

BERJAYA LAND BERHAD

Registration Number: 199001010193 (201765-A)

22 September 2021

**UNAUDITED (Q4) INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group	
	As at	As at
	30/06/2021	30/06/2020
	RM'000	RM'000
		Restated
ASSETS		
Non-current assets		
Property, plant and equipment	1,857,475	1,897,195
Right-of-use assets	1,236,751	1,165,382
Investment properties	704,115	712,071
Inventories - land held for property development	1,171,928	1,095,083
Associated companies	323,266	468,067
Joint ventures	45,444	53,689
Investments	208,020	190,384
Intangible assets	3,605,737	3,612,867
Receivables	258,157	211,807
Retirement benefit assets	4,122	-
Deferred tax assets	79,590	77,103
	<u>9,494,605</u>	<u>9,483,648</u>
Current assets		
Inventories - property development costs	101,641	73,099
Inventories - others	523,769	667,576
Contract cost assets	18,018	118,257
Receivables	1,900,375	2,055,955
Contract assets	59,769	8,032
Short term investments	11,207	8,727
Tax recoverable	16,575	26,423
Derivative asset	80	343
Deposits, cash and bank balances	557,853	644,209
Assets of disposal group/non-current assets classified as assets held for sale	188,199	778,056
	<u>3,377,486</u>	<u>4,380,677</u>
TOTAL ASSETS	<u><u>12,872,091</u></u>	<u><u>13,864,325</u></u>

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Group		
		As at	As at	
		30/06/2021	30/06/2020	
Note		RM'000	RM'000	
			Restated	
EQUITY AND LIABILITIES				
	Share capital	A4	2,500,168	2,500,168
	Reserves:			
	Exchange reserves		128,745	119,816
	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		(47,682)	(62,049)
	Consolidation reserve		85,664	85,664
	Retained earnings		34,490	271,185
			<u>1,372,685</u>	<u>1,653,037</u>
	Equity funds		3,872,853	4,153,205
	Less: Treasury shares	A4	(33,643)	(33,643)
	Net equity funds		3,839,210	4,119,562
	Non-controlling interests		2,061,917	2,134,130
	Total equity		<u>5,901,127</u>	<u>6,253,692</u>
Non-current liabilities				
	Retirement benefit obligations and provisions		-	7,176
	Long term borrowings	B8	1,788,412	2,338,311
	Other long term liabilities		74,119	22,938
	Lease liabilities		942,930	947,078
	Deferred tax liabilities		986,880	1,010,771
	Contract liabilities		206,017	224,512
	Derivative liabilities		-	28,239
			<u>3,998,358</u>	<u>4,579,025</u>
Current liabilities				
	Payables		1,375,469	1,224,973
	Short term borrowings	B8	1,299,641	1,285,547
	Retirement benefit obligations and provisions		2,358	3,080
	Tax payable		17,938	13,647
	Contract liabilities		195,547	326,330
	Lease liabilities		81,013	73,735
	Derivative liabilities		640	763
	Liabilities directly associated to disposal group		-	103,533
			<u>2,972,606</u>	<u>3,031,608</u>
	Total Liabilities		<u>6,970,964</u>	<u>7,610,633</u>
TOTAL EQUITY AND LIABILITIES			<u>12,872,091</u>	<u>13,864,325</u>
<i>Net assets per share attributable to ordinary equity holders (with voting rights) of the parent (RM)</i>			<u>0.78</u>	<u>0.83</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 YEAR ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	CURRENT QUARTER ENDED		FINANCIAL YEAR ENDED	
		30/06/2021 RM'000	30/06/2020 RM'000 Restated	30/06/2021 RM'000	30/06/2020 RM'000 Restated
REVENUE		1,235,548	541,582	5,404,480	5,160,309
OPERATING EXPENSES, NET		<u>(1,184,301)</u>	<u>(646,109)</u>	<u>(5,245,759)</u>	<u>(4,980,158)</u>
PROFIT/(LOSS) FROM OPERATIONS		51,247	(104,527)	158,721	180,151
Investment related items, net	A3	(44,947)	96,948	67,612	83,622
Share of results from associated companies		(30,474)	(42,291)	(65,575)	152,352
Share of results from joint ventures		1,208	(777)	(7,164)	(3,505)
Finance costs		<u>(51,194)</u>	<u>(65,737)</u>	<u>(197,478)</u>	<u>(199,004)</u>
(LOSS)/PROFIT BEFORE TAX	B5	(74,160)	(116,384)	(43,884)	213,616
TAXATION	B6	<u>(37,820)</u>	<u>6,784</u>	<u>(102,793)</u>	<u>(141,847)</u>
(LOSS)/PROFIT NET OF TAX		<u>(111,980)</u>	<u>(109,600)</u>	<u>(146,677)</u>	<u>71,769</u>
ATTRIBUTABLE TO:					
- Owners of the parent		(126,344)	(108,540)	(250,637)	(36,838)
- Non-controlling interests		<u>14,364</u>	<u>(1,060)</u>	<u>103,960</u>	<u>108,607</u>
		<u>(111,980)</u>	<u>(109,600)</u>	<u>(146,677)</u>	<u>71,769</u>
LOSS PER SHARE (SEN)	B11				
- Basic		<u>(2.57)</u>	<u>(2.20)</u>	<u>(5.09)</u>	<u>(0.74)</u>
- Fully diluted		<u>(2.57)</u>	<u>(2.20)</u>	<u>(5.09)</u>	<u>(0.74)</u>

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER ENDED		FINANCIAL YEAR ENDED	
	30/06/2021 RM'000	30/06/2020 RM'000 Restated	30/06/2021 RM'000	30/06/2020 RM'000 Restated
(LOSS)/PROFIT NET OF TAX	(111,980)	(109,600)	(146,677)	71,769
OTHER COMPREHENSIVE INCOME				
<u>Items that may be subsequently reclassified to profit or loss</u>				
Currency translation differences:				
- Movement during the financial quarter/year	18,835	(8,417)	43,773	27,750
- Share of associated companies' currency translation differences	869	(58,926)	(11,180)	972
- 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")	(2,902)	(7,910)	22,886	(28,293)
Share of an associated company's changes in fair values of investments at FVTOCI	(9,488)	(1,192)	2,823	(4,520)
Actuarial gain/(loss) recognised in defined benefit pension schemes	11,974	(1,648)	11,974	(4,708)
Tax effect relating to defined benefit pension schemes	(2,268)	330	(2,268)	1,001
Share of other comprehensive income items of associated companies	174	(13)	(99)	(19)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER/YEAR	<u>(94,786)</u>	<u>(187,376)</u>	<u>(144,376)</u>	<u>63,952</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
- Owners of the parent	(117,451)	(186,681)	(280,352)	(50,508)
- Non-controlling interests	22,665	(695)	135,976	114,460
	<u>(94,786)</u>	<u>(187,376)</u>	<u>(144,376)</u>	<u>63,952</u>

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

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
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												
- as previously reported	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
- effects from finalisation of purchase price allocation	-	12,369	-	-	-	-	-	28,234	-	40,603	-	40,603
- as restated	2,500,168	119,816	116,528	1,054,940	66,953	(62,049)	85,664	271,185	(33,643)	4,119,562	2,134,130	6,253,692
Loss for the financial year	-	-	-	-	-	-	-	(250,637)	-	(250,637)	103,960	(146,677)
Other comprehensive income	-	8,929	-	-	(66,953)	24,843	-	3,466	-	(29,715)	32,016	2,301
Total comprehensive income	-	8,929	-	-	(66,953)	24,843	-	(247,171)	-	(280,352)	135,976	(144,376)
Effect arising from the disposal of:												
- FVTOCI investments	-	-	-	-	-	(10,476)	-	10,476	-	-	-	-
Transactions with owners:												
Non-controlling interests arising from												
- acquisition of a new subsidiary company	-	-	-	-	-	-	-	-	-	-	2,459	2,459
- change of equity interest in a subsidiary company	-	-	-	-	-	-	-	-	-	-	(18,229)	(18,229)
- disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	(128,583)	(128,583)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(63,836)	(63,836)
	-	-	-	-	-	-	-	-	-	-	(208,189)	(208,189)
At 30 June 2021	2,500,168	128,745	116,528	1,054,940	-	(47,682)	85,664	34,490	(33,643)	3,839,210	2,061,917	5,901,127

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

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	Reserve of non-current asset 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 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 year - restated	-	-	-	-	-	-	-	-	(36,838)	-	(36,838)	108,607	71,769
Other comprehensive income - restated	-	5,668	-	-	-	-	(18,342)	-	(996)	-	(13,670)	5,853	(7,817)
Total comprehensive income - restated	-	5,668	-	-	-	-	(18,342)	-	(37,834)	-	(50,508)	114,460	63,952
Effects arising from the disposals of:													
- FVTOCI investments	-	-	-	-	-	-	1,287	-	(1,287)	-	-	-	-
- a non-current asset	-	-	-	-	-	(877)	-	-	877	-	-	-	-
Transfer to disposal group classified as held for sale	-	(66,953)	-	-	66,953	-	-	-	-	-	-	-	-
Transactions with owners:													
Non-controlling interests arising from													
- acquisition of a new subsidiary company	-	-	-	-	-	-	-	-	-	-	-	1,979	1,979
- decrease of equity interest in a subsidiary company	-	-	-	-	-	-	-	5,600	-	-	5,600	1,390	6,990
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	(12,944)	(12,944)	-	(12,944)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(64,606)	(64,606)
	-	-	-	-	-	-	-	5,600	-	(12,944)	(7,344)	(61,237)	(68,581)
At 30 June 2020 - restated	2,500,168	119,816	116,528	1,054,940	66,953	-	(62,049)	85,664	271,185	(33,643)	4,119,562	2,134,130	6,253,692

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 YEAR ENDED 30 JUNE 2021
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended	
	30/06/2021	30/06/2020
	RM'000	RM'000
OPERATING ACTIVITIES		
Receipts from customers/operating revenue	5,571,582	5,433,730
Payment to prize winners, suppliers, duties, taxes and other operating expenses	(5,185,786)	(5,286,264)
Tax paid	(108,970)	(152,316)
Other receipts (inclusive of tax refunds)	81,460	22,651
Net cash generated from operating activities	<u>358,286</u>	<u>17,801</u>
INVESTING ACTIVITIES		
Sale of property, plant and equipment and non-current assets	1,185	31,008
Sale of an associated company	206	-
Sale of other investments and short term investments	62,295	24,648
Disposal/partial disposal of investment in a subsidiary company	394,025	26,835
Acquisition of property, plant and equipment, non-current assets and properties	(148,469)	(164,084)
Net cash outflow from disposal of subsidiary companies	-	(10,269)
Net cash outflow on acquisition of subsidiary companies	(3,698)	(221,417)
Acquisition of other investments and short term investments	(53,318)	(61,704)
Acquisition of investments in associated companies and joint ventures	(8,763)	(9,207)
Advance for subscription of shares in a joint ventures	-	(500)
Acquisition of treasury shares by a subsidiary company	(18,230)	(19,845)
Interest received	19,661	17,812
Dividend received	185,491	106,455
Advances from related companies	72,634	34,927
Net payment from joint ventures and associated companies	20,690	44,812
Placements with fund managers	(90,939)	-
Other payments	(22,518)	(715)
Net cash generated from/(used in) investing activities	<u>410,252</u>	<u>(201,244)</u>
FINANCING ACTIVITIES		
Drawdown of bank and other borrowings	233,739	819,071
Issuance of medium term notes	185,360	358,960
Redemption of medium term notes	(200,000)	(460,000)
Repayment of bank and other borrowings	(790,962)	(351,666)
Dividends paid to non-controlling interests of a subsidiary company	(51,879)	(100,454)
Interest paid	(175,758)	(150,974)
Payment of lease liabilities	(61,591)	(39,969)
Acquisition of treasury shares	-	(12,944)
Withdrawal of securities pledged for borrowings with banks	27,484	825
Other payments	(9,931)	(8,751)
Net cash (used in)/generated from financing activities	<u>(843,538)</u>	<u>54,098</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(75,000)	(129,345)
EFFECTS OF EXCHANGE RATE CHANGES	11,576	3,722
OPENING CASH AND CASH EQUIVALENTS	555,111	680,734
CLOSING CASH AND CASH EQUIVALENTS	<u>491,687</u>	<u>555,111</u>
The closing cash and cash equivalents comprise the following:		
Deposits, cash and bank balances	557,853	644,209
Cash equivalent of disposal group classified as held for sale	-	967
Bank overdraft (included under short term borrowings)	(13,809)	(10,224)
Less: cash and cash equivalents restricted in use	(52,357)	(79,841)
	<u>491,687</u>	<u>555,111</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 YEAR ENDED 30 JUNE 2021
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;
 - (iii) the toto betting operations may be positively impacted by the festive seasons;
 - (iv) the global impact of COVID-19 pandemic.
- A3 Many governments have imposed multiple phases of movement control or lockdowns as preventive or restrictive measures to curb the COVID-19 pandemic. The Group's major business operations, particularly the gaming, hotels and resorts, property investment and the clubs business segments are adversely impacted by the various phases of business closures, international border closures, travel restrictions and social distancing rules.
- (a) There were no unusual or material items affecting the Group in the current year ended 30 June 2021 other than as disclosed below:

Statement of Profit or Loss

Included under investment related items, net:	3-month ended 30/06/2021 RM'000	12-month ended 30/06/2021 RM'000
Fair value changes of:		
- investments at fair value through profit or loss ("FVTPL")	(8,787)	2,897
- investment properties	(14,703)	(14,703)
Fair value changes on derivatives	(305)	(140)
Balance carried forward	<u>(23,795)</u>	<u>(11,946)</u>

BERJAYA LAND BERHAD

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
NOTES TO THE INTERIM FINANCIAL REPORT**

- A3 (a) There were no unusual or material items affecting the Group in the current year ended 30 June 2021 other than as disclosed below (Cont'd):

Statement of Profit or Loss

Included under investment related items, net:	3-month ended 30/06/2021 RM'000	12-month ended 30/06/2021 RM'000
Balance brought forward	(23,795)	(11,946)
Negative goodwill on acquisition of a subsidiary company	-	2,309
Gain on disposal of a subsidiary company	-	67,096
Award of insurance claim	-	17,848
Fair value gain on derecognition of derivative liability	14,128	14,128
Impairment losses of goodwill	(18,989)	(18,989)
Impairment losses of property, plant and equipment	(10,977)	(24,412)
Impairment losses of right-of-use assets	(679)	(679)
Impairment losses of inventories	(651)	(1,090)
Impairment in value of investment in an associated company	(3,771)	(3,771)
Allowance for impairment in amount due from associated companies	(10,722)	(10,722)
	<u>(55,456)</u>	<u>29,772</u>

- (b) There were no major changes in estimates reported in the prior financial quarter that had a material effect in the current financial year ended 30 June 2021 other than the changes explained below:

Adjustment arising from the finalisation of purchase price allocation exercise in respect of the acquisition of Icelandair Hotels ehf Group.

In the previous financial year ended 30 June 2020, the Group had acquired 75% equity interest in Icelandair Hotels ehf ("Icelandair") for a total cash consideration of USD43.63 million (equivalent to approximately RM196.0 million). The consolidation of Icelandair was regarded as a business combination in accordance with MFRS 3: Business Combinations and a purchase price allocation exercise was undertaken to determine the fair values of identifiable assets and liabilities at acquisition. During the current financial year, the purchase price allocation exercise was finalised resulting in the identification of negative goodwill arising on consolidation of Icelandair amounting to RM28.23 million. The amount of negative goodwill is adjusted retrospectively to the financial statements of the previous financial year ended 30 June 2020.

As a result of the above, certain comparative amounts as at 30 June 2020 have been adjusted as disclosed below.

**Group
At 30 June 2020**

	As previously reported RM'000	Adjust- ments RM'000	As restated RM'000
<u>Statement of Financial Position</u>			
Property, plant and equipment	1,709,233	187,962	1,897,195
Right-of-use assets	1,308,012	(142,630)	1,165,382
Exchange reserves	107,447	12,369	119,816
Retained earnings	242,951	28,234	271,185
Lease liabilities	1,020,813	-	1,020,813
Deferred tax liabilities	1,006,042	4,729	1,010,771

BERJAYA LAND BERHAD**Registration Number: 199001010193 (201765-A)****UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2021
NOTES TO THE INTERIM FINANCIAL REPORT**

A4 The number of treasury shares held in hand as at 30 June 2021 were as follows :

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares at 1 July 2020 and 30 June 2021	0.42	79,837,104	33,643

As at 30 June 2021, the number of ordinary shares in issue with voting rights was 4,920,500,000 ordinary shares (30 June 2020 : 4,920,500,000).

A5 The Company did not pay any dividend during the current financial year ended 30 June 2021.

A6 Segmental information for the financial year ended 30 June 2021:

REVENUE

	External RM'000	Inter-segment RM'000	Total RM'000
Toto betting operations and leasing of lottery equipment	2,311,412	-	2,311,412
Motor vehicle dealership	2,502,239	-	2,502,239
Property development and investment	316,009	43,966	359,975
Hotels and resorts	168,074	3,191	171,265
Clubs and others	106,746	13,968	120,714
Sub-total	5,404,480	61,125	5,465,605
Less: Inter-segment revenue	-	(61,125)	(61,125)
Total revenue	5,404,480	-	5,404,480

RESULTS

	RM'000
Toto betting operations and leasing of lottery equipment	298,141
Motor vehicle dealership	89,216
Property development and investment	7,926
Hotels and resorts	(159,697)
Clubs and others	(15,631)
	219,955
Unallocated corporate items	(61,234)
	158,721
Investment related items, net:	
- Interest income	35,216
- Fair value changes of investments at fair value through profit or loss ("FVTPL")	2,897
- Fair value changes of investment properties	(14,703)
- Fair value changes on derivatives	(140)
- Fair value gain on derecognition of derivative liability	14,128
- Negative goodwill on acquisition of a subsidiary company	2,309
- Gain on disposal of a subsidiary company	67,096
- Award of insurance claim	17,848
- Impairment losses of goodwill	(18,989)
- Impairment losses of property, plant and equipment	(24,412)
Balance carried forward	81,250

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A6 Segmental information for the financial year ended 30 June 2021 (Cont'd):

	RM'000
Balance brought forward	81,250
- Impairment losses of right-of-use assets	(679)
- Impairment losses of inventories	(1,090)
- Impairment in value of investment in an associated company	(3,771)
- Allowance for impairment in amount due from associated companies	(10,722)
- Dividend income	2,590
- Others	34
Investment related items, net	67,612
Share of results from associated companies	(65,575)
Share of results from joint ventures	(7,164)
Finance costs	(197,478)
Loss before tax	(43,884)
Taxation	(102,793)
Loss for the financial year	(146,677)

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 year under review.

A8 There were no material changes in the composition of the Group for the financial year ended 30 June 2021 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;
- (iv) The following subsidiary companies were deregistered or struck off during the current financial year:
 - (a) Berjaya Vacation Club (HK) Limited
 - (b) FEAB Realty Sdn Bhd
 - (c) Berjaya Properties (HK) Limited
 - (d) Berjaya-ILTS Limited
 - (e) ALDA Hotel Reykjavik ehf
 - (f) Informatics Education Malaysia Sdn Bhd
- (v) The incorporation of Bukit Jalil Golf Club Sdn Bhd ("BJGC") by the Berjaya Hartanah Berhad (formerly known as Berjaya Golf Resort Berhad), a wholly-owned subsidiary of Berjaya Vacation Club Berhad which in turn is a wholly-owned subsidiary of the Company. The intended principal activities of BJGC are operations of golf club and property development;

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- A8 There were no material changes in the composition of the Group for the financial year ended 30 June 2021 including business combination, acquisition or disposal of subsidiaries and restructuring and discontinuing operations except for those disclosed below (Cont'd):
- (vi) The incorporation of Berjaya Japan Co. Ltd ("BJCL") by the Berjaya Fukuoka Development (S) Pte Ltd, a wholly-owned subsidiary of the Company. The intended principal activities of BJCL are operations of real estate activities; and
 - (vii) Berjaya Property Ireland Limited ("BPIL"), a wholly-owned subsidiary of the Company has completed the acquisition of the remaining 25% equity interest in Icelandair Hotels ehf ("Icelandair") for a total cash consideration of USD3.40 million (equivalent to approximately RM14.11 million). Consequently, BPIL's equity interest in Icelandair is now 100%.
- 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 except for capital expenditure of RM16.6 million approved during the current financial year.

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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. The said pandemic has adversely impacted the country's economy as well as the global economy till to-date.

Review of Results For the Current Quarter Ended 30 June 2021

The summarised results of the Group are as follows:

	3-Month Ended		+ / (-) %
	30/06/2021 RM'000	30/06/2020 RM'000 Restated	
Revenue	<u>1,235,548</u>	<u>541,582</u>	<u>128</u>
Profit/(Loss) from operations	<u>51,247</u>	<u>(104,527)</u>	<u>N/A</u>
Loss before tax	<u>(74,160)</u>	<u>(116,384)</u>	<u>(36)</u>

For the fourth quarter ended 30 June 2021, Malaysia, where the Group primarily operates, was initially placed under Conditional Movement Control Order ("CMCO") beginning 5 March 2021. However, total lockdown, Full Movement Control Order ("FMCO") which resulted the closures of non-essential businesses was re-imposed on 1 June 2021 following surges in Covid-19 infections. In the previous year corresponding quarter ended 30 June 2020, Malaysia was in total lockdown ("MCO 1.0") from 18 March 2020 to 16 June 2020.

The Group registered a revenue of RM1.24 billion and pre-tax loss of RM74.16 million in the current quarter ended 30 June 2021 as compared to a revenue of RM541.58 million and pre-tax loss of RM116.38 million in the previous year corresponding quarter.

The higher Group revenue was contributed mainly by:

- the gaming business segment operated by Sports Toto Malaysia Sdn Bhd ("Sports Toto") which reported a significant increase in revenue as there were 28 draws conducted in the current quarter as compared to only 6 draws that were allowed to be conducted in the previous year corresponding quarter. The re-imposition of FMCO resulted in the cancellation of 15 draws in the current quarter under review whilst 34 draws were cancelled in the previous year corresponding quarter when MCO 1.0 was enforced.

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The higher Group revenue was mainly due to (Cont'd):

- (ii) the motor vehicle dealership operated by H.R. Owen reported an increase of 72.4% in revenue in the current quarter. The business operations of H.R. Owen were closed for more than 2 months during the Covid-19 pandemic lockdown in the UK in the previous year corresponding quarter; and
- (iii) the higher overall occupancy rate reported by the hotels and resorts business segment from domestic travel demands and increased 'dine-in' food and beverage revenue during the CMCO period in Malaysia and the easing of travel and social restrictions in Iceland.

The revenue contributions from the other business segments were comparable to the previous year corresponding quarter.

The Group reported lower pre-tax losses mainly due to:

- (i) higher profit contribution from Sports Toto and H.R. Owen resulting from higher revenue achieved;
- (ii) lower pre-tax losses from the hotels and resorts business segment due to higher revenue and cost cutting measures;
- (iii) lower share of adverse results from associated companies. The Four Seasons Hotel Kyoto reported lower losses from the easing of travel restrictions in Japan; and
- (iv) lower finance costs mainly due to repayment of borrowings during the current financial period.

As disclosed in Note A3(a), the Group has accounted for a total net impairment in value of certain assets and goodwill amounting to RM55.46 million in the current quarter under review. In the previous year corresponding quarter, the adverse fair value change in investment properties of RM16.72 million was offset by the awarded fire insurance claim of RM26.0 million and the negative goodwill of RM28.23 million recognised on the acquisition of 75% equity interest in Icelandair Hotels Group ehf upon the finalisation of the purchase price allocation exercise as stated in Note A3(b).

Review of Results For the Financial Year

The summarised results of the Group are as follows:

	12-Month Ended		+ / (-)
	30/06/2021	30/06/2020	
	RM'000	RM'000	%
		Restated	
Revenue	5,404,480	5,160,309	5
Profit from operations	158,721	180,151	(12)
(Loss)/Profit before tax	(43,884)	213,616	N/A

For the current financial year ended 30 June 2021 under review, the Group registered a revenue of RM5.40 billion and pre-tax loss of RM43.88 million as compared to a revenue of RM5.16 billion and pre-tax profit of RM213.62 million registered in the previous financial year.

The Group reported a 5% increase in revenue mainly from:

- (i) H.R. Owen due to higher new and used car sales with backlog orders fulfilment from the earlier Covid-19 pandemic lockdown in the UK and the favourable foreign exchange translation effect; and
- (ii) the property development and investment business segment, particularly arising from the completion of and the handing over of a mixed development project located in Dong Nai, Vietnam.

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The above has offset:

- (i) the 8.2% drop in revenue reported by Sports Toto primarily due to the prolonged impact of Covid-19 pandemic and the imposition of various phases of lockdown which resulted in partial and full business closures in all states in Malaysia. Notwithstanding that there were a total of 157 draws conducted in the current financial year under review as compared to only 126 draws conducted in the previous financial year, the prolonged lockdown and irregular business disruptions had dampened the consumer sentiments and excitement from the draws as well as causing a change in punters' spending behaviour; and
- (ii) the hotels and resorts business segment registered lower revenue arising from lower average occupancy rates mainly due to continued international border closures and domestic travel restrictions. The hospitality industry is quite dependent on international tourism and therefore solely reliant on domestic tourism is not sustainable during this pandemic.

Despite the increase in revenue, the Group reported a pre-tax loss of RM43.88 million in the current financial year mainly due to:

- (i) the losses incurred by the hotels and resorts business segments as explained above;
- (ii) unfavourable foreign currency translation effect; and
- (iii) the higher share of losses from associated companies and joint ventures. In the previous financial year, Berjaya Kyoto Development (S) Pte Ltd Group ("BKyoto") had reported a substantial gain arising from the disposal of the hotel component of the Four Seasons Hotel & Hotel Residences Kyoto, Japan.

The above factors were mitigated by the higher profit contribution from Sports Toto in spite of its lower revenue mainly due to marginally lower prize pay-out and lower operating expenses incurred and the correspondingly higher profit contribution from H.R. Owen arising from its higher revenue.

The Group incurred a total net impairment in value of certain assets and goodwill totalling RM37.32 million which was offset by the gain recognised on the disposal of BJeju, amounting to about RM67 million, following the completion of the JDC Lawsuit settlement.

The pre-tax profit of RM213.62 million of the previous financial year was also contributed partly by the recognition of finance income of RM41.4 million arising from the accelerated accretion of the balance of GMOC sales proceeds to its nominal value of RMB974 million and the negative goodwill of RM28.23 million recognised on the acquisition of 75% equity interest in Icelandair Hotels Group ehf as disclosed in Note A3(b).

B2 Review of Results of Fourth Quarter Vs Third Quarter

	3-Month Ended 30/06/2021 RM'000	3-Month Ended 31/03/2021 RM'000	+ / (-) %
Revenue	<u>1,235,548</u>	<u>1,239,264</u>	<u>(0.30)</u>
Profit/(Loss) from operations	<u>51,247</u>	<u>(5,293)</u>	<u>N/A</u>
Loss before tax	<u>(74,160)</u>	<u>(17,206)</u>	<u>331</u>

For the current quarter ended 30 June 2021, the Group reported a revenue of RM1.24 billion and pre-tax loss of RM74.16 million as compared to a revenue of RM1.24 billion and pre-tax loss of RM17.21 million in the preceding quarter ended 31 March 2021.

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Review of Results of Fourth Quarter Vs Third Quarter (Cont'd)

The Group reported a marginal drop in revenue mainly from:

- (i) the 6.0% drop in Sports Toto's revenue as only 28 draws conducted in the current financial quarter as compared to 45 draws in the preceding quarter. The lower number of draws in the current financial quarter under review was primarily due to the restriction in business operations arising from the implementation of various phases of lockdown; and
- (ii) the lower revenue reported by the property development and investment business segment as the substantial part of the property development project in Dong Nai, Vietnam was completed in the preceding quarter.

The above factors were mitigated by:

- (i) the higher increase in revenue reported by H.R. Owen mainly due to higher sales from used car sector as well as the favourable foreign exchange translation effect; and
- (ii) the higher overall occupancy rate and average room rates reported by the hotels and resorts business segment from domestic travel demands and increased 'dine-in' food and beverage revenue during the CMCO period in Malaysia and the easing of travel and social restrictions in Iceland.

The Group reported higher pre-tax loss in the current quarter under review mainly due to a total net impairment in value of certain assets and goodwill amounting to RM55.46 million and the higher share of losses from associated companies. In the preceding quarter, the Group accounted for share of profit from associated companies, namely from BKyoto resulting from the sale of several Four Seasons Residences units.

All the above were mitigated by the higher profit contribution reported by H.R. Owen in line with its higher revenue attained. Sports Toto and the property development and investment business also reported higher profit contribution despite registering lower revenue.

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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 surges in the infection of COVID-19 in many countries have resulted in the re-imposition of tighter movement controls or lockdowns. In Malaysia all states are placed under FMCO beginning 1 June 2021 which has dampened the recovery rate of the Group's business operations.

The acceleration of the ongoing National COVID-19 Immunisation Programme towards herd immunity is expected to drive the recovery of the Malaysian economy in due course. In addition, the Malaysian Government has launched the National Recovery Plan as an exit strategy from the COVID-19 crisis to allow the opening of businesses in phases. Notwithstanding the initiatives launched to counter the impact of COVID-19 pandemic, the economy is expected to recover at a slower pace in view of the prevailing weak business environment and consumer sentiments.

Taking into account of the aforesaid, the Directors expect the performance of the business operations of the Group for the financial year ending 30 June 2022 will gradually move into the recovery phase with the expected opening of businesses soon.

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

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

	3-month ended 30/06/2021 RM'000	12-month ended 30/06/2021 RM'000
Interest income	(9,357)	(35,216)
Dividend income	(1,121)	(2,590)
Other income excluding dividend and interest income	(6,597)	(29,717)
Depreciation of property, plant and equipment	27,029	109,126
Depreciation of right-of-use assets	29,935	102,751
Gain on disposal of property, plant and equipment	(8)	(255)
Amortisation of intangible assets	432	1,508
Impairment loss on receivables (net)	14,740	12,108
Provision for and write off of inventories	1,661	22,902
Net foreign exchange (gain)/loss	(10,037)	2,771
Fair value changes of investments at FVTPL	8,787	(2,897)
Fair value changes on derivatives	305	140
Gain on disposal of a subsidiary company	-	(67,096)
Negative goodwill on acquisition of a subsidiary company	-	(2,309)
Fair value gain on derecognition of derivative liability	(14,128)	(14,128)
Impairment losses of goodwill	18,989	18,989
Impairment losses of property, plant and equipment	10,977	24,412
Impairment losses of right-of-use assets	679	679
Impairment losses of inventories	651	1,090
Impairment in value of investment in an associated company	3,771	3,771
Allowance for impairment in amount due from associated companies	10,722	10,722
Award of insurance claim	-	(17,848)
	<u>-</u>	<u>(17,848)</u>

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B6 The taxation charges for the current quarter and financial year ended 30 June 2021 were detailed as follows:

	3-month ended 30/06/2021 RM'000	12-month ended 30/06/2021 RM'000
Malaysian income tax	18,505	99,967
Foreign tax	16,883	32,197
Over provision in prior years	(2,635)	(2,993)
Deferred taxation	<u>5,067</u>	<u>(26,378)</u>
	<u><u>37,820</u></u>	<u><u>102,793</u></u>

The disproportionate tax charge of the Group for the current quarter and financial year ended 30 June 2021 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 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.

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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, B TSB and B City (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.

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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 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 was fixed for hearing on the same day as the hearing of the Main Appeal, that was 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 State Government has 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 to 29 June 2021. The implementation of FMCO beginning 1 June 2021 further postponed the hearing date to 27 September 2021.

As for the Assessment Proceedings, the Shah Alam High Court has fixed a case management date on 29 September 2021 to update the Shah Alam High Court on the status of the Main Appeal.

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

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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):

by Sanhe Land and Resource Bureau, reimbursement of theme park equipment and shared expenses relating to certain electrical works.

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

On 8 December 2017, 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, by obtaining court orders to freeze certain assets of the Respondents.

The abovementioned enforcement proceedings are still ongoing.

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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):

- (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 30 June 2021:

		RM'000	RM'000
<u>Short term borrowings</u>			
Secured bank borrowings			
Denominated in Ringgit Malaysia		710,131	
Denominated in SGD(SGD3,985,000)	*	12,297	
Denominated in Euro (€1,470,000)	*	7,264	
Denominated in PHP (PHP334,000,000)	*	28,602	
Denominated in JPY (JPY165,970,000)	*	6,233	
			764,527
Secured Medium Term Notes (Denominated in RM)			299,258
Secured Sukuk Wakalah Medium Term Notes (Denominated in RM)			35,360
Unsecured other bank borrowings			
Denominated in GBP (GBP10,000)	*		59
Secured finance lease and hire purchase payables			
Denominated in Ringgit Malaysia		1,627	
Denominated in USD (USD1,900,000)	*	7,886	
			9,513
Secured vehicle stocking loans			
Denominated in GBP (GBP33,172,000)	*		190,924
Sub-total short term borrowings			<u>1,299,641</u>

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B8 Group borrowings and debt securities as at 30 June 2021 (Cont'd):

<u>Long term borrowings</u>	RM'000	RM'000
Secured bank borrowings		
Denominated in Ringgit Malaysia	658,028	
Denominated in Euro (€52,558,000) *	259,689	
Denominated in GBP (GBP5,200,000) *	29,929	
Denominated in ISK (ISK1,902,375,000) *	63,916	
Denominated in JPY (JPY2,942,884,000) *	110,520	
		1,122,082
Secured Medium Term Notes (Denominated in RM)		573,563
Secured Sukuk Wakalah Medium Term Notes (Denominated in RM)		50,000
Unsecured other bank borrowings		
Denominated in GBP (GBP40,000) *		229
Secured finance lease and hire purchase payables		
Denominated in Ringgit Malaysia	2,526	
Denominated in USD (USD9,640,000) *	40,012	
		42,538
Sub-total long term borrowings		1,788,412
Total borrowings		3,088,053
* <i>Converted at the respective exchange rates prevailing as at 30 June 2021</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.

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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)

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, by obtaining court orders to freeze certain assets of the Respondents.

The abovementioned 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.

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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 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 State Government has 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 to 29 June 2021. The implementation of FMCO beginning 1 June 2021 further postponed the hearing date to 27 September 2021.

As for the Assessment Proceedings, the Shah Alam High Court has fixed a case management date on 29 September 2021 to update the Shah Alam High Court on the status of the Main Appeal.

The BCity Project Legal Proceedings is still ongoing.

(c) Amat Muhibah Tax Dispute

On 16 June 2021, the Inland Revenue Board of Malaysia ("IRB") issued notice of Assessment ("Form J") in accordance with Sections 4(c) and 4(f) of the Income Tax Act 1967 ("ITA 1967") to Amat Muhibah Sdn Bhd ("AMSB"), a 52.6% subsidiary company of the Company on gains from the surrender of certain assets to authorities for the Year of Assessment (YA) 2017. The amount of additional tax assessed, inclusive of tax penalties amounted to RM66.44 million ("Tax in Dispute"). Previously, the gains were brought to tax under Section 4(a) of the ITA 1967 by AMSB.

AMSB did not agree with the basis applied by the IRB and has filed an official appeal against the additional assessment for YA2017 through submission of the prescribed Form Q to the Special Commissioners of Income Tax ("SCIT").

On 1 July 2021, AMSB wrote to the Ministry of Finance Malaysia ("MOF"), requesting MOF:

- (a) to give a general character direction to Director General of Inland Revenue ("DGIR") as to the exercise of the functions of the DGIR under Section 135 of the ITA 1967 and for the DGIR to give effect to the direction so given; or
- (b) to grant an exemption under Section 127(3A) of the ITA 1967 with regards to Tax in Dispute, within the week.

As MOF did not respond to AMSB's request, AMSB has filed an application to the High Court of Kuala Lumpur ("High Court") for judicial review against MOF on 8 July 2021 ("MOF Judicial Review"). The High Court fixed 15 September 2021 for the first hearing of the MOF Judicial Review. AMSB has also been granted an interim stay on the payment of the Tax in Dispute until 15 September 2021, the hearing date of MOF Judicial Review. However, this hearing date was subsequently vacated due to the imposition of FMCO, and is now rescheduled to 13 October 2021 and an interim stay has been granted till then.

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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):

(c) Amat Muhibah Tax Dispute (Cont'd)

Based on the opinion obtained from its legal advisors, AMSB has an arguable case that the IRB has no legal and factual basis to raise the Tax in Dispute.

B10 The Board does not recommend any dividend for the current quarter (previous year corresponding quarter ended 30 June 2020 : Nil).

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

	Group (3-month period)			
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	RM'000	RM'000	sen	sen
		Restated		Restated
Net loss for the current quarter attributable to equity holders of the Parent	<u>(126,344)</u>	<u>(108,540)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	<u>4,920,500</u>	<u>4,932,571</u>		
Basic loss per share			<u>(2.57)</u>	<u>(2.20)</u>
	Group (12-month period)			
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	RM'000	RM'000	sen	sen
		Restated		Restated
Net loss for the financial year attributable to equity holders of the Parent	<u>(250,637)</u>	<u>(36,838)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	<u>4,920,500</u>	<u>4,975,266</u>		
Basic loss per share			<u>(5.09)</u>	<u>(0.74)</u>

There are no potential ordinary shares outstanding as at 30 June 2021. As such, the fully diluted loss per share of the Group is equivalent to the basic loss per share.