

**BERJAYA LAND BERHAD**

Registration Number: 199001010193 (201765-A)

24 February 2021

**UNAUDITED (Q2) INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Page
Table of contents	
Condensed Consolidated Statement of Financial Position	1 - 2
Condensed Consolidated Statement of Profit or Loss	3
Condensed Consolidated Statement of Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5 - 6
Condensed Consolidated Statement of Cash Flows	7
Notes to the Unaudited Interim Financial Report	8 - 10
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR")	11 - 23

**BERJAYA LAND BERHAD**  
**Registration Number: 199001010193 (201765-A)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Group</b>	
	<b>As at 31/12/2020 RM'000</b>	<b>As at 30/06/2020 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,722,475	1,709,233
Right-of-use assets	1,274,920	1,308,012
Investment properties	717,487	712,071
Inventories - land held for property development	1,131,225	1,095,083
Associated companies	420,085	468,067
Joint ventures	46,516	53,689
Investments	228,982	190,384
Intangible assets	3,616,368	3,612,867
Receivables	230,613	211,807
Deferred tax assets	100,736	77,103
	<u>9,489,407</u>	<u>9,438,316</u>
<b>Current assets</b>		
Inventories - property development costs	104,896	73,099
Inventories - others	564,377	667,576
Contract cost assets	1,422	118,257
Receivables	1,884,267	2,055,955
Contract assets	32,564	8,032
Short term investments	9,170	8,727
Tax recoverable	15,267	26,423
Derivative asset	241	343
Deposits, cash and bank balances	790,183	644,209
Assets of disposal group/non-current assets classified as assets held for sale	180,224	778,056
	<u>3,582,611</u>	<u>4,380,677</u>
<b>TOTAL ASSETS</b>	<b><u>13,072,017</u></b>	<b><u>13,818,993</u></b>

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		<b>Group</b>	
		<b>As at</b>	<b>As at</b>
		<b>31/12/2020</b>	<b>30/06/2020</b>
<b>Note</b>		<b>RM'000</b>	<b>RM'000</b>
		<b>(Audited)</b>	
<b>EQUITY AND LIABILITIES</b>			
	Share capital	2,500,168	2,500,168
	Reserves:		
	Exchange reserves	86,650	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	(47,386)	(62,049)
	Consolidation reserve	91,705	85,664
	Retained earnings	167,491	242,951
		<u>1,469,928</u>	<u>1,612,434</u>
	Equity funds	3,970,096	4,112,602
	Less: Treasury shares	(33,643)	(33,643)
	Net equity funds	3,936,453	4,078,959
	Non-controlling interests	2,032,270	2,134,130
	<b>Total equity</b>	<u>5,968,723</u>	<u>6,213,089</u>
<b>Non-current liabilities</b>			
	Retirement benefit obligations and provisions	7,424	7,176
	Long term borrowings	2,041,241	2,338,311
	Other long term liabilities	21,090	22,938
	Lease liabilities	940,604	947,078
	Deferred tax liabilities	988,434	1,006,042
	Contract liabilities	223,887	224,512
	Derivative liabilities	28,239	28,239
		<u>4,250,919</u>	<u>4,574,296</u>
<b>Current liabilities</b>			
	Payables	1,404,307	1,224,973
	Short term borrowings	1,097,648	1,285,547
	Retirement benefit obligations and provisions	2,907	3,080
	Tax payable	52,890	13,647
	Contract liabilities	219,241	326,330
	Lease liabilities	74,728	73,735
	Derivative liabilities	654	763
	Liabilities directly associated to disposal group	-	103,533
		<u>2,852,375</u>	<u>3,031,608</u>
	<b>Total Liabilities</b>	<u>7,103,294</u>	<u>7,605,904</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>13,072,017</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>0.80</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.

**BERJAYA LAND BERHAD**  
**Registration Number: 199001010193 (201765-A)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	CURRENT QUARTER ENDED		FINANCIAL PERIOD ENDED	
		31/12/2020 RM'000	31/12/2019 RM'000	31/12/2020 RM'000	31/12/2019 RM'000
REVENUE		1,474,414	1,534,169	2,929,668	3,110,094
OPERATING EXPENSES, NET		<u>(1,403,091)</u>	<u>(1,484,828)</u>	<u>(2,816,901)</u>	<u>(2,956,410)</u>
PROFIT FROM OPERATIONS		71,323	49,341	112,767	153,684
Investment related items, net	A3	16,498	7,838	92,422	42,437
Share of results from associated companies		(14,568)	(4,029)	(41,893)	(14,625)
Share of results from joint ventures		(1,855)	338	(5,037)	503
Finance costs		<u>(46,911)</u>	<u>(42,295)</u>	<u>(110,777)</u>	<u>(89,288)</u>
PROFIT BEFORE TAX	B5	24,487	11,193	47,482	92,711
TAXATION	B6	<u>(17,496)</u>	<u>(42,720)</u>	<u>(43,817)</u>	<u>(86,484)</u>
PROFIT/(LOSS) NET OF TAX		<u>6,991</u>	<u>(31,527)</u>	<u>3,665</u>	<u>6,227</u>
ATTRIBUTABLE TO:					
- Owners of the parent		(31,635)	(63,730)	(73,513)	(69,717)
- Non-controlling interests		<u>38,626</u>	<u>32,203</u>	<u>77,178</u>	<u>75,944</u>
		<u>6,991</u>	<u>(31,527)</u>	<u>3,665</u>	<u>6,227</u>
LOSS PER SHARE (SEN)	B11				
- Basic		<u>(0.64)</u>	<u>(1.28)</u>	<u>(1.49)</u>	<u>(1.40)</u>
- Fully diluted		<u>(0.64)</u>	<u>(1.28)</u>	<u>(1.49)</u>	<u>(1.40)</u>

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**BERJAYA LAND BERHAD**  
**Registration Number: 199001010193 (201765-A)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>CURRENT QUARTER</b>		<b>FINANCIAL PERIOD</b>	
	<b>ENDED</b>		<b>ENDED</b>	
	<b>31/12/2020</b>	<b>31/12/2019</b>	<b>31/12/2020</b>	<b>31/12/2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
PROFIT/(LOSS) NET OF TAX	6,991	(31,527)	3,665	6,227
OTHER COMPREHENSIVE INCOME				
<u>Items that may be subsequently reclassified to profit or loss</u>				
Currency translation differences:				
- Movement during the financial quarter/period	(19,004)	5,311	(24,565)	(17,768)
- Share of associated companies' currency translation differences	(9,366)	9,510	(615)	(8,996)
- 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>				
Changes in fair value reserve:				
- Impairment on gaming rights	-	127	-	127
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")	18,067	2,087	15,451	2,688
Share of an associated company's changes in fair values of investments at FVTOCI	713	(175)	635	(1,130)
Share of other comprehensive income items of associated companies	6	-	(268)	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER/PERIOD</b>	<u>(2,593)</u>	<u>(14,667)</u>	<u>(71,305)</u>	<u>(18,852)</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
- Owners of the parent	(42,621)	(51,269)	(148,547)	(88,768)
- Non-controlling interests	40,028	36,602	77,242	69,916
	<u>(2,593)</u>	<u>(14,667)</u>	<u>(71,305)</u>	<u>(18,852)</u>

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**Attributable to the owners of the Parent**

	<b>Non Distributable</b>											
	<b>Share capital RM'000</b>	<b>Exchange reserves RM'000</b>	<b>Capital reserve RM'000</b>	<b>Fair value reserve RM'000</b>	<b>Foreign currency translation reserve of disposal group classified as held for sale RM'000</b>	<b>FVTOCI reserve RM'000</b>	<b>Consolidation reserve RM'000</b>	<b>Retained earnings RM'000</b>	<b>Treasury shares RM'000</b>	<b>Total net equity funds RM'000</b>	<b>Non-controlling interests RM'000</b>	<b>Total equity RM'000</b>
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 period	-	-	-	-	-	-	-	(73,513)	-	(73,513)	77,178	3,665
Other comprehensive income	-	(20,797)	-	-	(66,953)	12,812	-	(96)	-	(75,034)	64	(74,970)
Total comprehensive income	-	(20,797)	-	-	(66,953)	12,812	-	(73,609)	-	(148,547)	77,242	(71,305)
Effect arising from the disposal of:												
- investments at FVTOCI	-	-	-	-	-	1,851	-	(1,851)	-	-	-	-
<b>Transactions with owners:</b>												
Non-controlling interests arising from												
- acquisition of a new subsidiary company	-	-	-	-	-	-	-	-	-	-	2,459	2,459
- change of equity interest in a subsidiary company	-	-	-	-	-	-	6,041	-	-	6,041	(21,046)	(15,005)
- disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(128,583)	(128,583)
- share of dividend	-	-	-	-	-	-	-	-	-	-	(31,932)	(31,932)
	-	-	-	-	-	-	6,041	-	-	6,041	(179,102)	(173,061)
At 31 December 2020	2,500,168	86,650	116,528	1,054,940	-	(47,386)	91,705	167,491	(33,643)	3,936,453	2,032,270	5,968,723

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**Registration Number: 199001010193 (201765-A)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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
Loss for the financial period	-	-	-	-	-	-	-	(69,717)	-	(69,717)	75,944	6,227
Other comprehensive income	-	(17,504)	-	-	-	(1,547)	-	-	-	(19,051)	(6,028)	(25,079)
Total comprehensive income	-	(17,504)	-	-	-	(1,547)	-	(69,717)	-	(88,768)	69,916	(18,852)
Effects arising from the disposals of:												
- investments at FVTOCI	-	-	-	-	-	1,245	-	(1,245)	-	-	-	-
- disposal group held for sale	-	-	-	-	(877)	-	-	877	-	-	-	-
<b>Transactions with owners:</b>												
Non-controlling interests arising from												
- acquisition of a new subsidiary company	-	-	-	-	-	-	-	-	-	-	1,844	1,844
- decrease of equity interest in a subsidiary company	-	-	-	-	-	-	7,343	-	-	7,343	20,405	27,748
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	(32,303)	(32,303)
	-	-	-	-	-	-	7,343	-	-	7,343	(10,054)	(2,711)
At 31 December 2019	<u>2,500,168</u>	<u>163,597</u>	<u>116,528</u>	<u>1,054,940</u>	<u>-</u>	<u>(45,296)</u>	<u>87,407</u>	<u>239,344</u>	<u>(20,699)</u>	<u>4,095,989</u>	<u>2,140,769</u>	<u>6,236,758</u>

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 PERIOD ENDED 31 DECEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>6 months ended</b>	
	<b>31/12/2020</b>	<b>31/12/2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers/operating revenue	3,014,588	3,401,609
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(2,604,214)	(3,335,423)
Tax paid	(35,766)	(81,785)
Other receipts (inclusive of tax refunds)	49,236	4,562
Net cash generated from/(used in) operating activities	<u>423,844</u>	<u>(11,037)</u>
<b>INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment and non-current assets	184	30,443
Sale of an associated company	199	-
Sale of other investments and short term investments	20,912	24,017
Disposal/partial disposal of investment in a subsidiary company	394,025	27,746
Acquisition of property, plant and equipment, non-current assets and properties	(68,967)	(100,948)
Net cash inflow/(outflow) on acquisition of subsidiary companies	436	(219)
Acquisition of other investments and short term investments	(42,326)	(10,895)
Acquisition of investments in associated companies and joint ventures	(1,713)	(1,855)
Acquisition of treasury shares by a subsidiary company	(15,006)	-
Interest received	8,564	14,865
Dividend received	160,738	2,031
Repayment to related companies	6,805	(9,587)
Net payment (to)/from joint ventures and associated companies	(38,278)	66,808
Part payments for investments in foreign investees	-	(86,131)
Placements with fund managers	(64,027)	-
Other payments	(16,326)	(55,026)
Net cash generated from/(used in) investing activities	<u>345,220</u>	<u>(98,751)</u>
<b>FINANCING ACTIVITIES</b>		
Drawdown of bank and other borrowings	173,705	1,093,330
Issuance of medium term notes	73,380	-
Repayment of bank and other borrowings	(746,403)	(949,792)
Dividends paid to non-controlling interests of a subsidiary company	-	(35,857)
Interest paid	(86,133)	(84,548)
Payment of lease liabilities	(24,595)	(18,120)
Withdrawal of securities pledged for borrowings with banks	40,584	21,435
Other payments	(6,188)	(5,949)
Net cash (used in)/generated from financing activities	<u>(575,650)</u>	<u>20,499</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	193,414	(89,289)
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(9,497)	(2,833)
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<u>555,111</u>	<u>680,734</u>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u><u>739,028</u></u>	<u><u>588,612</u></u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	790,183	662,045
Bank overdraft (included under short term borrowings)	(11,898)	(14,202)
Less: cash and cash equivalents restricted in use	(39,257)	(59,231)
	<u><u>739,028</u></u>	<u><u>588,612</u></u>



**BERJAYA LAND BERHAD****Registration Number: 199001010193 (201765-A)****UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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 or restrictive 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 period ended 31 December 2020 other than as disclosed below:

Statement of Profit or Loss

Included under investment related income, net:	<b>3-month ended 31/12/2020 RM'000</b>	<b>6-month ended 31/12/2020 RM'000</b>
Fair value changes of investments		
at fair value through profit or loss ("FVTPL")	4,451	3,937
Fair value changes on derivatives	59	7
Negative goodwill on acquisition of a subsidiary company	(536)	2,309
Gain on disposal of a subsidiary company	1,267	67,096
	<u>5,241</u>	<u>73,349</u>

**BERJAYA LAND BERHAD****Registration Number: 199001010193 (201765-A)****UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**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 period ended 31 December 2020.

A4 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
Total treasury shares at 1 July 2020 and 31 December 2020	0.42	79,837,104	33,643

As at 31 December 2020, the number of ordinary shares in issue with voting rights was 4,920,500,000 ordinary shares (31 December 2019 : 4,989,394,000).

A5 The Company did not pay any dividend during the current financial period ended 31 December 2020.

A6 Segmental information for the financial period ended 31 December 2020:

**REVENUE**

	External RM'000	Inter-segment RM'000	Total RM'000
Toto betting operations and leasing of lottery equipment	1,363,844	-	1,363,844
Motor vehicle dealership	1,208,517	-	1,208,517
Property development and investment	212,950	6,059	219,009
Hotels and resorts	97,543	443	97,986
Clubs and others	46,814	2,695	49,509
Sub-total	2,929,668	9,197	2,938,865
Less: Inter-segment revenue	-	(9,197)	(9,197)
Total revenue	<u>2,929,668</u>	<u>-</u>	<u>2,929,668</u>

**RESULTS**

	RM'000
Toto betting operations and leasing of lottery equipment	214,211
Motor vehicle dealership	36,076
Property development and investment	(15,978)
Hotels and resorts	(80,654)
Clubs and others	(5,889)
	<u>147,766</u>
Unallocated corporate items	<u>(34,999)</u>
	112,767
Investment related income, net:	
- Interest income	17,730
- Fair value changes of investments at fair value through profit or loss ("FVTPL")	3,937
- Fair value changes on derivatives	7
- Negative goodwill on acquisition of a subsidiary company	2,309
- Gain on disposal of a subsidiary company	67,096
- Dividend income	1,340
- Others	3
	<u>92,422</u>
Balance carried forward	<u>205,189</u>

**BERJAYA LAND BERHAD****Registration Number: 199001010193 (201765-A)****UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020  
NOTES TO THE INTERIM FINANCIAL REPORT**

A6 Segmental information for the financial period ended 31 December 2020 (Cont'd):

	RM'000
Balance brought forward	205,189
Share of results from associated companies	(41,893)
Share of results from joint ventures	(5,037)
Finance costs	<u>(110,777)</u>
Profit before tax	47,482
Taxation	<u>(43,817)</u>
Profit for the financial period	<u><u>3,665</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 period under review.

A8 There were no material changes in the composition of the Group for the financial period ended 31 December 2020 including business combination, acquisition or disposal of subsidiaries and 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;
- (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;
- (iii) The incorporation of Landasan Lumayan Berjaya Sdn Bhd ("LLB") by the Company and the intended principal activities of LLB are river cleaning and property development; and
- (iv) The following subsidiary companies were deregistered or struck off during the current financial quarter:
  - (a) Berjaya Vacation Club (HK) Limited
  - (b) FEAB Realty Sdn Bhd
  - (c) Berjaya Properties (HK) Limited
  - (d) Berjaya-ILTS Limited

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.

**BERJAYA LAND BERHAD**

Registration Number: 199001010193 (201765-A)

**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 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

- 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.

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.

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.

Review of Results For the Current Quarter Ended 31 December 2020

The summarised results of the Group are as follows:

	<b>3-Month Ended</b>		
	<b>31/12/2020</b>	<b>31/12/2019</b>	<b>+ / (-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	<u>1,474,414</u>	<u>1,534,169</u>	<u>(4)</u>
Profit from operations	<u>71,323</u>	<u>49,341</u>	<u>45</u>
Profit before tax	<u>24,487</u>	<u>11,193</u>	<u>119</u>

For the second quarter ended 31 December 2020, Malaysia, where the Group primarily operates, was placed under Recovery Movement Control Order ("RMCO") and all business segments were allowed to open. However, a third wave of the COVID-19 infections from late September 2020 that persisted throughout the current quarter under review, led to the implementation of Enhanced Movement Control Order ("EMCO") and Conditional Movement Control Order ("CMCO") in certain areas and states in Malaysia.

The Group registered a revenue of RM1.47 billion and pre-tax profit of RM24.49 million in the current quarter ended 31 December 2020 as compared to a revenue of RM1.53 billion and pre-tax profit of RM11.19 million reported in the previous year corresponding quarter.

The lower Group revenue was mainly due to:

- the decrease of 19.9% in the revenue reported by Sports Toto Malaysia Sdn Bhd ("Sports Toto"), the principal subsidiary operating the gaming business segment, arising from the selective EMCO and CMCO; and
- lower average occupancy and room rates from the hotels and resorts business segment due to international border closures and travel restrictions.

**BERJAYA LAND BERHAD**

Registration Number: 199001010193 (201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020  
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**Review of Results For the Current Quarter Ended 31 December 2020 (Cont'd)

The above factors were mitigated by the higher revenue reported by the property development and investment business arising from the completion of the handing over of a mixed development project located in Dong Nai, Vietnam in the current quarter. The revenue reported by H.R. Owen in the current quarter was comparable to that of the previous year corresponding quarter.

The higher Group's pre-tax profit was mainly contributed by the property development and investment business segment in line with its higher revenue and lower operating expenses. H.R. Owen has also reported higher profit contribution from lower operating expenses incurred, resulting from certain austerity measures coupled with support fee income received from franchises as well as certain business relief support from the United Kingdom ("UK") government.

These have offset:

- (i) the losses contributed by the hotels and resorts business segment from lower occupancy and average room rates;
- (ii) the higher share of losses from its associated companies and joint ventures which were also adversely impacted by the COVID-19 pandemic on their operating performance; and
- (iii) higher finance costs arising from the consolidation of the Icelandair Hotels ehf group.

Review of Results For the 6-month Period

The summarised results of the Group are as follows:

	<b>6-Month Ended</b>		<b>+ / (-)</b>
	<b>31/12/2020</b>	<b>31/12/2019</b>	
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	<u>2,929,668</u>	<u>3,110,094</u>	<u>(6)</u>
Profit from operations	<u>112,767</u>	<u>153,684</u>	<u>(27)</u>
Profit before tax	<u>47,482</u>	<u>92,711</u>	<u>(49)</u>

For the cumulative six months ended 31 December 2020 under review, the Group registered a revenue of RM2.93 billion and pre-tax profit of RM47.48 million as compared to a revenue of RM3.11 billion and pre-tax profit of RM92.71 million reported in the previous year corresponding period.

The lower Group revenue was mainly due to:

- (i) Sports Toto reporting a drop in revenue of 19.0% mainly due to the prolonged various movement control orders phases in Malaysia; and
- (ii) lower average occupancy rates from the hotels and resorts business segment due to international border closures and travel restrictions.

These were mitigated by the higher revenue reported by the property development and investment business segment (as explained in the paragraphs above) and by H.R. Owen. H.R. Owen's revenue growth was mainly attributed to higher sales generated from new car sector primarily due to backlog fulfilment after the earlier COVID-19 pandemic lockdown ended on 31 May 2020 in the UK.

In addition to the lower revenue, the Group's pre-tax profit was also lower mainly due to the higher finance costs (arising from the consolidation of Icelandair Hotels ehf Group) and the higher share of losses from its associated companies and joint ventures.

**BERJAYA LAND BERHAD**

Registration Number: 199001010193 (201765-A)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020  
ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**Review of Results For the 6-month Period (Cont'd)

The lower Group pre-tax profit was mitigated by:

- (i) lower prize payout reported by Sports Toto;
- (ii) lower operating expenses incurred because of certain austerity measures undertaken by the Group coupled with certain governmental business reliefs obtained; and
- (iii) the recognition of gain on disposal of Berjaya Jeju Resort Limited following the completion of the JDC Lawsuit Settlement on 28 August 2020.

**B2 Review of Results of Second Quarter Vs First Quarter**

	<b>3-Month Ended 31/12/2020 RM'000</b>	<b>3-Month Ended 30/09/2020 RM'000</b>	<b>+ / (-) %</b>
Revenue	<u>1,474,414</u>	<u>1,455,254</u>	<u>1</u>
Profit from operations	<u>71,323</u>	<u>41,444</u>	<u>72</u>
Profit before tax	<u>24,487</u>	<u>22,995</u>	<u>6</u>

For the current quarter ended 31 December 2020, the Group reported a revenue of RM1.47 billion and pre-tax profit of RM24.49 million as compared to a revenue of RM1.46 billion and pre-tax profit of RM23.0 million in the preceding quarter ended 30 September 2020.

The Group revenue for the second quarter was marginally higher than the preceding quarter mainly due to the higher revenue reported from the property development and investment business segment and the revenue growth of Sports Toto which was mainly attributed to higher sales generated from lotto games as well as longer jackpot lifespan that generated stronger punter interest.

The continued international border closures and travel restrictions have affected the operating performance of the hotels and resorts business segment in the second quarter ended 31 December 2020. In addition, the second quarter marked the end of the peak seasons for the Group's hotels and resorts located at the East Coast of the Peninsular of Malaysia and Iceland.

H.R. Owen reported a drop in revenue, mainly due to 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.

The Group's pre-tax profit was higher in the current quarter mainly due to the factors mentioned in Note B1 above.

**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 has 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 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 H.R. 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.

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.

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

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

	<b>3-month ended 31/12/2020 RM'000</b>	<b>6-month ended 31/12/2020 RM'000</b>
Interest income	(9,914)	(17,730)
Dividend income	(1,340)	(1,340)
Other income excluding dividend and interest income	(13,662)	(20,402)
Depreciation of property, plant and equipment	24,453	56,029
Depreciation of right-of-use assets	23,461	48,183
Gain on disposal of property, plant and equipment	(3)	(3)
Amortisation of intangible assets	1,608	1,970
Reversal impairment loss on receivables (net)	(3,168)	(3,173)
Provision for and write off of inventories	6,576	14,874
Net foreign exchange (gain)/loss	(658)	18,781
Fair value changes of investments at FVTPL	(4,451)	(3,937)
Fair value changes on derivatives	(59)	(7)
Gain on disposal of a subsidiary company	(1,267)	(67,096)
Negative goodwill on acquisition of a subsidiary company	<u>536</u>	<u>(2,309)</u>

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

B6 The taxation charges for the current quarter and financial period ended 31 December 2020 were detailed as follows:

	<b>3-month ended 31/12/2020 RM'000</b>	<b>6-month ended 31/12/2020 RM'000</b>
Malaysian income tax	43,278	75,578
Foreign tax	3,519	10,104
Overprovision in prior years	(474)	(624)
Deferred taxation	<u>(28,827)</u>	<u>(41,241)</u>
	<u>17,496</u>	<u>43,817</u>

The disproportionate tax charge of the Group for the current quarter and financial period ended 31 December 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.



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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 2022 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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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.

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 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 then 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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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 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 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 BCity Project 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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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

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

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

The arbitral tribunal was constituted and the procedural timetable was 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.

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 abovementioned recognition and enforcement proceedings are still ongoing.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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

- (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%.

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”).

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

		RM'000	RM'000
<u>Short term borrowings</u>			
Secured bank borrowings			
Denominated in Ringgit Malaysia		727,940	
Denominated in USD (USD1,282,000)	*	5,153	
Denominated in SGD(SGD5,580,000)	*	16,951	
Denominated in Euro (€592,000)	*	2,928	
Denominated in PHP (PHP412,500,000)	*	34,635	
			787,607
Secured Medium Term Notes (Denominated in RM)			54,987
Secured Sukuk Wakalah Medium Term Notes (Denominated in RM)			23,380
Unsecured other bank borrowings			
Denominated in GBP5,000	*		27
Secured finance lease and hire purchase payables			
Denominated in Ringgit Malaysia		1,208	
Denominated in USD (USD3,535,000)	*	14,211	
			15,419
Secured vehicle stocking loans			
Denominated in GBP (GBP39,851,000)	*		216,228
Sub-total short term borrowings			1,097,648

**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 (Cont'd):

<u>Long term borrowings</u>	RM'000	RM'000
Secured bank borrowings		
Denominated in Ringgit Malaysia	779,069	
Denominated in USD (USD1,037,000) *	4,169	
Denominated in Euro (€53,776,000) *	265,790	
Denominated in ISK (ISK2,2000,000,000) *	69,788	
Denominated in JPY (JPY2,263,794,000) *	88,254	
		1,207,070
Secured Medium Term Notes (Denominated in RM)		743,074
Secured Sukuk Wakalah Medium Term Notes (Denominated in RM)		50,000
Unsecured other bank borrowings		
Denominated in GBP45,000 *		246
Secured finance lease and hire purchase payables		
Denominated in Ringgit Malaysia	2,877	
Denominated in USD (USD9,445,000) *	37,974	
		40,851
Sub-total long term borrowings		2,041,241
Total borrowings		3,138,889
* <i>Converted at the respective exchange rates prevailing as at 31 December 2020</i>		

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.

The arbitral tribunal was constituted and the procedural timetable was 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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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)

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 abovementioned recognition and enforcement proceedings are 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, BSB 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.

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 then 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'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.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2020**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

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 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 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 BCity Project Legal Proceedings is still ongoing.

B10 The Board does not recommend any dividend for the current quarter (previous year corresponding quarter ended 31 December 2019 : Nil ).

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

	<b>Group (3-month period)</b>			
	<b>31/12/2020</b>	<b>31/12/2019</b>	<b>31/12/2020</b>	<b>31/12/2019</b>
	<b>RM'000</b>		<b>sen</b>	
Net loss for the current quarter attributable to equity holders of the Parent	<u>(31,635)</u>	<u>(63,730)</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>(0.64)</u>	<u>(1.28)</u>
	<b>Group (6-month period)</b>			
	<b>31/12/2020</b>	<b>31/12/2019</b>	<b>31/12/2020</b>	<b>31/12/2019</b>
	<b>RM'000</b>		<b>sen</b>	
Net loss for the financial period attributable to equity holders of the Parent	<u>(73,513)</u>	<u>(69,717)</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>(1.49)</u>	<u>(1.40)</u>

There are no potential ordinary shares outstanding as at 31 December 2020. As such, the fully diluted loss per share of the Group is equivalent to the basic loss per share.