

BERJAYA LAND BERHAD

Registration Number: 199001010193 (201765-A)

24 November 2020

**UNAUDITED (Q1) INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

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BERJAYA LAND BERHAD
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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group	
	As at 30/09/2020 RM'000	As at 30/06/2020 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	1,678,111	1,709,233
Right-of-use assets	1,278,667	1,308,012
Investment properties	717,355	712,071
Inventories - land held for property development	1,097,605	1,095,083
Associated companies	442,469	468,067
Joint ventures	49,656	53,689
Investments	201,738	190,384
Intangible assets	3,614,600	3,612,867
Receivables	232,699	211,807
Deferred tax assets	87,602	77,103
	9,400,502	9,438,316
Current assets		
Inventories - property development costs	139,193	73,099
Inventories - others	576,739	667,576
Contract cost assets	105,635	118,257
Receivables	1,923,191	2,055,955
Contract assets	15,341	8,032
Short term investments	12,969	8,727
Tax recoverable	15,034	26,423
Derivative asset	273	343
Deposits, cash and bank balances	955,570	644,209
Assets of disposal group/non-current assets classified as assets held for sale	182,369	778,056
	3,926,314	4,380,677
TOTAL ASSETS	13,326,816	13,818,993

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Group	
		As at	As at
		30/09/2020	30/06/2020
		RM'000	RM'000
Note			(Audited)
EQUITY AND LIABILITIES			
	Share capital	2,500,168	2,500,168
	Reserves:		
	Exchange reserves	111,800	107,447
	Capital reserve	116,528	116,528
	Fair value reserve	1,054,940	1,054,940
	Foreign currency translation reserve		
	of disposal group classified as held for sale	-	66,953
	Fair value through other		
	comprehensive income ("FVTOCI") reserve	(63,183)	(62,049)
	Consolidation reserve	86,467	85,664
	Retained earnings	200,759	242,951
		<u>1,507,311</u>	<u>1,612,434</u>
	Equity funds	4,007,479	4,112,602
	Less: Treasury shares	(33,643)	(33,643)
	Net equity funds	3,973,836	4,078,959
	Non-controlling interests	2,023,434	2,134,130
	Total equity	<u>5,997,270</u>	<u>6,213,089</u>
Non-current liabilities			
	Retirement benefit obligations and provisions	7,530	7,176
	Long term borrowings	2,279,099	2,338,311
	Other long term liabilities	24,477	22,938
	Lease liabilities	925,527	947,078
	Deferred tax liabilities	1,004,127	1,006,042
	Contract liabilities	232,146	224,512
	Derivative liabilities	28,239	28,239
		<u>4,501,145</u>	<u>4,574,296</u>
Current liabilities			
	Payables	1,358,444	1,224,973
	Short term borrowings	972,975	1,285,547
	Retirement benefit obligations and provisions	3,047	3,080
	Tax payable	22,400	13,647
	Contract liabilities	397,523	326,330
	Lease liabilities	73,267	73,735
	Derivative liabilities	745	763
	Liabilities directly associated to disposal group	-	103,533
		<u>2,828,401</u>	<u>3,031,608</u>
	Total Liabilities	<u>7,329,546</u>	<u>7,605,904</u>
TOTAL EQUITY AND LIABILITIES		<u>13,326,816</u>	<u>13,818,993</u>
<i>Net assets per share attributable to ordinary equity holders (with voting rights) of the parent (RM)</i>		<u>0.81</u>	<u>0.82</u>

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

Net equity funds divided by the number of outstanding shares in issue with voting rights.

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

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Registration Number: 199001010193 (201765-A)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	CURRENT QUARTER ENDED	
		30/09/2020 RM'000	30/09/2019 RM'000
REVENUE		1,455,254	1,575,925
OPERATING EXPENSES, NET		<u>(1,413,810)</u>	<u>(1,471,582)</u>
PROFIT FROM OPERATIONS		41,444	104,343
Investment related items, net	A3	75,924	34,599
Share of results from associated companies		(27,325)	(10,596)
Share of results from joint ventures		(3,182)	165
Finance costs		<u>(63,866)</u>	<u>(46,993)</u>
PROFIT BEFORE TAX	B5	22,995	81,518
TAXATION	B6	<u>(26,321)</u>	<u>(43,764)</u>
(LOSS)/PROFIT NET OF TAX		<u>(3,326)</u>	<u>37,754</u>
ATTRIBUTABLE TO:			
- Owners of the parent		(41,878)	(5,987)
- Non-controlling interests		<u>38,552</u>	<u>43,741</u>
		<u>(3,326)</u>	<u>37,754</u>
LOSS PER SHARE (SEN)	B11		
- Basic		<u>(0.85)</u>	<u>(0.12)</u>
- Fully diluted		<u>(0.85)</u>	<u>(0.12)</u>

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER	
	ENDED	
	30/09/2020	30/09/2019
	RM'000	RM'000
(LOSS)/PROFIT NET OF TAX	(3,326)	37,754
OTHER COMPREHENSIVE INCOME		
<u>Items that may be subsequently reclassified to profit or loss</u>		
Currency translation differences:		
- Movement during the financial quarter	(5,561)	(23,079)
- Share of associated companies' currency translation differences	8,751	(18,506)
- Transfer to profit or loss upon disposal of a subsidiary company	(65,608)	-
<u>Items that will not be subsequently reclassified to profit or loss</u>		
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")	(2,616)	601
Share of an associated company's changes in fair values of investments at FVTOCI	(78)	(955)
Share of other comprehensive income items of an associated companies	(274)	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER	<u>(68,712)</u>	<u>(4,185)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
- Owners of the parent	(105,926)	(37,499)
- Non-controlling interests	37,214	33,314
	<u>(68,712)</u>	<u>(4,185)</u>

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

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Attributable to the owners of the Parent

	Non Distributable											
	Share capital RM'000	Exchange reserves RM'000	Capital reserve RM'000	Fair value reserve RM'000	Foreign currency translation reserve of disposal group classified as held for sale RM'000	FVTOCI reserve RM'000	Consolidation reserve 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 2020	2,500,168	107,447	116,528	1,054,940	66,953	(62,049)	85,664	242,951	(33,643)	4,078,959	2,134,130	6,213,089
Loss for the financial quarter	-	-	-	-	-	-	-	(41,878)	-	(41,878)	38,552	(3,326)
Other comprehensive income	-	4,353	-	-	(66,953)	(1,350)	-	(98)	-	(64,048)	(1,338)	(65,386)
Total comprehensive income	-	4,353	-	-	(66,953)	(1,350)	-	(41,976)	-	(105,926)	37,214	(68,712)
Effects arising from the disposals of:												
- investments at FVTOCI	-	-	-	-	-	216	-	(216)	-	-	-	-
Transactions with owners:												
Non-controlling interests arising from												
- acquisition of a new subsidiary company	-	-	-	-	-	-	-	-	-	-	2,973	2,973
- change of equity interest in a subsidiary company	-	-	-	-	-	-	803	-	-	803	(3,492)	(2,689)
- disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(128,583)	(128,583)
- share of dividend	-	-	-	-	-	-	-	-	-	-	(18,808)	(18,808)
	-	-	-	-	-	-	803	-	-	803	(147,910)	(147,107)
At 30 September 2020	2,500,168	111,800	116,528	1,054,940	-	(63,183)	86,467	200,759	(33,643)	3,973,836	2,023,434	5,997,270

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Attributable to the owners of the Parent											
	Non Distributable											Total equity RM'000
	Share capital RM'000	Exchange reserves RM'000	Capital reserve RM'000	Fair value reserve RM'000	Fair value reserve of disposal group classified as held for sale RM'000	FVTOCI reserve RM'000	Consolidation reserve RM'000	Retained earnings RM'000	Treasury shares RM'000	Total net equity funds RM'000	Non- controlling interests RM'000	
At 1 July 2019	2,500,168	181,101	116,528	1,054,940	877	(44,994)	80,064	309,429	(20,699)	4,177,414	2,080,907	6,258,321
Profit for the financial quarter	-	-	-	-	-	-	-	(5,987)	-	(5,987)	43,741	37,754
Other comprehensive income	-	(29,922)	-	-	-	(1,590)	-	-	-	(31,512)	(10,427)	(41,939)
Total comprehensive income	-	(29,922)	-	-	-	(1,590)	-	(5,987)	-	(37,499)	33,314	(4,185)
Effects arising from the disposals of:												
- investments at FVTOCI	-	-	-	-	-	646	-	(646)	-	-	-	-
- disposal group held for sale	-	-	-	-	(877)	-	-	877	-	-	-	-
Transactions with owners:												
Non-controlling interests arising from												
- acquisition of a new subsidiary company	-	-	-	-	-	-	120	-	-	120	1,300	1,420
- increase of equity interest in a subsidiary company	-	-	-	-	-	-	(6,694)	-	-	(6,694)	34,397	27,703
	-	-	-	-	-	-	(6,574)	-	-	(6,574)	35,697	29,123
At 30 September 2019	2,500,168	151,179	116,528	1,054,940	-	(45,938)	73,490	303,673	(20,699)	4,133,341	2,149,918	6,283,259

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

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended	
	30/09/2020	30/09/2019
	RM'000	RM'000
OPERATING ACTIVITIES		
Receipts from customers/operating revenue	1,604,547	1,686,904
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(1,266,818)	(1,618,169)
Tax paid	(27,001)	(41,382)
Other receipts (inclusive of tax refunds)	40,253	3,335
Net cash generated from operating activities	<u>350,981</u>	<u>30,688</u>
INVESTING ACTIVITIES		
Sale of property, plant and equipment and non-current assets	147	30,184
Sale of other investments and short term investments	13,834	19,335
Disposal/partial disposal of investment in a subsidiary company	394,025	27,823
Acquisition of property, plant and equipment, non-current assets and properties	(30,565)	(18,063)
Acquisition of equity interest in subsidiary companies	(250)	(999)
Acquisition of other investments and short term investments	(29,194)	(4,658)
Acquisition of investments in associated companies and joint ventures	(858)	(995)
Interest received	3,906	7,698
Dividend received	150,901	1,316
(Repayment to)/advances from related companies	(14,550)	3,710
Net repayment (to)/from joint ventures and associated companies	(27,685)	42,767
Part payments for investments in foreign investees	-	(49,338)
Placements with fund managers	(47,119)	-
Other payments	(4,105)	(58,309)
Net cash generated from investing activities	<u>408,487</u>	<u>471</u>
FINANCING ACTIVITIES		
Drawdown of bank and other borrowings	73,302	465,542
Issuance of medium term notes	15,600	-
Repayment of bank and other borrowings	(465,517)	(453,385)
Dividends paid to non-controlling interests of a subsidiary company	-	(35,857)
Interest paid	(38,664)	(37,718)
Payment of lease liabilities	(24,009)	(8,291)
Placement with securities pledged for borrowings with banks	(39,916)	(54,028)
Other payments	(3,196)	(4,524)
Net cash used in financing activities	<u>(482,400)</u>	<u>(128,261)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	277,068	(97,102)
EFFECTS OF EXCHANGE RATE CHANGES	(6,033)	(1,698)
OPENING CASH AND CASH EQUIVALENTS	<u>555,111</u>	<u>680,734</u>
CLOSING CASH AND CASH EQUIVALENTS	<u><u>826,146</u></u>	<u><u>581,934</u></u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	955,570	725,422
Bank overdraft (included under short term borrowings)	(9,667)	(9,872)
Less: cash and cash equivalents restricted in use	(119,757)	(133,616)
	<u><u>826,146</u></u>	<u><u>581,934</u></u>

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

BERJAYA LAND BERHAD**Registration Number: 199001010193 (201765-A)****UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
NOTES TO THE INTERIM FINANCIAL REPORT**

- A1 The condensed consolidated interim financial report is not audited and has been prepared in compliance with MFRS 134, Interim Financial Reporting Standards in Malaysia, IAS 34, Interim Financial Reporting, requirement of the Companies Act 2016 and applicable disclosure provision of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2020. These explanatory notes, attached to the condensed consolidated interim financial report, provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2020.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020 except the adoption of the new or revised standards, IC Interpretations and amendments to standards.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the 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 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for:
- (i) the property development division which is affected by the prevailing cyclical economic conditions;
 - (ii) the local island beach resorts situated at the East Coast of Peninsular Malaysia which are affected by the North-East monsoon season during the second and third quarters of the financial year; and
 - (iii) the toto betting operations may be positively impacted by the festive seasons.
- A3 Many governments have imposed multiple phases of movement control as preventive measures to curb the COVID-19 pandemic. The Group's business operations, particularly the hotel and resorts and the clubs and others business segments are adversely impacted by the many international border closures, travel restrictions and social distancing rules.
- (a) There were no unusual or material items affecting the Group in the current quarter ended 30 September 2020 other than as disclosed below:

Statement of Profit or Loss

Included under investment related income, net:	3-month ended 30/09/2020 RM'000
Fair value changes of investments	
at fair value through profit or loss ("FVTPL")	(514)
Fair value changes on derivatives	(52)
Negative goodwill on acquisition of a subsidiary company	2,845
Gain on disposal of a subsidiary company	65,829
	<u>68,108</u>

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NOTES TO THE INTERIM FINANCIAL REPORT

A3 (b) There were no major changes in estimates reported in the prior financial quarter that had a material effect in the current financial quarter ended 30 September 2020.

A4 The number of treasury shares held in hand as at 30 September 2020 were as follows :

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares at 1 July 2020 and 30 September 2020	0.42	79,837,104	33,643

As at 30 September 2020, the number of ordinary shares in issue with voting rights was 4,920,500,000 ordinary shares (30 September 2019 : 4,989,394,000).

A5 The Company did not pay any dividend during the current financial quarter ended 30 September 2020.

A6 Segmental information for the financial quarter ended 30 September 2020:

REVENUE

	External RM'000	Inter-segment RM'000	Total RM'000
Toto betting operations and leasing of lottery equipment	674,240	-	674,240
Motor vehicle dealership	667,158	-	667,158
Property development and investment	14,350	1,975	16,325
Hotels and resorts	73,685	275	73,960
Clubs and others	25,821	1,017	26,838
Sub-total	1,455,254	3,267	1,458,521
Less: Inter-segment revenue	-	(3,267)	(3,267)
Total revenue	1,455,254	-	1,455,254

RESULTS

	RM'000
Toto betting operations and leasing of lottery equipment	109,185
Motor vehicle dealership	22,098
Property development and investment	(33,475)
Hotels and resorts	(31,474)
Clubs and others	(3,031)
	63,303
Unallocated corporate items	(21,859)
	41,444
Investment related income, net:	
- Interest income	7,816
- Fair value changes of investments at fair value through profit or loss ("FVTPL")	(514)
- Fair value changes on derivatives	(52)
- Negative goodwill on acquisition of a subsidiary company	2,845
- Gain on disposal of a subsidiary company	65,829
	75,924
Balance carried forward	117,368

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NOTES TO THE INTERIM FINANCIAL REPORT**

A6 Segmental information for the financial quarter ended 30 September 2020 (Cont'd):

	RM'000
Balance brought forward	117,368
Share of results from associated companies	(27,325)
Share of results from joint ventures	(3,182)
Finance costs	<u>(63,866)</u>
Profit before tax	22,995
Taxation	<u>(26,321)</u>
Loss for the financial quarter	<u><u>(3,326)</u></u>

A7 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for the current financial quarter under review.

A8 There were no material changes in the composition of the Group for the financial quarter ended 30 September 2020 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for those disclosed below:

- (i) On 28 August 2020, the Company announced that the JDC Lawsuit has been fully settled and resolved with the receipt of Settlement Sum by Berjaya Leisure (Cayman) Limited and accordingly, Berjaya Jeju Resort Limited ("BJeju") ceased to be a subsidiary of the Group on even date. Details of the JDC Lawsuit are disclosed in Note 42(a) in the audited financial statements of the Group for the year ended 30 June 2020; and
- (ii) Berjaya Engineering Construction Sdn Bhd, a wholly owned subsidiary of the Company 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.

A9 There were no material changes in contingent liabilities since the last audited statement of financial position as at 30 June 2020.

A10 There were no material changes in capital commitments since the last audited statement of financial position as at 30 June 2020.

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2020
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B1 The main operating businesses of the Group are number forecast operation ("NFO") which includes toto betting operations and related activities, motor retailing and provision of aftersales services, property development and investment and the operations of hotels and resorts. The key factors (other than general economic conditions) affecting the performance of the main operating businesses in the Group are as follows:

Toto betting operations and related activities (gaming)

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

Motor vehicle dealership and provision of aftersales services

- the trend in prestige and specialist cars predominantly in the London area of United Kingdom and the ultimate impact of Brexit.

Property development and investment

- demographic 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.

Operations of 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.

Many governments of the countries in which the Group operates have imposed multiple phases of movement control as preventive measures to curb the COVID-19 pandemic. Most international borders remained closed and international travel restrictions continued to be imposed. For the current quarter ended 30 September 2020, Malaysia was in the Movement Control Order ("RMCO") phase which was initially scheduled to end on 31 December 2020. On 7 November 2020, the Malaysian government announced that all but 3 states of Peninsular Malaysia are to be placed under Conditional Movement Control Order ("CMCO") from 9 November 2020 to 6 December 2020. On 20 November 2020, the Malaysian Government announced that CMCO will be uplifted in the states of Johor, Kedah, Melaka and Terengganu from 21 November 2020 whilst the state of Kelantan will be placed under CMCO from 21 November 2020 to 6 December 2020.

Review of Results For the Current Quarter Ended 30 September 2020

The summarised results of the Group are as follows:

	3-Month Ended		+ / (-)
	30/09/2020	30/09/2019	
	RM'000	RM'000	%
Revenue	<u>1,455,254</u>	<u>1,575,925</u>	<u>(8)</u>
Profit from operations	<u>41,444</u>	<u>104,343</u>	<u>(60)</u>
Profit before tax	<u>22,995</u>	<u>81,518</u>	<u>(72)</u>

The Group registered a revenue of RM1.46 billion and pre-tax profit of RM23.0 million in the current quarter ended 30 September 2020 as compared to a revenue of RM1.58 billion and pre-tax profit of RM81.52 million reported in the previous year corresponding quarter.

The lower Group revenue was mainly due to:

- lower revenue from the gaming business segment operated by Sports Toto Malaysia Sdn Bhd ("STMSB") mainly due to slower than expected economic recovery and weaker consumer sentiment since the resumption of operations after the COVID-19 pandemic lockdown;

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**Review of Results For the Current Quarter Ended 30 September 2020 (Cont'd)

- (ii) lower revenue from the hotel and resorts business segment which were adversely affected by the international border closures and travel restrictions and reported a significantly low average occupancy rates for the current quarter as compared to previous year corresponding quarter; and
- (iii) lower property progress billings reported by the property development and investment business segment.

The above factors were mitigated by higher revenue reported by H.R. Owen, which registered a revenue growth of 10.8% as compared to the previous year corresponding quarter. This was mainly due to higher sales generated from the new car sector arising from backlog delivery fulfillment after the earlier COVID-19 pandemic lockdown.

The Group's pre-tax profit was lower in the current quarter under review mainly due to lower revenue in the current quarter as mentioned in the preceding paragraph. In addition, higher share of losses from the Group's associated companies particularly from Berjaya Kyoto Development (S) Pte Ltd group which reported lower occupancy rates due to the COVID-19 pandemic lockdown. Higher finance cost incurred and unfavourable currency translation differences have also impacted the pre-tax profit in the current quarter under review.

The adverse impact from the above factors was mitigated by the recognition of the gain on disposal of BJeju, amounting to about RM65 million, following the completion of the JDC Lawsuit settlement on 28 August 2020.

B2 Review of Results of First Quarter Vs Fourth Quarter of the Preceding Year

	3-Month Ended 30/09/2020 RM'000	3-Month Ended 30/06/2020 RM'000	+ / (-) %
Revenue	<u>1,455,254</u>	<u>541,582</u>	<u>169</u>
Profit/(Loss) from operations	<u>41,444</u>	<u>(104,527)</u>	<u>N/A</u>
Profit/(Loss) before tax	<u>22,995</u>	<u>(144,618)</u>	<u>N/A</u>

For the current quarter ended 30 September 2020, the Group reported a revenue of RM1.46 billion and pre-tax profit of RM23.0 million as compared to a revenue of RM541.58 million and pre-tax loss of RM144.62 million in the preceding quarter ended 30 June 2020.

In the preceding quarter ended 30 June 2020, the Group's businesses were temporarily closed for various periods of time due to the COVID-19 pandemic lockdowns in the countries where the Group operates. STMSB was only able to conduct 6 draws in the preceding quarter. The Group's business segments have resumed operations in the current quarter and this led to the higher revenue reported by the Group. The lifting of domestic travel restrictions has boosted the revenue of the hotels and resorts business segment, particularly The Taaras Beach & Spa Resort at Pulau Redang. The property development and investment business segment has reported lower revenue from lower property progress billings from one on-going mixed development project. In the preceding quarter, this business segment had completed 2 residential projects, The Lanai, an affordable housing at Bukit Jalil, Kuala Lumpur and Kensington Garden, Penang.

The Group's turnaround to pre-tax profit in the current quarter under review was mainly due to:

- (i) recognition of gain on disposal of BJeju as mentioned in the preceding Note B1 above;
- (ii) higher revenue from the hotel and resorts, gaming and motor vehicle dealership business segments as mentioned above; and
- (iii) lower share of losses from associated companies as compared to the preceding quarter.

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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 occurrence of second and third COVID-19 waves in many countries have resulted in tighter movement control. On 7 November 2020, the Malaysian government announced that all but 3 states of Peninsular Malaysia are to be placed under CMCO from 9 November 2020 to 6 December 2020. Subsequently, the Malaysian Government uplifted the CMCO in the states of Johor, Kedah, Melaka and Terengganu from 21 November 2020 whilst the state of Kelantan was placed under CMCO from 21 November 2020 to 6 December 2020. Meanwhile, the United Kingdom has imposed a national lockdown from 5 November 2020 to 2 December 2020.

The Number Forecast Operator ("NFO") business was able to resume to full operations during the current quarter under review amidst the "new normal" environment with the necessary health and safety measures in place. The Directors are cautiously optimistic that it will gradually recover with the fairly resilient nature of the NFO business as noted in the past economic crises and turbulent periods. The Directors are confident that it will continue to maintain its market share in the NFO business for the remaining quarters for the financial year ending 30 June 2021.

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 in the short term. The tourism industry was about to kickstart its recovery with domestic tourism after the initial lifting of domestic travel restrictions although international travels are still restricted. However, the occurrence of second and third COVID-19 waves have again dampened the recovery rate of the tourism industry. As such, the Directors expect the occupancy rates and the revenue from events at the hotels, resorts, clubs and recreation business segments to remain low.

Taking into account of all 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.

B4 There is no profit forecast for the financial quarter under review.

B5 Profit before tax is stated after charging/(crediting):

	3-month ended 30/09/2020 RM'000
Interest income	(7,816)
Dividend income	-
Other income excluding dividend and interest income	(6,740)
Depreciation of property, plant and equipment	31,576
Depreciation of right-of-use assets	24,722
Gain on disposal of property, plant and equipment	-
Amortisation of intangible assets	362
Reversal impairment loss on receivables (net)	(5)
Provision for and write off of inventories	8,298
Net foreign exchange loss	19,439
Fair value changes of investments at FVTPL	514
Fair value changes on derivatives	52
Gain on disposal of a subsidiary company	<u>(65,829)</u>

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B6 The taxation charges for the current quarter ended 30 September 2020 were detailed as follows:

	3-month ended 30/09/2020 RM'000
Malaysian income tax	32,300
Foreign tax	6,585
Overprovision in prior years	(150)
Deferred taxation	<u>(12,414)</u>
	<u><u>26,321</u></u>

The disproportionate tax charge of the Group for the current quarter ended 30 September 2020 was mainly due to certain expenses being disallowed for tax purposes and the non-availability of the Group tax relief in respect of losses incurred by certain subsidiary companies.

B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below:

- (a) On 19 July 2004, the Company announced that Selat Makmur Sdn Bhd now known as Berjaya Tagar Sdn Bhd ("BTSB"), a subsidiary company of Berjaya Land Development Sdn Bhd then, which in turn is a wholly owned subsidiary of the Company, had on even date entered into a conditional sale and purchase agreement with Selangor Turf Club ("STC") for the acquisition of 3 parcels of leasehold land measuring a total area of approximately 244.7926 acres located in Sungai Besi together with all existing buildings and fixtures erected thereon from STC ("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 with a transfer of 750 acres of land located in Sungai Tinggi ("Sungai Tinggi Land") with a newly built turf club thereon ("STC Proposals") ("SPA"). BTSB had proposed to acquire 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").

The Company had on 13 October 2004 and 14 November 2004 announced that the approvals from the Foreign Investment Committee ("FIC") and shareholders have been obtained for the STC Proposals.

Subsequently, on 28 June 2010, the Company announced the status of the conditions precedent ("CP") as follows:

- 1 Approval of the FIC for the STC Proposals was obtained on 12 October 2004.
 - 2 Approval of the FIC for the acquisition of the Sungai Tinggi Land by STC was obtained on 21 October 2004.
 - 3 Approvals of the shareholders of BTSB, the Company, BCity and Berjaya Group Berhad for the STC Proposals was obtained on November 2004.
 - 4 Approvals of the State Authority Consent for the transfer of the portion of Sungai Besi Land in favour of BTSB was obtained on 11 January 2005. However, the consent had lapsed and application will be re-submitted after item 6 of the CP below is fulfilled.
 - 5 The agreement between STC and BTSB on the layout plans, building plans, designs, drawings and specifications for the new turf club is still pending the fulfillment of item 6 of the CP below.
- 6a. The approval for the master layout plan for Sungai Tinggi Land which was obtained on 11 February 2008 is to be re-tabled due to the change of the Selangor State government and SMSB is awaiting the decision from the Selangor State government.

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B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below (cont'd):

- 6b. The approval for the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order, Earthworks and Infrastructure and Building Plan pertaining to the construction of the new turf club is pending as MDHS is unable to process the application until item 6a above is fulfilled.
- 6c. The approval of the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land is pending as the application will only be tabled at the State Exco of Selangor after approvals for items 6a and 6b are obtained.

As announced on 16 August 2010, CP no. 4, 5, 6a, 6b and 6c above have yet to be fulfilled.

On 29 January 2010, the Company announced that STC and BTSB have mutually agreed to an extension of time to 18 January 2011 to fulfil the conditions precedent ("CP") in the abovementioned conditional sale and purchase agreement. This extension of time was further extended by STC to 18 January 2012. Subsequently, on 22 December 2011, the Company announced that STC granted an extension of time from 19 January 2012 to 18 January 2013.

On 22 December 2011, the Company announced that STC granted BTSB request for a further extension of time from 19 January 2012 to 18 January 2013.

On 13 August 2012, the Company announced that BTSB and STC had entered into a supplemental to mutually vary certain terms of the SPA ("Supplemental Agreement"), details of which are as follows:

- if there is any CP remains outstanding, BTSB shall be entitled to request from STC further extension of time to fulfil the CPs pursuant to the proposed acquisition of Sungai Besi Land. STC shall grant an extension of one year subject to a cash payment of RM3.0 million by SMSB for such extension; and
- upon signing the Supplemental Agreement, BTSB shall pay STC an advance part payment of RM7.0 million which will be deducted from the cash portion of the consideration of RM35.0 million. The balance of the purchase consideration shall be paid within 33 months from the date of the last CP is fulfilled or such date as mutually extended.

Pursuant to the aforesaid Supplemental Agreement, the period is extended for another year to 18 January 2020 to fulfil the conditions precedent below:

- 1 renewal of consent by Land and Mines Department (Federal) for the transfer to BTSB of the portion of 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 resides 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 include 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.

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B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below (cont'd):

On 10 November 2017, the Company announced that further to the legal proceedings instituted by the Company, BTSS 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 Shah Alam High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

The judgement rendered on 9 November 2017 was as follows:

- 1 The Applicants' application against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents are 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.
- 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, the Company announced that the Selangor State Government and several other defendants ("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 judgement 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 the first and fifth 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 judgement ("Assessment Proceedings").

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

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 hear 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.

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B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below (cont'd):

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 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.

Due to the Movement Control Order (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 the FC Leave Motion and the stay application at the Court of Appeal. The hearing of the main appeal by the Court of Appeal has now been fixed on 14 December 2020.

The STC Proposals proceedings are still ongoing.

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

Beijing SkyOcean has paid:

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

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

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

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

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B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below (cont'd):

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

On 19 January 2018, the Company announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre ("HKIAC") against Beijing SkyOcean and the Guarantors to seek recovery of the Final Instalment and accrued late payment interests as well as other reliefs.

The arbitral tribunal had since been constituted and the procedural timetable had been determined by the tribunal for pre-trial preparations, 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, the Company 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.

GMOC has proceeded to seek recognition and enforcement of the Final Award in all relevant jurisdictions upon the expiry of the 30 days' voluntary settlement period stated in the Final Award on 20 June 2020.

The abovementioned recognition and enforcement proceedings are still ongoing.

- (c) On 4 June 2018, the Company announced that BLCL had entered into a Capital Transfer Agreement for the proposed disposal by BLCL of the entire resultant 32.5% of the capital contribution in Berjaya Vietnam Financial Center Limited ("BVFC") to Vinhomes Joint Stock Company ("Vinhomes") and Can Gio Tourist City Corporation for a cash consideration of VND884.93 billion (equivalent to approximately RM154.86 million) ("Proposed BVFC Disposal"). The Proposed BVFC Disposal is pending completion.

Initially, BLCL's capital contribution of VND967.31 billion comprised and represented 100% of the charter capital of BVFC. However, following the conditions imposed by the Vietnamese authorities, BVFC was required to increase its charter capital and Vinhomes had in March 2018 injected fresh capital contribution amounting to VND2,008.69 billion (equivalent to approximately RM352 million) into BVFC to fulfill the above requirement which accordingly resulted in a dilution of BLCL's holding in the charter capital of BVFC to 32.5%.

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B7 The corporate proposals announced by the Group but not completed as at the date of this announcement are listed below (cont'd):

In conjunction with the Proposed BVFC Disposal, Vinhomes and its affiliates are also being considered as potential purchasers of Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT") and have in December 2017 also injected a cash sum of VND11,904 billion as fresh capital contribution into BVIUT in order to meet certain similar conditions imposed by the Vietnamese authorities which require BVIUT to increase its charter capital to VND12,000 billion.

Accordingly, BLCL's initial stake in BVIUT has also been diluted from 100% to 0.8%. It is the intention of BLCL to dispose of its 0.8% stake in BVIUT in the near future ("Proposed BVIUT Disposal").

- (d) On 7 February 2020, the Company 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).

B8 Group borrowings and debt securities as at 30 September 2020:

	RM'000	RM'000
<u>Short term borrowings</u>		
Secured bank borrowings		
Denominated in Ringgit Malaysia	426,900	
Denominated in USD (USD1,282,000)	*	5,323
Denominated in SGD(SGD5,580,000)	*	16,934
Denominated in Euro (€1,048,000)	*	5,114
Denominated in PHP (PHP437,500,000)	*	37,574
Denominated in VND (VND98,306,767,000)	*	19,661
		511,506
Secured Medium Term Notes (Denominated in RM)		199,876
Sub-total short term borrowings carried forward		<u>711,382</u>

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B8 Group borrowings and debt securities as at 30 September 2020:

		RM'000	RM'000
Sub-total short term borrowings brought forward			711,382
Secured Sukuk Wakalah Medium Term Notes (Denominated in RM)			15,600
Unsecured other bank borrowings			
Denominated in GBP2,000	*		12
Secured finance lease and hire purchase payables			
Denominated in Ringgit Malaysia		30	
Denominated in USD (USD1,288,000)	*	5,347	
			5,377
Secured vehicle stocking loans			
Denominated in GBP (GBP44,935,000)	*		240,604
Sub-total short term borrowings			972,975
<u>Long term borrowings</u>			
Secured bank borrowings			
Denominated in Ringgit Malaysia		829,831	
Denominated in USD (USD1,357,000)	*	5,637	
Denominated in Euro (€53,500,000)	*	261,000	
Denominated in ISK (ISK1,406,392,000)	*	42,284	
Denominated in JPY (JPY2,260,450,000)	*	88,847	
			1,227,599
Secured Medium Term Notes (Denominated in RM)			997,920
Unsecured other bank borrowings			
Denominated in GBP48,000	*		255
Secured finance lease and hire purchase payables			
Denominated in Ringgit Malaysia		3,893	
Denominated in USD (USD11,903,000)	*	49,432	
			53,325
Sub-total long term borrowings			2,279,099
Total borrowings			3,252,074

* *Converted at the respective exchange rates prevailing as at 30 September 2020*

B9 There was no pending material litigation as at the date of this announcement other than as disclosed below:

(a) GMOC Project Arbitration Proceedings

Reference is made to Note B7 (b).

On 19 January 2018, the Company announced that GMOC submitted a Notice of Arbitration to the Hong Kong International Arbitration Centre ("HKIAC") against Beijing SkyOcean and the Guarantors ("Respondents") to seek recovery of the Final Instalment and accrued late payment interests ("Outstanding Payment") as well as as other reliefs.

BERJAYA LAND BERHAD

Registration Number: 199001010193 (201765-A)

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B9 There was no pending material litigation as at the date of this announcement other than as disclosed below (cont'd):

(a) GMOC Project Arbitration Proceedings (cont'd)

The arbitral tribunal had since been constituted and the procedural timetable had been determined by the tribunal for pre-trial preparations, including closing of pleadings 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, the Company 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.

GMOC has proceeded to seek recognition and enforcement of the Final Award in all relevant jurisdictions upon the expiry of the 30 days' voluntary settlement period stated in the Final Award on 20 June 2020.

The abovementioned recognition and enforcement proceedings is still ongoing.

(b) BCity Project Legal Proceedings

Reference is made to Note B7(a).

On 10 November 2017, the Company announced that further to the legal proceedings instituted by the Company, 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 Shah Alam High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

Further to the above, on 14 December 2017, the Company 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 decision of the Shah Alam High Court made on 9 November 2017 ("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 judgement 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 the first and fifth 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 judgement ("Assessment Proceedings").

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

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B9 There was no pending material litigation as at the date of this announcement other than as disclosed below (cont'd):

(b) BCity Project Legal Proceedings (Cont'd)

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 hear 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 Selangor State Government's 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.

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 Movement Control Order (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 the FC Leave Motion and the stay application at the Court of Appeal. The hearing of the main appeal by the Court of Appeal has now been fixed on 14 December 2020.

The BCity Project Legal Proceedings is still ongoing.

B10 The Board does not recommend any dividend for the current quarter (previous year corresponding quarter ended 30 September 2019 : Nil).

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

	Group (3-month period)			
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
	RM'000		sen	
Net loss for the current quarter attributable to equity holders of the Parent	<u>(41,878)</u>	<u>(5,987)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	<u>4,920,500</u>	<u>4,989,394</u>		
Basic loss per share			<u>(0.85)</u>	<u>(0.12)</u>

There are no potential ordinary shares outstanding as at 30 September 2020. As such, the fully diluted loss per share of the Group is equivalent to the basic loss per share.