

Berjaya Corporation Berhad

Registration Number: 200101019033 (554790-X)

Date: 25 February 2021

Subject: **UNAUDITED QUARTERLY (Q2) FINANCIAL REPORT FOR
THE PERIOD ENDED 31 DECEMBER 2020**

	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 - 11
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR")	12 - 27

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

	3 months ended		Year to date ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
GROUP REVENUE	1,940,643	2,082,837	3,884,266	4,153,882
PROFIT FROM OPERATIONS	73,535	31,587	112,345	114,467
Investment related income	55,545	27,932	136,345	66,792
Investment related expenses	2,197	(24,618)	(4,964)	(34,928)
Finance costs	(84,441)	(90,580)	(186,170)	(180,213)
Share of results of associates	(14,066)	(10,038)	(14,394)	11,292
Share of results of joint ventures	3,105	4,053	3,596	6,547
PROFIT/(LOSS) BEFORE TAX	35,875	(61,664)	46,758	(16,043)
INCOME TAX EXPENSE	(54,825)	(57,692)	(99,666)	(117,414)
LOSS AFTER TAX	(18,950)	(119,356)	(52,908)	(133,457)
ATTRIBUTABLE TO:				
- Equity holders of the parent	(49,707)	(134,422)	(108,659)	(188,647)
- Non-controlling interests	30,757	15,066	55,751	55,190
	(18,950)	(119,356)	(52,908)	(133,457)
LOSS PER SHARE (SEN)				
- Basic, for the period	(0.85)	(2.26)	(1.88)	(3.15)
- Diluted, for the period	(0.85)	(2.26)	(1.88)	(3.15)

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 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>3 months ended</u>		<u>Year to date ended</u>	
	<u>31/12/2020</u>	<u>31/12/2019</u>	<u>31/12/2020</u>	<u>31/12/2019</u>
	RM'000	RM'000	RM'000	RM'000
LOSS AFTER TAX	(18,950)	(119,356)	(52,908)	(133,457)
OTHER COMPREHENSIVE ITEMS				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation	(24,225)	808	(922)	(26,225)
Foreign currency reserve transfer to profit or loss upon disposal of a subsidiary company	-	-	(65,608)	-
Share of associated companies' currency translation differences	(2,920)	-	(2,960)	-
<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")	(717)	(186)	(318)	(669)
Share of associated companies' changes in fair values of FVTOCI investments	5,015	849	4,870	(965)
Share of other comprehensive income items of associated companies	6	40,950	(268)	21,636
Tax effects relating to FVTOCI investments	(181)	(11)	-	268
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(41,972)	(76,946)	(118,114)	(139,412)
ATTRIBUTABLE TO:				
- Equity holders of the parent	(70,084)	(97,257)	(159,496)	(179,166)
- Non-controlling interests	28,112	20,311	41,382	39,754
	(41,972)	(76,946)	(118,114)	(139,412)

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 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31/12/2020 RM'000	Group As at 30/06/2020 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,976,691	2,984,319
Right-of-use assets	1,947,264	2,049,711
Investment properties	1,016,770	1,012,176
Inventories - Land held for property development	2,201,480	2,165,351
Investment in associated companies	1,133,025	1,075,280
Investment in joint ventures	115,442	114,018
Other investments	190,827	159,325
Other long term receivables	274,467	263,036
Intangible assets	4,986,699	4,993,190
Deferred tax assets	131,975	114,381
	<u>14,974,640</u>	<u>14,930,787</u>
Current Assets		
Inventories - property development costs	99,622	67,447
Inventories - Completed properties and others	1,583,743	1,717,677
Contract cost assets	1,422	118,554
Derivative assets	1,786	2,302
Trade and other receivables	2,090,450	1,986,478
Contract assets	85,080	62,280
Short term investments	65,332	78,439
Tax recoverable	49,387	85,502
Deposits with financial institutions	751,708	494,946
Cash and bank balances	734,878	1,009,839
	<u>5,463,408</u>	<u>5,623,464</u>
Assets of disposal group/Non-current assets classified as held for sale	248,746	841,379
	<u>5,712,154</u>	<u>6,464,843</u>
TOTAL ASSETS	<u>20,686,794</u>	<u>21,395,630</u>
EQUITY AND LIABILITIES		
Share capital	5,058,509	5,017,956
Irredeemable Convertible Unsecured Loan Stocks ("ICULS") - Equity component	289,727	306,739
Reserves	<u>1,077,356</u>	<u>1,310,370</u>
	6,425,592	6,635,065
Less: Treasury shares	<u>(59,987)</u>	<u>(92,344)</u>
	6,365,605	6,542,721
Non-controlling interests	<u>2,824,784</u>	<u>2,968,771</u>
Equity funds	<u>9,190,389</u>	<u>9,511,492</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stocks	23,597	39,160
Long term borrowings	2,713,303	3,013,575
Other long term liabilities	26,367	97,509
Lease liabilities	1,895,425	1,936,977
Contract liabilities	224,189	224,814
Provisions	21,563	26,051
Derivative liabilities	28,239	28,239
Deferred tax liabilities	<u>1,269,428</u>	<u>1,314,072</u>
	<u>6,202,111</u>	<u>6,680,397</u>
Current Liabilities		
Irredeemable Convertible Unsecured Loan Stocks	34,602	34,513
Trade and other payables	2,305,635	2,035,071
Contract liabilities	337,802	452,563
Derivative liabilities	7,424	6,992
Provisions	9,143	7,466
Short term borrowings	2,300,229	2,299,650
Lease liabilities	204,033	222,907
Taxation	<u>95,426</u>	<u>41,046</u>
	5,294,294	5,100,208
Liabilities directly associated with disposal groups classified as held for sale	-	103,533
	<u>5,294,294</u>	<u>5,203,741</u>
Total Liabilities	<u>11,496,405</u>	<u>11,884,138</u>
TOTAL EQUITY AND LIABILITIES	<u>20,686,794</u>	<u>21,395,630</u>
Basic net assets per share (sen)	121.47	127.94
Dilutive net assets per share (sen)	109.99	114.14

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 DECEMBER 2020

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	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			
At 1 July 2020	5,017,956	306,739	51,404	(165,979)	2,215	258,797	67,514	222,664	(483,512)	13,228	1,344,039	(92,344)	6,542,721	2,968,771	9,511,492
Total comprehensive income	-	-	(51,404)	464	-	-	-	-	(50)	244	(108,750)	-	(159,496)	41,382	(118,114)
Share of an associated company's effect arising from acquisition of subsidiaries under common control	-	-	-	-	-	-	-	-	(8,411)	-	(1,737)	-	(10,148)	-	(10,148)
Transactions with owners:															
Transfer of reserves	-	-	-	954	45	-	(995)	75	(90)	1,194	(1,183)	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-	-	(20,494)	(20,494)	-	(20,494)
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	8,803	8,803
Reversal of deferred tax liability on conversion of BCorp ICULS	-	345	-	-	-	-	-	-	-	-	-	-	345	-	345
Arising from conversion of BCorp ICULS	40,553	(17,357)	-	-	-	-	-	-	-	-	(19,343)	-	3,853	-	3,853
Disposal of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	(128,636)	(128,636)
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	52,150	-	(47,077)	-	5,073	(33,768)	(28,695)
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	318	-	-	-	4,065	-	-	-	4,383	(1,130)	3,253
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	2,147	2,147
Share based payment	-	-	-	-	(632)	-	-	-	-	-	-	-	(632)	319	(313)
Share dividend	-	-	-	-	-	-	-	-	-	-	(52,851)	52,851	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(33,104)	(33,104)
	40,553	(17,012)	-	954	(269)	-	(995)	75	56,125	1,194	(120,454)	32,357	(7,472)	(185,369)	(192,841)
At 31 December 2020	5,058,509	289,727	-	(164,561)	1,946	258,797	66,519	222,739	(435,848)	14,666	1,113,098	(59,987)	6,365,605	2,824,784	9,190,389

Note:

^ This represents the fair values of warrants .

BERJAYA CORPORATION BERHAD
Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

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	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			
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	-	-	-	862	-	-	-	6,750	15,101	(13,232)	(188,647)	-	(179,166)	39,754	(139,412)
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)	5,220	(53)	-	5,033	699	4,040	(1,748)	(12,265)	-	-	-	-
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	112,166	112,166
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	400	-	-	-	(16,811)	-	364	-	(16,047)	55,395	39,348
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	-	-	26,237	-	26,237	(4,035)	22,202
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	1,806	1,806
Share based payment	-	-	-	-	(285)	-	-	-	-	-	-	-	(285)	194	(91)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(34,882)	(34,882)
	-	-	(926)	5,220	62	-	5,033	699	(12,771)	(1,748)	14,336	-	9,905	130,644	140,549
At 31 December 2019	5,017,956	306,739	-	(145,256)	2,139	258,797	68,420	233,715	(486,375)	83,714	1,215,021	(34,253)	6,520,617	3,214,224	9,734,841

Note:

^ This represents 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 DECEMBER 2020

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended	
	31/12/2020 RM'000	31/12/2019 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	4,057,507	4,543,952
Payments for operating expenses	(3,597,102)	(4,377,618)
Payment of taxes	(91,494)	(118,926)
Other receipts (including tax refunds)	58,521	15,830
Net cash generated from operating activities	<u>427,432</u>	<u>63,238</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of property, plant and equipment and non-current assets	41,698	31,764
Disposal of investments in subsidiary companies	399,000	109,867
Disposal of investments in associated companies	199	4,328
Disposal of other investments and short term investments	90,397	34,853
Acquisition of property, plant and equipment and non-current assets	(93,307)	(195,822)
Acquisition of investments in subsidiary companies	(13,452)	(31,843)
Acquisition of investments in associated companies and a joint venture	(101,867)	(1,614)
Acquisition of other investments and short term investments	(117,162)	(115,885)
Acquisition of treasury shares by subsidiary companies	(15,006)	(4,424)
Interest received	9,516	27,690
Dividend received	19,696	8,142
Net repayment (to)/from joint ventures and associated companies	(4,493)	42,594
Placement with fund managers	(64,027)	-
Part payments for investment in foreign investees	-	(86,131)
Other payments	(24,742)	(40,962)
Net cash generated from/(used in) investing activities	<u>126,450</u>	<u>(217,443)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition of treasury shares by the Company	(20,494)	-
Issuance of share capital to non-controlling interests of subsidiary companies	5,615	1,855
Issuance of ICULS by subsidiary company	17,176	-
Issuance of medium term notes by subsidiary company	73,380	-
Dividends paid to non-controlling interests of subsidiary companies	(8,593)	(38,177)
Interest paid	(142,054)	(185,977)
Drawdown of bank and other borrowings	802,289	1,348,714
Repayment of bank and other borrowings	(1,199,155)	(1,273,123)
Payment of lease liabilities	(84,572)	(57,044)
Net withdrawal/(placement) with banks as security pledges for borrowings	51,944	(42,978)
Net cash used in financing activities	<u>(504,464)</u>	<u>(246,730)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	49,418	(400,935)
OPENING CASH AND CASH EQUIVALENTS	1,188,661	1,264,056
Effect of exchange rate changes	(22,113)	78,447
CLOSING CASH AND CASH EQUIVALENTS	<u>1,215,966</u>	<u>941,568</u>
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	751,708	586,434
Cash and bank balances	734,878	634,337
Bank overdraft (included under short term borrowings)	(66,512)	(67,639)
	<u>1,420,074</u>	<u>1,153,132</u>
Less :		
Remisiers' deposit held in trust	(11,806)	(11,740)
Cash and cash equivalents restricted in use	(192,302)	(199,824)
	<u>1,215,966</u>	<u>941,568</u>

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 DECEMBER 2020

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 financial year ended 30 June 2020. 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 year ended 30 June 2020.

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 2020.

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.

- 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 second and third quarters of the financial year.
 - the gaming business may be positively impacted by the festive seasons.
- A3 (a) The imposition of movement and travel restrictions by various governments to curb the COVID-19 outbreak have impacted the Group's business operations, particularly the hotels and resorts segments as disclosed in Notes B1 and B2.

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	1,267	67,096
Negative goodwill on an acquisition of a subsidiary company	(536)	2,309
Loss on deemed disposal of subsidiary companies	-	(163)
Fair value changes on derivative assets	(303)	(787)
Fair value changes on derivative liabilities	(526)	(535)
Net fair value changes of fair value through profit or loss ("FVTPL") investments	6,143	7,986
Net fair value changes of investment properties	-	(314)
Net impairment in associated companies	5,713	811
Reversal of impairment on amount owing from a joint venture	6,519	6,519
Gain on deemed disposal of associated company	3	3
Gain on disposal of property, plant and equipment	31,013	31,013
	49,293	113,938

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

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

NOTES TO THE INTERIM FINANCIAL REPORT

A4 There were no issuances and repayment of equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 31 December 2020 except for the following:

- (a) Share Capital
40,553,000 ordinary shares of RM1.00 each were issued pursuant to conversion of 40,553,000 BCorp ICULS 2012/2022 of RM1.00 nominal value each.
- (b) 5% 10-years ICULS of RM1.00 nominal value each
40,553,000 BCorp ICULS 2012/2022 were tendered for the subscription of 40,553,000 ordinary shares of RM1.00 each.
- (c) Treasury shares
107,827,464 units of ordinary share 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 December 2020 are as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
October 2020	0.185	0.190	0.190	47,274,464	8,988
November 2020	0.185	0.190	0.190	60,553,000	11,506
			0.190	107,827,464	20,494

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

	Average price per share RM	Number of shares	Amount RM'000
Balance as at 1 July 2020	0.271	340,600,000	92,344
Distribution as share dividend	(0.271)	(194,949,937)	(52,851)
Increase in treasury shares	0.271	145,650,063	39,493
	0.190	107,827,464	20,494
Total treasury shares as at 31 December 2020	0.237	253,477,527	59,987

As at 31 December 2020, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 5,002,000,000 ordinary shares (31 December 2020: 5,164,925,000).

Subsequent to the current period ended 31 December 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 During the current period ended 31 December 2020, the Company distributed a first interim share dividend of 194,949,937 treasury shares on the basis of 4 treasury shares for every 100 ordinary shares held (equivalent to a dividend of approximately 1.08 sen per share) in respect of financial year ended 30 June 2020, credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 15 October 2020. The book cost of the share dividend distributed amounted to RM52,850,928.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

NOTES TO THE INTERIM FINANCIAL REPORT

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

REVENUE	External RM'000	Inter- segment RM'000	Total RM'000
Gaming operations	1,395,802	53,187	1,448,989
Financial services	71,766	1,329	73,095
Property investment and development	245,387	9,935	255,322
Hotels and resorts	146,863	308	147,171
Marketing of consumer products and services	1,596,276	14,934	1,611,210
Restaurants and cafes	366,515	5,196	371,711
Others	61,657	2,065	63,722
Elimination: Inter-segment Revenue	-	(86,954)	(86,954)
Total revenue	<u>3,884,266</u>	<u>-</u>	<u>3,884,266</u>
RESULTS			RM'000
Gaming operations			206,830
Financial services			25,357
Property investment and development			(44,165)
Hotels and resorts			(92,320)
Marketing of consumer products and services			25,046
Restaurants and cafes			51,471
Others			<u>4,597</u>
			176,816
Unallocated corporate items			<u>(64,471)</u>
Profit from operations			112,345
Investment related income			
-Interest income			19,863
-Gain on disposal of a subsidiary company			67,096
-Gain on deemed disposal of associated company			3
-Gain on disposal of property, plant and equipment			31,013
-Fair value gain on FVTPL investments			8,577
-Reversal of impairment in an associated company			811
-Reversal of impairment on amount owing from a joint venture			6,519
-Negative goodwill on an acquisition of a subsidiary company			2,309
-Dividend income and others			<u>154</u>
			136,345
Investment related expenses			
-Fair value loss on FVTPL investments			(591)
-Fair value loss on investment properties			(314)
-Loss on deemed disposal of subsidiary companies			(163)
-Fair value changes on derivative assets			(787)
-Fair value changes on derivative liabilities			(535)
-Others			<u>(2,574)</u>
			(4,964)
Finance costs			(186,170)
Share of results of associates			(14,394)
Share of results of joint ventures			<u>3,596</u>
Profit before tax			46,758
Income tax expense			(99,666)
Loss after tax			<u>(52,908)</u>

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

NOTES TO THE INTERIM FINANCIAL REPORT

- A7 There were no significant events since the end of this current quarter under review 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 December 2020, including business combinations, acquisition or disposal of subsidiary companies, restructuring and discontinuing operations except for the following:-
- (a) On 6 July 2020, Mother En Vogue Pte. Ltd. a subsidiary of the Group, was struck off from the Registrar of Companies, Singapore.
 - (b) On 17 July 2020, Berjaya Engineering Construction Sdn Bhd, a wholly owned subsidiary of the Group had acquired 51% equity interest in Mantra Design Sdn Bhd ("MDSB") for total cash consideration of RM250,000. The principal activity of MDSB is the provision of interior design consultancy services for land and building development projects.
 - (c) On 19 August 2020, Berjaya Food (International) Sdn Bhd ("BFI"), a wholly owned subsidiary of the Group, completed the subscription for 50,100 new ordinary shares representing 50% equity interest of the enlarged issued share capital of Ser Vegano Sdn Bhd ("SER") for cash subscription price of RM250,000. The principal activity of SER is to operate Latin-inspired, Tex-Mex, plant-based vegan restaurants under the name "Sala". SER is deemed a 50% owned subsidiary company of BFI as the Group has de facto control.
 - (d) On 28 August 2020, Berjaya Manufacturing (HK) Limited, a subsidiary of the Group, was deregistered by the Registrar of Companies, Hong Kong and dissolved accordingly.
 - (e) On 4 September 2020, Berjaya Vacation Club (HK) Limited, a subsidiary of the Group, was deregistered by the Registrar of Companies, Hong Kong and dissolved accordingly.
 - (f) On 8 September 2020, FEAB Realty Sdn Bhd a subsidiary of the Group, was struck off from the Registrar of Companies, Companies Commission of Malaysia, pursuant to Section 308(4) of the Companies Act 2016.
 - (g) On 11 September 2020, eCosway Inc., a wholly owned subsidiary of the Group, was deregistered by the Registrar of Companies, United States of America and dissolved accordingly.
 - (h) On 15 September 2020, Berjaya Group Berhad, a wholly owned subsidiary of the Group had acquired 2 ordinary shares, representing 100% equity interest, in Berjaya Cafe (M) Sdn Bhd (formerly known as All Joy Cafe Sdn Bhd) for a total consideration of RM2.
 - (i) On 21 September 2020, Berjaya Roasters (Cambodia) Ltd, a 70% owned subsidiary of the Group, was struck off from the register by the Registrar of Companies, Phnom Penh, Cambodia and dissolved accordingly.
 - (j) On 21 September 2020, Berjaya Trading (U.K.) Limited, a wholly owned subsidiary of the Group, was struck off from the register by the Registrar of Companies, United Kingdom and dissolved accordingly.
 - (k) On 23 September 2020, Berjaya Group Berhad, a wholly owned subsidiary of the Group, had subscribed for 306,000 ordinary shares, representing 51% equity interest, in Simply Real Sdn Bhd ("SRSB") for a total consideration of RM306,000. The principal activities of SRSB are in the operation of a casual dining restaurant under the trade or business name of "Simply Good Food" offering vegetarian, vegan and organic cuisine and groceries.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

NOTES TO THE INTERIM FINANCIAL REPORT

- (l) On 23 September 2020, Cosway (S) Pte Ltd, a wholly owned subsidiary of the Group, was struck off from the register by the Registrar of Companies, Singapore.
 - (m) On 29 September 2020, Berjaya Group (Cayman) Limited, a wholly owned subsidiary of the Group, subscribed for new ordinary shares in Berjaya Auto Asia Inc. ("BAAI"). Consequently, the Group's equity interest in BAAI increased from 30% to 60% and hence, it became a subsidiary company of the Group.
 - (n) eCosway Colombia Ltda, a subsidiary of the Group, was deregistered by the Registrar of Companies, Colombia.
 - (o) eCosway Rus LLC, a subsidiary of the Group, was deregistered by the Registrar of Companies, Russia.
 - (p) NF Roasters of Commack Inc. and NF Roasters of Rockville Center Inc., both subsidiaries of the Group, have been dissolved by the NYS department of State, United States of America.
 - (q) On 9 October 2020, Berjaya-ILTS Limited and Berjaya Properties (HK) Limited, both subsidiaries of the Group, were deregistered by the Registrar of Companies, Hong Kong and dissolved accordingly.
 - (r) On 16 November 2020, Cosway New Zealand Limited, a wholly owned subsidiary of the Group, was deregistered by the Registrar of Companies, New Zealand.
 - (s) On 23 November 2020, Redtone Engineering & Network Services Sdn Bhd, a wholly owned subsidiary of the Group, subscribed for a total of 60 ordinary shares representing 60% equity interest in Bytebuilder Sdn Bhd ("BSB"). The intended principal activities of BSB is provision of fibre optics transmission network services and project management services relating to telecommunications.
 - (t) The Company had on 26 November 2020, subscribed for a total of 51 new ordinary shares, representing 51% equity interest of the enlarged issued share capital, in Berjaya Auto Alliance Sdn Bhd ("BAASB"). The intended principal activities of BAASB is assembly, distribution, retail of motor vehicles and parts and the provision of after sales services.
 - (u) On 23 December 2020, Berjaya Land Berhad, a subsidiary of the Group, incorporated a wholly owned subsidiary company, Landasan Lumayan Berjaya Sdn Bhd ("LLBSB") with a share capital of RM2. The intended principal activities of LLBSB is to do river cleaning and property development.
- 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 June 2020 except for the reduction for the share subscription in associated company amounting to RM105 million in the current financial period.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

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 services.

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 COVID-19 pandemic has resulted in various forms of movement controls including international travel restrictions in many of the countries in which the Group operates as preventive or restrictive measures to curb the COVID-19 pandemic.

The summarised results of the Group are as follows:

	3-Month Ended			6-Month Ended		
	31/12/2020 RM'000	31/12/2019 RM'000	+ / (-) %	31/12/2020 RM'000	31/12/2019 RM'000	+ / (-) %
Revenue	<u>1,940,643</u>	<u>2,082,837</u>	<u>(7)</u>	<u>3,884,266</u>	<u>4,153,882</u>	<u>(6)</u>
Profit from operations	<u>73,535</u>	<u>31,587</u>	<u>133</u>	<u>112,345</u>	<u>114,467</u>	<u>(2)</u>
Profit/(Loss) before tax	<u>35,875</u>	<u>(61,664)</u>	<u>N/A</u>	<u>46,758</u>	<u>(16,043)</u>	<u>N/A</u>

Review of results for the quarter

The Group registered a revenue of RM1.94 billion and pre-tax profit of RM35.88 million in the current quarter ended 31 December 2020 as compared to a revenue of RM2.08 billion and pre-tax loss of RM61.66 million reported in the previous year corresponding quarter.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on revenue

The Group recorded lower revenue in the current quarter mainly due to lower revenue reported by the gaming operations and hotels and resorts business segments as compared to the previous year corresponding quarter. In Malaysia, the surge of a third wave of the COVID-19 infections from late September 2020 persisted throughout the current quarter. This led to the implementation of the Enhanced Movement Control Order ("EMCO") and Conditional Movement Control Order ("CMCO") in certain areas and states in Malaysia. In the UK, a second national lockdown came into effect on 5 November 2020. These restrictive measures hampered the recovery of the Group's business operations. The hotels and resorts business segment is still affected by international border closures and travel restrictions. However, the completion of the handing over of a mixed development project in Vietnam yielded higher revenue for the property investment and development segment that mitigated the lower revenue contributed by the other business segments.

Marketing of consumer products and services

The marketing of consumer products and services segment reported lower revenue mainly from the retail distribution business due to weaker consumer spending power on non-daily necessities and non-essential goods as a result of the outbreak of COVID-19 in year 2020. In addition, the retail distribution business was also affected by the intense competition in the retail landscape. However, this was mitigated by the increase in revenue achieved by H.R. Owen Plc ("HR Owen") from the motor distribution business.

Restaurants and cafes

The restaurants and cafes segment reported lower revenue mainly due to lower footfall in stores as a result of growing concern on the rising number of COVID-19 confirmed cases in the current quarter under review, as well as closures of certain non-performing stores.

Property investment and development

The property investment and development segment reported higher revenue mainly due to the completion of the handing over of a mixed development project located in Dong Nai, Vietnam in the current quarter.

Hotels and resorts

The hotels and resorts segment reported lower revenue as the business segment was severely affected by the closure of international border and travel restrictions.

Gaming operations

Sports Toto Malaysia Sdn Bhd ("STM") reported lower revenue due to third wave of COVID-19 pandemic from late September 2020 and persisted throughout the current quarter, leading to the implementation of EMCO and CMCO in certain areas and states in Malaysia. The selective EMCO and CMCO have dampened the recovery achieved during the Recovery Movement Control Order ("RMCO") period.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on pre-tax profit

The pre-tax profit reported in the current quarter was mainly from gaming operations, restaurants and cafes as well as marketing of consumer products and services segments. However, the pre-tax profit was dampened by the losses from the hotels and resorts and property investment and development segments.

The pre-tax loss reported in the previous year corresponding quarter was mainly from property investment and development segment due to high operating expenses incurred.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher pre-tax profit as compared to the previous year corresponding quarter. The increase in pre-tax profit was mainly contributed by HR Owen from the motor distribution business. This was mainly due to lower operating expenses incurred as a result of certain austerity measures undertaken by the company, coupled with support fee income received from franchises as well as certain business relief support from the United Kingdom ("UK") government during the current quarter under review.

Restaurants and cafes

Despite lower revenue, restaurants and cafes segment reported higher pre-tax profit in this quarter mainly due to the implementation of effective cost management.

Property investment and development

The completion and handing over of the project in Dong Nai, Vietnam led to the recognition of profits that contributed to the reduction of losses incurred by this business segment.

Hotels and resorts

The hotels and resorts segment reported a loss primarily due to international border closures and travel restrictions.

Gaming operations

The gaming operations reported lower pre-tax profit which is in line with its lower revenue in the current quarter as compared to the previous year corresponding quarter. However, this was mitigated by lower prize payout as well as lower operating expenses incurred in the current quarter under review.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Review of results for the financial period

The Group registered a revenue of RM3.88 billion and pre-tax profit of RM46.76 million for the financial period ended 31 December 2020 as compared to a revenue of RM4.15 billion and pre-tax loss of RM16.04 million reported in the previous year corresponding period.

Commentary on revenue

The Group recorded lower revenue for the financial period under review as compared to the previous year corresponding period. The gaming operations reported lower revenue as a result of the movement restrictions imposed by the Malaysian government and the hotels and resorts business segment is still severely impacted by restrictions on tourist arrivals. However, the property investment and development segment managed to complete and hand over a significant project in Vietnam in the second quarter and recognised substantial revenue to offset the reduction in revenue of the other business segments.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher revenue mainly due to higher new car sales from HR Owen from the motor distribution business as a result of backlog fulfilment after the lockdown in UK ended on 31 May 2020. However, the favourable result was affected by the decrease in both telecommunication and retail distribution business.

Restaurants and cafes

Lower revenue from restaurants and cafes segment was mainly due to lower footfall in stores resulting from the implementation of the various movement control orders coupled with the closures of certain non-performing stores in Malaysia.

Property investment and development

The property investment and development segment registered higher revenue in the current period mainly due to the completion of the Vietnam project as explained above.

Hotels and resorts

The hotels and resorts segment reported lower revenue mainly due to a significant fall in occupancy rates as a result of international border closures and travel restrictions.

Gaming operations

STM contributed lower revenue as a result of the prolonged various movement control order phases in Malaysia. However, this was mitigated by higher revenue from the Vietnam operations.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on results

The pre-tax profit reported in the current financial period under review was mainly from gaming operations, restaurants and cafes as well as marketing of consumer products and services segments. In addition, there was also a gain arising from the disposal of Berjaya Jeju Resort Limited amounting to about RM67.1 million, following the completion of the JDC Lawsuit settlement on 28 August 2020. However, the pre-tax profit was dampened by the unfavourable result from the hotels and resorts and property investment and development segments.

The pre-tax loss reported in the previous year corresponding period was mainly due to operating expenses incurred in the property investment and development segment, the impairment on the balance of GMOC sales proceeds and also impairment of certain property, plant and equipment. The loss was mitigated by the profit contributed by the gaming operations.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher pre-tax profit, with HR Owen being the main contributor. HR Owen benefited from the austerity measures undertaken, support fee income received from franchises and certain business reliefs from the UK government as mentioned above.

Restaurants and cafes

Despite lower revenue, restaurants and cafes segment reported higher pre-tax profit in this current financial period under review mainly due to the implementation of effective cost management.

Property investment and development

The property investment and development segment continued to suffer loss due to slower property sales as a result of the contraction of the economy. However, the completion of the Vietnam project as mentioned above has led to the substantial reduction in pre-tax loss for the current financial period as compared to the previous year corresponding period.

Hotels and resorts

The hotels and resorts segment reported a pre-tax loss in the current period as compared to a pre-tax profit in the previous year corresponding period under review. This was mainly due to lower revenue as a result of the international border closures and travel restrictions.

Gaming operations

The gaming operations reported lower pre-tax profit which is in line with the lower revenue but this was mitigated by lower prize payout and lower operating expenses incurred in the current period under review.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B2 Review of results of current quarter vs preceding quarter

	3-Month Ended		
	31/12/2020 RM'000	30/09/2020 RM'000	+ / (-) %
Revenue	<u>1,940,643</u>	<u>1,943,623</u>	<u>(0)</u>
Profit from operations	<u>73,535</u>	<u>38,810</u>	<u>89</u>
Profit before tax	<u>35,875</u>	<u>10,883</u>	<u>230</u>

For the current quarter under review, the Group recorded a revenue of RM1.94 billion and pre-tax profit of RM35.88 million as compared to a revenue of RM1.94 billion and pre-tax profit of RM10.88 million reported in the preceding quarter.

Commentary on revenue

The Group recorded a marginal decrease in revenue in the current quarter mainly from the marketing of consumer products and services segment as well as the hotels and resorts business segment. However, this was mitigated by the higher revenue from the property investment and development segment.

Marketing of consumer products and services

The marketing of consumer products and services segment reported lower revenue mainly due to the motor distribution business operated by HR Owen. HR Owen's operation was affected by the closure of its showroom operations for a period of 4 weeks during the current quarter in compliance with the UK government's second national lockdown order effective 5 November 2020.

Restaurants and cafes

The restaurants and cafes segment reported lower revenue in the current quarter under review. This was mainly due to lower footfall in stores as mentioned in Note B1.

Property investment and development

Higher revenue reported by property investment and development segment in the current quarter mainly due to the Vietnam project as explained in Note B1 above.

Hotels and resorts

The implementation of the second CMCO in Malaysia from 14 October 2020 and the stricter preventive measures imposed in Iceland have led to the reduction in revenue reported by this business segment.

Gaming operations

The gaming operations reported higher revenue in the current quarter mainly from higher sales contributed by STM. Higher sales were generated from lotto games as well as longer jackpot lifespan that generated stronger punter interest.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on pre-tax profit

The higher pre-tax profit reported in the current quarter was mainly due to higher contribution from the property investment and development segment as well as the recognition of gain on disposal of property, plant and equipment as disclosed in Note A3. However, this was offset by the unfavourable result from the hotels and resorts segment.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher pre-tax profit mainly due to lower operating expenses incurred by the retail distribution and the engineering businesses, such as cost saving exercise and lower repair and maintenance cost respectively.

Restaurants and cafes

The pre-tax profit from restaurants and cafes segment was comparable to the preceding quarter as a result of effective cost management.

Property investment and development

The property investment and development segment reported lower pre-tax loss mainly due to the recognition of profits from the completion of the project in Dong Nai, Vietnam and lower operating expenses as explained in Note B1 above.

Hotels and resorts

The hotels and resorts segment reported higher pre-tax loss as compared to the preceding quarter mainly due to lower revenue as mentioned above.

Gaming operations

The gaming operations reported lower pre-tax profit as compared to the preceding quarter. STM recorded higher pre-tax profit for this quarter mainly due to lower operating expenses. However, this was reduced by higher operating expenses incurred by the Vietnam operation, particularly expenses incurred relating to the launch of the new Telebetting project.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B3 Future prospects

The COVID-19 pandemic which resulted in unprecedented preventive measures of varying degrees of global population lockdown had adversely impacted the global economy. With the gradual easing of global population lockdown, economic activities have progressively resumed. However, the subsequent surges in the infection of COVID-19 in many countries have resulted in the re-imposition of tighter movement controls. In Malaysia, the Government re-imposed the second MCO ("MCO 2.0") effective 13 January 2021 in all states except the state of Sarawak. On 16 February 2021, it was announced that MCO 2.0 will be extended to 4 March 2021 in certain states whilst the rest of the states in Malaysia will move to CMCO. Meanwhile, the UK is currently under its third nationwide lockdown, which came into force on 5 January 2021.

The outlets of Sports Toto in all states in Malaysia except the state of Sarawak were closed due to the MCO 2.0 restrictions and only resumed operations on 16 February 2021. In the UK, the operations of the HR Owen are also temporarily closed. The property development business is expected to be impacted by slower property sales mainly due to the expected liquidity squeeze arising from the contraction in the economy. The tourism industry that was about to kickstart its recovery with domestic tourism was again dampened by the re-imposition of various movement controls. As for the restaurants and cafes business segment, the operating environment will remain challenging in the remaining quarters as a result of the restriction imposed in the MCO 2.0.

With the constantly evolving pandemic, it is challenging to ascertain the full extent and duration of the impact to the Group's operations and financial performance from the government-imposed restrictions. The economy is expected to recover at a slower pace as the business environment and consumer sentiment remain weak until the vaccination programs are well underway in countries where the Group's subsidiary companies operate.

Taking into account of the aforesaid, the Directors expect the performance of the business operations of the Group for the remaining quarters of the financial year ending 30 June 2021 to remain challenging.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

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

B5 The taxation charge for the current quarter and financial period ended 31 December 2020 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	59,188	109,329
- Outside Malaysia	3,911	11,134
Deferred tax	(13,920)	(26,579)
Under provision in prior years	5,646	5,782
	<u>54,825</u>	<u>99,666</u>

The disproportionate tax charge of the Group for the current quarter/ financial period ended 31 December 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 Year to date RM'000
Interest income	(11,011)	(19,863)
Dividend income	(12)	(154)
Gain on disposal of property, plant and equipment	(28,055)	(31,013)
Gain on disposal of a subsidiary company	(1,267)	(67,096)
Gain on deemed disposal of associated company	(3)	(3)
Negative goodwill on an acquisition of a subsidiary company	536	(2,309)
Loss on deemed disposal of subsidiary companies	-	163
Fair value changes on derivative assets	303	787
Fair value changes on derivative liabilities	526	535
Depreciation of property, plant and equipment	52,879	113,935
Depreciation of right-of-use assets	61,425	114,322
Amortisation of intangible assets	10,330	20,573
Impairment in associated companies (net)	(5,713)	(811)
Impairment loss on receivables (net)	(260)	761
Provision for and write off of inventories	7,423	18,922
Reversal of impairment on amount owing from a joint venture	6,519	6,519
Foreign exchange (gain)/loss (net)	(10,665)	7,173
Fair value changes of investment properties (net)	-	314
Fair value changes of FVTPL investments (net)	<u>(6,143)</u>	<u>(7,986)</u>

B7 (A) There has been no further development for those corporate proposals disclosed in Notes 45 and 46 to the audited financial statements of the Company for the financial year ended 30 June 2020.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

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

		At end of current quarter RM'000
Short term borrowings		
Secured		
	Foreign currency amount	
Denominated in	'000	
Ringgit Malaysia	#	1,919,980
USD	13,831 *	55,608
SGD	8,853 *	26,893
GBP	39,851 *	216,228
PHP	456,705 *	38,346
VND	42,339,080 *	7,367
EUR	592 *	2,928
		2,267,350
Unsecured		
Denominated in		
Ringgit Malaysia		32,852
GBP	5 *	27
		32,879
		2,300,229
Long term borrowings		
Secured		
	'000	
Denominated in	#	
Ringgit Malaysia	#	2,136,698
USD	1,037 *	4,169
SGD	42,804 *	130,038
JPY	2,352,315 *	91,705
VND	85,454,023 *	14,869
EUR	53,776 *	265,790
ISK	22,000,000 *	69,788
		2,713,057
Unsecured		
Denominaed in		
GBP	45 *	246
		246
		2,713,303
Total bank borrowings		5,013,532
* Converted at the respective exchange rates prevailing as at 31 December 2020		
# Includes medium term notes		
- short term (Conventional)		54,987
- short term (Islamic)		23,380
		78,367
- long term (Conventional)		743,074
- long term (Islamic)		50,000
		793,074
		871,441

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

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 40(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.

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

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(a) Note 40(2) 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.

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.

The hearing of the Selangor State Government's 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 hear a motion by the Selangor State Government to adduce further evidence in this matter. The Court of Appeal has fixed 22 November 2019 as case management date to fix the hearing date of the Main Appeal. On 22 November 2019, the Court of Appeal fixed the hearing date of the Main Appeal on 27 March 2020.

The hearing of the Selangor State Government' 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 Appellants' application for leave to appeal on 13 April 2020.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(a) Note 40(2) regarding the STC Proposals proceedings (continued)

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.

Due to the MCO coming into effect on 18 March 2020, the hearings of the FC Leave Motion and the application for stay as well as the main appeal were postponed to 6 July 2020 and 2 July 2020 respectively. A case management date for the main appeal was also fixed for 9 July 2020 by the Court of Appeal.

Subsequently, the Appellants have withdrawn both FC Leave Motion and the stay application at the Court of Appeal on 19 June 2020 and 2 July 2020 respectively. The hearing of the Main Appeal by the Court of Appeal was initially fixed on 14 December 2020. However, the Court of Appeal had postponed the hearing date of the Main Appeal and a case management date was fixed on 28 January 2021. On 28 January 2021, the Court of Appeal fixed the hearing of the Main Appeal to be held on 19 March 2021.

The STC Proposals proceedings are still ongoing.

(b) Note 40(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.

BERJAYA CORPORATION BERHAD

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

(b) Note 40(4) regarding the GMOC Project Arbitration Proceedings (continued)

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;
- (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.

On 18 December 2020, Beijing Fourth Intermediate People's Court ordered the recognition and enforcement of GMOC's Final Award under the Supplemental Arrangement Concerning Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region ("HKSAR"), which was entered between the Chinese Supreme People's Court and HKSAR.

GMOC has proceeded to seek enforcement of the Final Award in all relevant jurisdictions.

The above mentioned recognition and enforcement proceedings is still ongoing.

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

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 December 2019: Nil).

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

	Group (3-month period)			
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000		sen	
Net loss for the quarter	(49,707)	(134,422)		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	757	937		
- BCorp ICULS 2016/2026	145	112		
Adjusted net loss for the quarter	<u>(48,805)</u>	<u>(133,373)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,997,511	5,164,925		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>718,302</u>	<u>747,835</u>		
Number of shares used in the calculation of basic loss per share ('000)	<u>5,715,813</u>	<u>5,912,760</u>		
Basic loss per share			<u>(0.85)</u>	<u>(2.26)</u>
Adjusted net loss for the quarter	(48,805)	(133,373)		
Dilution effect on exercise of Berjaya Food Berhad share options	(16)	-		
Dilution effect on exercise of Berjaya Assets Berhad warrants	-	(2)		
	<u>(48,821)</u>	<u>(133,375)</u>		
Number of shares used in the calculation of diluted loss per share ('000)	<u>5,715,813</u>	<u>5,912,760</u>		
Diluted loss per share			<u>(0.85)</u>	<u>(2.26)</u>

BERJAYA CORPORATION BERHAD**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B11	Group (6-month period)			
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000		sen	
Net loss for the period	(108,659)	(188,647)		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	1,762	2,364		
- BCorp ICULS 2016/2026	294	281		
Adjusted net loss for the period	<u>(106,603)</u>	<u>(186,002)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,935,918	5,164,925		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>733,068</u>	<u>747,835</u>		
Number of shares used in the calculation of basic loss per share ('000)	<u>5,668,986</u>	<u>5,912,760</u>		
Basic loss per share			<u>(1.88)</u>	<u>(3.15)</u>
Adjusted net loss for the period	(106,603)	(186,002)		
Dilution effect on exercise of Berjaya Assets Berhad warrants	-	(5)		
Dilution effect on exercise of Berjaya Food Berhad options	<u>(32)</u>	<u>-</u>		
	<u>(106,635)</u>	<u>(186,007)</u>		
Number of shares used in the calculation of diluted loss per share ('000)	<u>5,668,986</u>	<u>5,912,760</u>		
Diluted loss per share			<u>(1.88)</u>	<u>(3.15)</u>
c.c. Securities Commission				