel restrictions have reduced travellers significantly causing a significant reduction in revenue for the hotels and resorts business segment and the restaurants and cafes business segment. The fear of crowded places also affected the retail sales. The gaming segment also cancelled 6 draws during the MCO in the last 2 weeks of the current quarter.

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 higher new car sales from HR Owen from the motor distribution business prior to the lockdown in UK.

Restaurants and cafes
The restaurants and cafes business segment normally will experience a lower revenue in the third quarter as compared to second quarter, as the calendar year end festive promotions, school holidays and the Christmas season fall into the second quarter of the financial year. The impact of the Covid-19 pandemic exacerbated the third quarter's revenue.

Property investment and development
The property investment and development segment reported higher revenue in the current quarter mainly due to the completion of the development of Kensington Gardens in Penang and sales of units from previously completed local projects.

Hotels and resorts
The Covid-19 pandemic severely affected the tourism industry and this has caused the hotels and resorts segment to report lower revenue.

Gaming operations
The gaming operations reported lower revenue mainly due to lower revenue registered by STM arising from the cancellation of 6 draws during the MCO period in March 2020. In spite of this, its revenue on per draw basis registered an increase of 2.9% as a result of the traditionally higher sales during the Chinese Lunar New Year festive season in the month of January 2020.

Commentary on results
The pre-tax profit in the current quarter under review was mainly due to the significant gain recorded from the disposal of the trust beneficial interest on the hotel component as explained in Note B1 above.

Marketing of consumer products and services
The marketing of consumer products and services segment reported a pre-tax loss in this current quarter as a result of the amortisation of the telecommunication licences with allocated spectrum as explained in Note B1 above.

Restaurants and cafes
The lower pre-tax profit of the restaurants and cafes segment was due to lower revenue as mentioned above.

Property investment and development
The property investment and development segment contributed lower loss in the current quarter mainly due to higher sales arising from the completion of the development of Kensington Gardens in Penang.

Hotels and resorts
The hotels and resorts segment reported a pre-tax loss in the current quarter mainly due to lower revenue achieved as mentioned above.

Gaming operations
The gaming operations reported a lower pre-tax profit mainly due to cancellation of 6 draws in the current quarter under review.

B3 Future prospects

The Covid-19 pandemic has resulted in unprecedented preventive global lockdown measures of varying degrees and these undoubtedly have adversely impacted the global economy. As of to date, many countries are also beginning to ease their respective lockdown measures in phases. In Malaysia, the MCO which began on 18 March 2020, had eased into a Conditional MCO ("CMCO") from 4 May 2020 to 9 June 2020. On 7 June 2020, the Malaysian Government announced that CMCO will end on 9 June 2020 and Malaysia will ease into a Recovery MCO ("RMCO") from 10 June 2020 to 31 August 2020.

During the RMCO period, almost all business operations of the Group in Malaysia will resume fully or partially and will implement social distancing rules and other guidelines under the Standard Operating Procedures ("SOPs") issued by the National Security Council.

During the CMCO period, the gaming business operated by Sports Toto remains suspended. As at to date, the gaming business is still suspended. Based on the assumption that the number forecast operation ("NFO") operators are allowed to resume operations after 15 June 2020 with preventive SOPs, the Directors are cautiously optimistic that the business will gradually recover given that the NFO industry was fairly resilient in the past economic crises.

The property development business segment is expected to be impacted by slower property sales mainly due to the expected liquidity squeeze arising from the contraction of the economy. The lockdown measure has also affected the progress of construction of the Group's ongoing projects.

The Group's shopping mall and complexes had granted rental relief (of which a 14-day relief period fell in the third quarter and the balance 14-day relief falls in the fourth quarter) to eligible tenants during this challenging time. Going forward, the Directors expect that the footfall to the shopping malls will continue to remain low due to the general public still being wary of Covid-19 infection despite the implementation of preventive SOPs. The low footfall may create a downward pressure on rental collections and revenue.

As for the hotels and resorts business segment, the Directors also expect that the occupancy rates and the revenue from events will remain low arising from low tourist arrivals coupled with new social distancing rules during the RMCO period.

The restaurants and cafes business segment is expected to be impacted significantly. The Group has taken various austerity measures and initiated marketing initiative via various delivery channels to mitigate the impact on its sales.

The recent incentives announced under the Short-term Economic Recovery Plan in Malaysia, particularly for the hotels and resorts, motor industry and property development business segments, may partly mitigate the adverse impact of the Covid-19 pandemic. Taking into account of all the aforesaid, the Directors expect the results of the Group for the remaining quarter of the financial year ending 30 June 2020 to be adversely impacted.

B4 There is no profit forecast or profit guarantee for the financial period ended 31 March 2020.

B5 The taxation charge for the current quarter and financial period ended 31 March 2020 are detailed as follows:

	Current Quarter RM'000	Financial Period to date RM'000
Based on the results for the period:-		
Current period provision		
- In Malaysia	43,598	140,338
- Outside Malaysia	10,941	24,079
Deferred tax	36,696	41,499
Under provision in prior years	3,099	5,832
	94,334	211,748

The disproportionate tax charge of the Group for the current quarter/financial period ended 31 March 2020 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.

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

	Current Quarter RM'000	Financial Period to date RM'000
Interest income	(24,255)	(75,546)
Dividend income	(41)	(129)
Gain on disposal of property, plant and equipment	(881)	(1,657)
Gain on disposal of subsidiary company	-	(2,000)
Gain on disposal of an investment property	-	(8,578)
Negative goodwill	-	(3,249)
Additional provision for impairment on the balance of GMOC Project sales proceeds	467	12,508
Loss arising from remeasurement	569	1,361
Loss on partial disposal of an associated company	2,627	3,030
Loss arising from accretion of interest in an associated company	-	3,171
Depreciation of property, plant and equipment	118,060	317,042
Amortisation of intangible assets	46,633	61,662
Reversal of impairment in associated companies	-	(98)
Impairment of property, plant and equipment	-	(10,711)
Impairment in associated companies	7,875	10,527
Impairment loss on receivables	189	5,860
Provision for and write off of inventories	4,435	10,522
Foreign exchange gain (net)	(7,023)	(14,268)
Fair value changes of investment properties (net)	-	2,431
Fair value changes of FVTPL investments (net)	3,218	5,652

B7 (A) There has been no further development for those corporate proposals disclosed in Notes 43 and 44 to the audited financial statements of the Company for the financial period ended 30 June 2019 except for the following:

(i) Note 44(3) in relation to the proposed acquisition of Icelandair Hotels ehf

On 24 December 2019, BLand annouced that a total of USD15 million has been paid towards the purchase consideration. The final balance payment was to be determined pursuant to the terms of the Share Purchase Agreement and the completion date of the proposed acquisition was extended from 30 December 2019 to 28 February 2020.

On 28 February 2020, BLand announced that the balance of the final payment was determined at USD40,311,544 pursuant to the SPA. A cash payment of USD20 million has been made whilst the payment for the remaining balance of USD20.31 million was to be made by the extended completion date of 31 May 2020.

On 3 April 2020, BLand announced that the Seller has granted a discount of USD10 million due to the temporary adverse economic effects of the COVID-19 outbreak and the amount of the discount has been netted off against the outstanding balance of USD20.31 million. The final net balance due amounting to USD10.31 million was paid on 3 April 2020 and the said Acquisition was completed on even date.

(ii) Note 44(6) in relation to the proposed development of a public housing and mixed project in Yangon Region, Myanmar

On 7 February 2020, BLand announced that its 80%-owned subsidiary namely BDS Smart City Co. Ltd ("BDS") has entered into a concession agreement ("CA") with the Government of Yangon Region ("YRG"), the Republic of the Union of Myanmar to formalize a collaboration in undertaking a housing and mixed development project on 12 parcels of land ("Land") in Myanmar.

Pursuant to the CA, BDS will own the exclusive rights over the Land for a period of 50 years from the date on which the conditions precedent of the CA are fulfilled (or waived) and further extendable for 2 consecutive terms of 10 years each ("Concession Period").

Based on the preliminary plan of the proposed development,
(a) the estimated gross development value is USD746.08 million (or about RM3.05 billion);
(b) the gross development cost ("GDC") is estimated to be USD614.92 million (or about RM2.52 billion); and
(c) the estimated profit before taxation is about USD131.16 million (or about RM536.44 million) to be recognized over the duration of the development up to completion.

The Land is expected to be developed over a period of 9 years and automatically extended for additional 1 year thereafter. The GDC is expected to be funded through bank borrowings and internally-generated funds of the Group.

In consideration of the rights granted by YRG to BDS under the CA, BDS shall pay and deliver to YRG a total consideration (in cash and in kind) comprising of:
(i) cash of USD3.0 million (or about RM12.27 million); and
(ii) the affordable housing with an estimated net floor area of 242,800 square meters valued at USD182.76 million (or about RM747.49 million).

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

(i) Proposed disposal and leaseback of the hotel component of Four Seasons Hotel & Hotel Residences Kyoto, Japan

On 28 February 2020, the Company announced that its wholly-owned subsidiary of the Group, Kyoto Higashiyama Hospitality Assets Tokutei Mokuteki Kaisha ("KHHA") has entered into a Real Property Trust Beneficial Interest Purchase and Sale Agreement for the proposed disposal of the trust beneficial interest on the hotel component of the Four Seasons Hotel & Hotel Residences Kyoto, Japan ("Hotel") to Godo Kaisha Tigre ("Tigre"), a Japanese company, for a cash consideration of JPY49.0 billion (about RM1.87 billion) ("Disposal").

Subsequently, Berjaya Kyoto Development Kabushiki Kaisha ("BKD"), another wholly-owned subsidiary of the Group will leaseback the Hotel from Tigre for 17 years to maintain the present arrangements and operations of the Hotel.

This disposal was completed on 10 March 2020 following the settlement of the total consideration by Tigre in cash and BKD has on even date entered into the Lease Agreement with the Trustee and Tigre.

(ii) Memorandum of Understanding ("MOU") between the Company, Berjaya Retail Sdn Bhd ("BRetail") and Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT")

On 2 June 2020, the Company announced that it has signed a MOU with BRetail and TSVT, the major shareholder of the Company and BRetail, to acquire 100% stake in Singer (Malaysia) Sdn Bhd ("Singer") from BRetail for a purchase consideration of RM536 million.

The acquisition will involve the issuance of new shares in the Company at an issue price of RM0.33 each. The Company will issue about 1,175.76 million shares for the net payment of RM388 million that is the purchase consideration of RM536 million after setting off the debt owing to Singer Group of RM148 million.

(iii) Awarded tender for the development in Yokohama, Japan

On 5 June 2020, the Company announced that the bidder team which was formed by the Company with Marubeni Corporation ("Marubeni") and Daiwa House Industry Co. Ltd ("Daiwa"), has been awarded as the prospective developer for the proposed development of a global luxury hotel and hotel condominium,aquarium and retail outlets on a piece of land measuring approximately 22,188.34 square metres located at Yokohama, Japan ("Project").

The Company as the controlling stakeholder, will enter into a joint venture with Marubeni and Daiwa for developing the Project. Construction of the Project is expected to commence in October 2022 and complete in March 2026.

B8 Group borrowings and debt securities as at 31 March 2020 were as follows:

	Foreign currency amount '000		At end of current quarter RM'000
Short term borrowings			
Secured			
Denominated in			
Ringgit Malaysia		#	1,558,692
USD	16,779	*	72,628
SGD	11,967	*	36,380
GBP	75,467	*	405,802
PHP	505,329	*	42,978
JPY	100,000	*	4,010
VND	68,219,995	*	12,958
EUR	720	*	3,440
			2,136,888
Unsecured			
Denominated in			
Ringgit Malaysia			26,962
			26,962
			2,163,850
Long term borrowings			
Secured			
Denominated in	'000		
Ringgit Malaysia		#	2,567,610
USD	1,998	*	8,649
SGD	39,129	*	118,953
JPY	2,257,712	*	90,510
VND	33,605,000	*	6,721
EUR	2,908	*	13,894
			2,806,337
Total bank borrowings			4,970,187

* Converted at the respective exchange rates prevailing as at 31 March 2020
\# Includes medium term notes

- short term	234,861
- long term	962,606
	1,197,467

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 38(1) regarding the matter with Armen&anor

With reference to Note 38(1) to the financial statements regarding the matter with Armen&anor, the court had issued its final judgment on 2 October 2019. The court had decided that CoswayUSA are to recover their costs on appeal. However, the management are of the view that the legal fee to recover the awarded judgment will outweigh the awarded judgment, therefore, the management had decided not to proceed further.

(b) Note 38(2) 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 2020 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.

(b) Note 38(2) regarding the STC Proposals proceedings (continued)

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.

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.

On 14 December 2017, BLand announced that the Selangor State Government and several other respondents ("the Appellants") have filed a Notice of Appeal to the Court of Appeal to appeal against the above decision of the Shah Alam High Court ("Main 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 of Proceedings Application"). The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the 1st and 5th Respondents ("Extension of Time Application"). In addition, the Applicants have also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgment ("Assessment Proceedings").

The Court of Appeal has granted a stay of execution of the Shah Alam High Court judgment and the Assessment Proceedings pending the disposal of the Main Appeal at the Court of Appeal.

(b) Note 38(2) regarding the STC Proposals proceedings (continued)

The hearing of the Main Appeal at the Court of Appeal, which was previously fixed on 24 October 2019 has been vacated by the Court of Appeal. The Court of Appeal will instead heard a motion by the Appellants to adduce further evidence in this matter. The Court of Appeal has fixed 25 November 2019 as case management date to fix the hearing date of the Main Appeal. The Court of Appeal fixed the hearing date of the Main Appeal on 27 March 2020.

The hearing of the Appellants' motion to adduce further evidence in the matter was dismissed by the Court of Appeal on 24 October 2019. The Appellants subsequently filed a motion for leave to appeal to the Federal Court against the decision of the Court of Appeal in dismissing the Appellants' motion to adduce further evidence (the "FC Leave Motion"). The Federal Court has fixed the hearing of the FC Leave Motion on 13 April 2020.

The Appellants have also filed a stay application to stay the hearing of the Main Appeal pending disposal of the FC Leave Motion. This stay application is fixed for hearing on the same day as the hearing of the Main Appeal, that is on 27 March 2020. In the event that the stay is refused by the Court of Appeal, the hearing of the Main Appeal will proceed.

The hearing of the FC Leave Motion and the application for stay as well as the Main Appeal were postponed, due to the Movement Control Order ("MCO") which came into effect on 18 March 2020.

The Federal Court has now fixed the hearing of the FC Leave Motion on 6 July 2020.

The Court of Appeal has now fixed the hearing date for the stay application on 2 July 2020. A case management date for the Main Appeal has been fixed for 9 July 2020 by the Court of Appeal.

The STC Proposals proceedings are still ongoing.

(c) Note 38(3) regarding the JDC Lawsuit

On 6 November 2015, BLand 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 between BJR and JDC in relation to the proposed mixed development of an international themed village known as the "Jeju Airest 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").

(c) Note 38(3) regarding the JDC Lawsuit (continued)

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 judgment against JDC and Seogwipo City in the Administrative Lawsuit. The judgment 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 judgment. On 1 February 2019, the Korean Supreme Court dismissed the appeal of JDC and Seogwipo City.

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 the second supplementary appraisal, to be undertaken by a different appraiser. The second supplementary land price appraisal report has been completed and a preparatory hearing was held on 20 June 2019. The presiding judge closed the preparatory proceedings for pleading and stated that the formal hearing will commence on 25 July 2019.

At the formal hearing held on 25 July 2019, the presiding judge requested BJR to submit evidentiary evidence with respect to the total claims by BJR and fixed 19 September 2019 as the next hearing date. On 19 September 2019, the presiding judge fixed 31 October 2019 as the final hearing before the court decides on the JDC Lawsuit. The final hearing was subsequently re-set to 25 November 2019. The court has fixed 9 January 2020 for the delivery of the judgement.
On 9 January 2020, the delivery of the court's judgement was postponed to 6 February 2020.
On 6 February 2020, the court further postponed the delivery of its judgement to an unspecified date.

(d) Note 38(4) regarding the GMOC Project Arbitration Proceedings

On 16 December 2015, BLand 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 BLand 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, BLand 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, BLand 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.

On 8 December 2017, BLand 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, BLand announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre against Beijing SkyOcean and the Guarantors to seek recovery of the Final Instalment and accrued late payment interest as well as other reliefs.

The arbitral tribunal has since been constituted and the procedural timetable has been determined by the tribunal for pre-trial preparation, including closing of pleadings, discovery of documents and exchange of witness statements, etc. The arbitration hearing which was originally scheduled to take place in the week of 14 October 2019 was subsequently held and concluded during the week of 16 December 2019.

On 27 May 2020, BLand announced that GMOC has on 21 May 2020 obtained a favourable arbitration award from the HKIAC ("Final Award"), details of which are as follows:-

(i) Beijing SkyOcean shall pay to GMOC the outstanding balance amount of RMB974.07 million;

(ii) Beijing SkyOcean shall pay liquidated damages on the outstanding balance amount calculated at the People's Bank of China's lending rate of 4.75% per annum from the payment due date of 28 November 2017 until the date full payment is made;

(d) Note 38(4) regarding the GMOC Project Arbitration Proceedings (continued)

(iii) The Guarantors shall be jointly and severally liable for the amounts payable by Beijing SkyOcean under the Final Award; and

(iv) The Respondents shall jointly pay legal costs of about RMB15.9 million (or about RM9.72 million) and arbitration costs of about HKD3.96 million (or about RM2.23 million) within 30 days after issuance of the Final Award, failing which late payment interest at 8% per annum shall be charged from the due date until the date of actual payment.

GMOC will proceed to seek recognition and enforcement of the Final Award in all relevant jurisdictions after 20 June 2020, upon the expiry of the 30 days' voluntary settlement period stated in the Final Award.

B10 The Board does not recommend any dividend for the current quarter under review (previous year corresponding quarter ended 31 March 2019: N/A).

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

	Group (3-month period)			
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000		sen	
Net profit for the quarter	412,521	N/A		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	1,496	N/A		
- BCorp ICULS 2016/2026	213	N/A		
Adjusted net profit for the quarter	414,230	N/A		
Weighted average number of ordinary shares in issue with voting rights ('000)	5,146,745	N/A		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	747,835	N/A		
Number of shares used in the calculation of basic profit per share ('000)	5,894,580	N/A		
Basic earnings per share			7.03	N/A
Adjusted net profit for the quarter	414,230	N/A		
	414,230	N/A		
Number of shares used in the calculation of diluted earnings per share ('000)	5,894,580	N/A		
Diluted earnings per share			7.03	N/A

B11

	Group (9-month period)			
	31/03/2020	31/03/2019	31/03/2020	31/03/2019
	RM'000		sen	
Net profit for the period	223,874	N/A		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	3,860	N/A		
- BCorp ICULS 2016/2026	494	N/A		
Adjusted net profit for the period	228,228	N/A		
Weighted average number of ordinary shares in issue with voting rights ('000)	5,158,909	N/A		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	747,835	N/A		
Number of shares used in the calculation of basic profit per share ('000)	5,906,744	N/A		
Basic earnings per share			3.86	N/A
Adjusted net profit for the period	228,228	N/A		
	228,228	N/A		
Number of shares used in the calculation of diluted earnings per share ('000)	5,906,744	N/A		
Diluted earnings per share			3.86	N/A

c.c. Securities Commission