

# **Berjaya Corporation Berhad**

Registration Number: 200101019033 (554790-X)

Date: 26 November 2020

Subject: **UNAUDITED QUARTERLY (Q1) FINANCIAL REPORT FOR  
THE PERIOD ENDED 30 SEPTEMBER 2020**

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**BERJAYA CORPORATION BERHAD****Registration Number: 200101019033 (554790-X)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020  
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended	
	30/09/2020	30/09/2019
	RM'000	RM'000
GROUP REVENUE	1,943,623	2,071,045
PROFIT FROM OPERATIONS	38,810	82,880
Investment related income	80,800	38,860
Investment related expenses	(7,161)	(10,310)
Finance costs	(101,729)	(89,633)
Share of results of associates	(328)	21,330
Share of results of joint ventures	491	2,494
PROFIT BEFORE TAX	10,883	45,621
INCOME TAX EXPENSE	(44,841)	(59,722)
LOSS AFTER TAX	(33,958)	(14,101)
ATTRIBUTABLE TO:		
- Equity holders of the parent	(58,952)	(54,225)
- Non-controlling interests	24,994	40,124
	(33,958)	(14,101)
LOSS PER SHARE (SEN)		
- Basic, for the period	(1.03)	(0.89)
- Diluted, for the period	(1.03)	(0.89)

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

**BERJAYA CORPORATION BERHAD****Registration Number: 200101019033 (554790-X)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended	
	30/09/2020	30/09/2019
	RM'000	RM'000
LOSS AFTER TAX	(33,958)	(14,101)
OTHER COMPREHENSIVE ITEMS		
<u>Items that may be reclassified subsequently to profit or loss</u>		
Foreign currency translation	23,303	(27,033)
Foreign currency reserve transfer to profit or loss upon disposal of a subsidiary company	(65,608)	-
Share of associated companies' currency translation differences	(40)	(19,314)
<u>Items that will not be reclassified subsequently to profit or loss</u>		
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")	399	(483)
Share of associated companies changes in fair values of FVTOCI investments	(145)	(1,814)
Share of other comprehensive income items of an associated companies	(274)	-
Tax effects relating to FVTOCI investments	181	279
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(76,142)</u>	<u>(62,466)</u>
ATTRIBUTABLE TO:		
- Equity holders of the parent	(89,412)	(81,909)
- Non-controlling interests	13,270	19,443
	<u>(76,142)</u>	<u>(62,466)</u>

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

**BERJAYA CORPORATION BERHAD**  
**Registration Number: 200101019033 (554790-X)**  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Group As at 30/09/2020 RM'000	Group As at 30/06/2020 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,945,328	2,984,319
Right-of-use assets	1,968,882	2,049,711
Investment properties	1,016,316	1,012,176
Inventories - Land held for property development	2,167,842	2,165,351
Investment in associated companies	1,046,731	1,075,280
Investment in joint ventures	113,415	114,018
Other investments	178,844	159,325
Other long term receivables	279,580	263,036
Intangible assets	4,988,774	4,993,190
Deferred tax assets	124,106	114,381
	<u>14,829,818</u>	<u>14,930,787</u>
<b>Current Assets</b>		
Inventories - property development costs	133,242	67,447
Inventories - Completed properties and others	1,594,888	1,717,677
Contract cost assets	105,635	118,554
Derivative assets	1,545	2,302
Trade and other receivables	2,013,485	1,986,478
Contract assets	115,012	62,280
Short term investments	71,635	78,439
Tax recoverable	64,057	85,502
Deposits with financial institutions	719,454	494,946
Cash and bank balances	896,941	1,009,839
	<u>5,715,894</u>	<u>5,623,464</u>
Assets of disposal group/Non-current assets classified as held for sale	252,000	841,379
	<u>5,967,894</u>	<u>6,464,843</u>
<b>TOTAL ASSETS</b>	<u>20,797,712</u>	<u>21,395,630</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	5,017,956	5,017,956
Irredeemable Convertible Unsecured Loan Stocks ("ICULS") - Equity component	306,739	306,739
Reserves	1,158,824	1,310,370
	<u>6,483,519</u>	<u>6,635,065</u>
Less: Treasury shares	(92,344)	(92,344)
	<u>6,391,175</u>	<u>6,542,721</u>
Non-controlling interests	2,821,983	2,968,771
<b>Equity funds</b>	<u>9,213,158</u>	<u>9,511,492</u>
<b>Non-current liabilities</b>		
Irredeemable Convertible Unsecured Loan Stocks	40,287	39,160
Long term borrowings	2,956,213	3,013,575
Other long term liabilities	34,966	97,509
Lease liabilities	1,891,409	1,936,977
Contract liabilities	232,146	224,814
Provisions	21,556	26,051
Derivative liabilities	28,239	28,239
Deferred tax liabilities	1,286,596	1,314,072
	<u>6,491,412</u>	<u>6,680,397</u>
<b>Current Liabilities</b>		
Irredeemable Convertible Unsecured Loan Stocks	34,466	34,513
Trade and other payables	2,249,724	2,035,071
Contract liabilities	503,312	452,563
Derivative liabilities	7,001	6,992
Provisions	9,111	7,466
Short term borrowings	1,955,250	2,299,650
Lease liabilities	278,482	222,907
Taxation	55,796	41,046
	<u>5,093,142</u>	<u>5,100,208</u>
Liabilities directly associated with disposal groups classified as held for sale	-	103,533
	<u>5,093,142</u>	<u>5,203,741</u>
<b>Total Liabilities</b>	<u>11,584,554</u>	<u>11,884,138</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>20,797,712</u>	<u>21,395,630</u>
Basic net assets per share (sen)	124.83	127.94
Dilutive net assets per share (sen)	112.00	114.14

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

Basic : Equity funds less non-controlling interests and ICULS - equity component divided by the number of outstanding shares in issue with voting rights.

Dilutive : Equity funds less non-controlling interests divided by the number of outstanding shares in issue with voting rights and the potential conversion of the Company's outstanding ICULS to shares and exercise of Warrants.

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent											Total net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000	
	Non-distributable							Distributable							
	Share capital RM'000	ICULS - equity component RM'000	Reserve of disposal group classified as held for sale RM'000	FVTOCI reserves RM'000	Share option reserves RM'000	Warrants reserve ^ RM'000	Fair value reserves RM'000	Capital reserves RM'000	Consolidation reserve RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000	Treasury shares RM'000			
At 1 July 2020	5,017,956	306,739	51,404	(165,979)	2,215	258,797	67,514	222,664	(483,512)	13,228	1,344,039	(92,344)	6,542,721	2,968,771	9,511,492
Total comprehensive income	-	-	(51,404)	(459)	-	-	-	-	(44)	21,539	(59,044)	-	(89,412)	13,270	(76,142)
Share of an associated company's effect arising from acquisition of subsidiaries under common control	-	-	-	-	-	-	-	(1,666)	(8,722)	-	(515)	-	(10,903)	-	(10,903)
<b>Transactions with owners:</b>															
Transfer of reserves	-	-	-	171	(9)	-	-	46	(838)	952	(322)	-	-	-	-
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	3,251	3,251
Disposal of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	(128,636)	(128,636)
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	48,607	-	(47,099)	-	1,508	(11,588)	(10,080)
Share based payment	-	-	-	-	112	-	-	-	-	-	-	-	112	185	297
Share dividend	-	-	-	-	-	-	-	-	-	-	(52,851)	-	(52,851)	-	(52,851)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(23,270)	(23,270)
	-	-	-	171	103	-	-	46	47,769	952	(100,272)	-	(51,231)	(160,058)	(211,289)
At 30 September 2020	5,017,956	306,739	-	(166,267)	2,318	258,797	67,514	221,044	(444,509)	35,719	1,184,208	(92,344)	6,391,175	2,821,983	9,213,158

Note:

^ This represents the fair values of warrants .

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent											Total net equity funds RM'000	Non-controlling interests RM'000	Total equity RM'000	
	Non-distributable							Distributable							
	Share capital RM'000	ICULS - equity component RM'000	Reserve of disposal group classified as held for sale RM'000	FVTOCI reserves RM'000	Share option reserves RM'000	Warrants reserve ^ RM'000	Fair value reserves RM'000	Capital reserves RM'000	Consolidation reserve RM'000	Foreign currency translation reserves RM'000	Retained earnings RM'000	Treasury shares RM'000			
At 1 July 2019	5,017,956	306,739	926	(151,338)	2,077	258,797	63,387	226,266	(488,705)	98,694	1,388,524	(34,253)	6,689,070	3,043,826	9,732,896
Total comprehensive income	-	-	-	(14)	-	-	-	-	(233)	(27,437)	(54,225)	-	(81,909)	19,443	(62,466)
Share of an associated company's effect arising from dilution on equity interest of its subsidiary company	-	-	-	-	-	-	-	-	-	-	808	-	808	-	808
<b>Transactions with owners:</b>															
Transfer of reserves	-	-	(1,042)	475	(7)	-	3,624	567	509	(758)	(3,368)	-	-	-	-
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	-	-	-	-	111,300	111,300
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	7	-	-	-	(7,585)	-	-	-	(7,578)	44,025	36,447
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	-	-	(5,146)	-	(31)	-	(5,177)	4,225	(952)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	575	575
Share based payment	-	-	-	-	148	-	-	-	-	-	-	-	148	56	204
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(758)	(758)
	-	-	(1,042)	475	148	-	3,624	567	(12,222)	(758)	(3,399)	-	(12,607)	159,423	146,816
At 30 September 2019	5,017,956	306,739	(116)	(150,877)	2,225	258,797	67,011	226,833	(501,160)	70,499	1,331,708	(34,253)	6,595,362	3,222,692	9,818,054

Note:

^ This represents the fair values of warrants

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended	
	30/09/2020 RM'000	30/09/2019 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from operations	2,180,545	2,239,440
Payments for operating expenses	(1,786,684)	(2,164,433)
Payment of taxes	(70,699)	(53,931)
Other receipts (including tax refunds)	52,513	12,297
Net cash generated from operating activities	<u>375,675</u>	<u>33,373</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Disposal of property, plant and equipment and non-current assets	5,714	30,460
Disposal of investments in subsidiary companies	394,025	59,574
Disposal of investments in joint venture/associated companies	-	12,429
Disposal of other investments and short term investments	33,318	26,878
Acquisition of property, plant and equipment and non-current assets	(51,026)	(43,250)
Acquisition of investments in subsidiary companies	(6,065)	9,087
Acquisition of investments in associated companies and a joint venture	(1,000)	(995)
Acquisition of other investments and short term investments	(48,779)	(112,674)
Interest received	1,755	10,302
Dividend received	15,735	5,103
Net repayment from joint ventures and associated companies	(6,355)	28,063
Placement with fund managers	(47,119)	-
Part payments for investment in foreign investees	-	(49,338)
Other payments	(8,964)	(54,566)
Net cash generated from/(used in) investing activities	<u>281,239</u>	<u>(78,927)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance of share capital to non-controlling interests of subsidiary companies	-	575
Issuance of ICULS by subsidiary company	1,419	-
Issuance of medium term notes by subsidiary company	15,600	-
Dividends paid to non-controlling interests of subsidiary companies	(190)	(33,791)
Interest paid	(57,829)	(76,002)
Drawdown of bank and other borrowings	255,738	613,821
Repayment of bank and other borrowings	(684,963)	(643,822)
Payment of lease liabilities	(59,536)	(20,967)
Net placement with banks as security pledges for borrowings	(17,034)	(129,537)
Net cash used in financing activities	<u>(546,795)</u>	<u>(289,723)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>110,119</b>	<b>(335,277)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>1,188,661</b>	<b>1,264,056</b>
Effect of exchange rate changes	(18,920)	70,099
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u><b>1,279,860</b></u>	<u><b>998,878</b></u>
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	719,454	663,159
Cash and bank balances	896,941	701,725
Bank overdraft (included under short term borrowings)	(59,293)	(59,408)
	<u>1,557,102</u>	<u>1,305,476</u>
Less :		
Remisiers' deposit held in trust	(11,806)	(11,740)
Cash and cash equivalents restricted in use	(265,436)	(294,858)
	<u>1,279,860</u>	<u>998,878</u>

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

## NOTES TO THE INTERIM FINANCIAL REPORT

- A1 The interim financial report is not audited and has been prepared in compliance with Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting, requirements of the Companies Act 2016 ("CA 2016") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

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

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning 1 July 2020.

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

- A2 The following business operations of the Group are affected by seasonal or cyclical factors:
- (a) the property development segment is affected by the prevailing cyclical economic conditions.
  - (b) the stock and futures broking businesses are influenced by the performance of the stock market.
  - (c) the local island beach resorts situated at the East Coast of Peninsular Malaysia are affected by the North-East monsoon season in the second and third quarters of the financial year.
  - (d) the gaming business may be positively impacted by the festive seasons.
- A3 (a) The imposition of movement and travel restrictions by various governments to curb the COVID-19 outbreak have impacted the Group's business operations, particularly the hotels and resorts segments as disclosed in Notes B1 and B2.

The following are the unusual items that occurred during the current quarter under review:

Recognised directly in statement of profit or loss

(i) Included under investment related income and (expenses):	Current Quarter RM'000
Gain on disposal of a subsidiary company	65,829
Negative goodwill on an acquisition of a subsidiary company	2,845
Loss on deemed disposal of a subsidiary company	(163)
Fair value changes on derivative assets	(484)
Fair value changes on derivative liabilities	(9)
Net fair value changes of fair value through profit or loss ("FVTPL") investments	1,843
Net fair value changes of investment property	(314)
Net impairment in associated company	(4,902)
	<u><u>64,645</u></u>

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



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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

## NOTES TO THE INTERIM FINANCIAL REPORT

- A4 There were no issuances and repayment of equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 30 September 2020.

Subsequent to the current quarter ended 30 September 2020 and up to the date of this announcement:

(a) <u>Share capital</u>	<u>RM'000</u>
Share capital - Issued and fully paid up as at 30 September 2020	5,017,956
Arising from conversion of BCorp ICULS 2012/2022	40,553
Share capital - Issued and fully paid up as at 25 November 2020	<u>5,058,509</u>

- (b) Treasury shares

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

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares as at 30 September 2020	0.27	340,600,000	92,344

As at 30 September 2020, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 4,874,325,000 ordinary shares (30 September 2019: 5,164,925,000).

The number and carrying amounts of treasury shares subsequent to the current quarter end and up to the date of this announcement:

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares as at 30 September 2020	0.27	340,600,000	92,344
Increase in treasury shares	0.19	106,227,464	20,197
Distribution of treasury shares as share dividend (first interim dividend for the financial year ended 30 June 2020)	(0.27)	(194,949,937)	(52,851)
Total treasury shares as at 25 November 2020	0.24	251,877,527	59,690

- A5 There were no payment of dividend during the current quarter ended 30 September 2020. Subsequent to the quarter ended 30 September 2020 and up to the date of this report, the Company distributed a first interim share dividend of 194,949,937 treasury shares on the basis of 4 treasury shares for every 100 ordinary shares held (equivalent to a dividend of approximately 1.08 sen per share) in respect of financial year ended 30 June 2020, credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 15 October 2020. The book cost of the share dividend distributed amounted to RM52,850,928.

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

## NOTES TO THE INTERIM FINANCIAL REPORT

## A6 Segment information for the financial period ended 30 September 2020:-

REVENUE	External RM'000	Inter- segment RM'000	Total RM'000
Gaming operations	689,448	30,417	719,865
Financial services	34,292	666	34,958
Property investment and development	52,028	6,323	58,351
Hotels and resorts	94,909	292	95,201
Marketing of consumer products and services	852,823	7,105	859,928
Restaurants and cafes	187,385	2,171	189,556
Others	32,738	1,454	34,192
Elimination: Inter-segment Revenue	-	(48,428)	(48,428)
Total revenue	<u>1,943,623</u>	<u>-</u>	<u>1,943,623</u>
<b>RESULTS</b>			<b>RM'000</b>
Gaming operations			107,092
Financial services			15,229
Property investment and development			(43,519)
Hotels and resorts			(37,242)
Marketing of consumer products and services			7,122
Restaurants and cafes			23,815
Others			<u>461</u>
			72,958
Unallocated corporate items			<u>(34,148)</u>
Profit from operations			38,810
Investment related income			
-Interest income			8,852
-Gain on disposal of a subsidiary company			65,829
-Fair value gain on FVTPL investments			3,132
-Negative goodwill on an acquisition of a subsidiary company			2,845
-Dividend income and others			<u>142</u>
			80,800
Investment related expenses			
-Fair value loss on FVTPL investments			(1,289)
-Fair value loss on investment property			(314)
-Loss on deemed disposal of an subsidiary company			(163)
-Fair value changes on derivative assets			(484)
-Fair value changes on derivative liabilities			(9)
-Impairment in an associated company			<u>(4,902)</u>
			(7,161)
Finance costs			(101,729)
Share of results of associates			(328)
Share of results of joint ventures			<u>491</u>
Profit before tax			10,883
Income tax expense			<u>(44,841)</u>
Loss after tax			<u><u>(33,958)</u></u>

**BERJAYA CORPORATION BERHAD**

**Registration Number: 200101019033 (554790-X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

NOTES TO THE INTERIM FINANCIAL REPORT

- A7 There were no significant events since the end of this current quarter under review.
- A8 There were no changes in the composition of the Group for the current financial period ended 30 September 2020, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-
- (a) On 6 July 2020, Mother En Vogue Pte. Ltd. a subsidiary of the Group, was struck off from the Registrar of Companies, Singapore.
  - (b) On 17 July 2020, Berjaya Engineering Construction Sdn Bhd, a wholly owned subsidiary of the Group had acquired 51% equity interest in Mantra Design Sdn Bhd ("MDSB") for total cash consideration of RM250,000. The principal activity of MDSB is the provision of interior design consultancy services for land and building development projects.
  - (c) On 19 August 2020, Berjaya Food (International) Sdn Bhd ("BFI"), a wholly owned subsidiary of the Group, completed the subscription for 50,100 new ordinary shares representing 50% of the enlarged issued share capital of Ser Vegano Sdn Bhd ("SER") for cash subscription price of RM250,000. The principal activity of SER is to operate Latin-inspired, Tex-Mex, plant-based vegan restaurants under the name "Sala". SER is deemed a 50% owned subsidiary company of BFI as the Group has de facto control.
  - (d) On 28 August 2020, Berjaya Manufacturing (HK) Limited, a subsidiary of the Group, was deregistered by the Registrar of Companies, Hong Kong and dissolved accordingly.
  - (e) On 4 September 2020, Berjaya Vacation Club (HK) Limited, a subsidiary of the Group, was deregistered by the Registrar of Companies, Hong Kong and dissolved accordingly.
  - (f) On 8 September 2020, FEAB Realty Sdn Bhd a subsidiary of the Group, was struck off from the the Registrar of Companies, Companies Commission of Malaysia, pursuant to Section 308(4) of the Companies Act 2016.
  - (g) On 15 September 2020, Berjaya Group Berhad, a wholly owned subsidiary of the Group had acquired 2 ordinary shares, which represent 100% equity interest, in Berjaya Cafe (M) Sdn Bhd (formerly known as All Joy Cafe Sdn Bhd) for a total consideration of RM2.
  - (h) On 21 September 2020, Berjaya Roasters (Cambodia) Ltd, a 70% owned subsidiary of the Group, was struck off from the register by the Registrar of Companies, Phnom Penh, Cambodia and dissolved accordingly.
  - (i) On 21 September 2020, Berjaya Trading (U.K.) Limited, a wholly owned subsidiary of the Group, was struck off from the register by the Registrar of Companies, United Kingdom and dissolved accordingly.
  - (j) On 23 September 2020, Berjaya Group Berhad, a wholly owned subsidiary of the Group, had subscribed for 306,000 ordinary shares, which represent 51% equity interest, in Simply Real Sdn Bhd ("SRSB") for a total consideration of RM306,000. The principal activities of SRSB are in the operation of a casual dining restaurant under the trade or business name of "Real Food Mont Kiara" offering vegetarian, vegan and organic cuisine and groceries.
  - (k) On 23 September 2020, Cosway (S) Pte Ltd, a wholly owned subsidiary of the Group, was struck off from the register by the Registrar of Companies, Singapore.
  - (l) eCosway Colombia Ltda, a subsidiary of the Group, was deregistered by the Registrar of Companies, Colombia.
  - (m) eCosway Rus LLC, a subsidiary of the Group, was deregistered by the Registrar of Companies, Russia.

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NOTES TO THE INTERIM FINANCIAL REPORT

- A9 There were no material changes in contingent liabilities or contingent asset since the last annual reporting date.
- A10 There were no material changes in capital commitment since the last audited statement of financial position as at 30 June 2020.

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

- B1 The main operating businesses of the Group are marketing of consumer products and services, restaurants and cafes, property investment and development, hotels and resorts and gaming operations. The key factors (other than the general economic conditions) affecting the performance of the main operating businesses in the Group are as follows:

Marketing of consumer products and services

Effectiveness of marketing initiatives, new product launches, sales productivity, consumer preferences and spending trends, the fluctuation of foreign exchange rates impacting product costs and competitive pricing and promotions offered by competitors and the disposable income of the consumers.

Restaurants and cafes

Festive season, tourism, eating out culture, raw material costs, staff costs and affluent lifestyle as well as consumer perception.

Property investment and development

Demography of population, location of the properties, costs of building materials and related services, lending guidelines and interest rates of the financial institutions, rental rates, age and condition of investment properties and the quality of property management services.

Hotels and resorts

Room rates, seasonal festive periods and school holidays, location of the hotels and resorts, tourism and currency exchange trends, energy/other supplies costs, quality of rooms/amenities/service.

Gaming operations

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

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

The summarised results of the Group are as follows:

	<b>3-month Ended</b>		
	<b>30/09/2020</b>	<b>30/09/2019</b>	<b>+ / (-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	<u>1,943,623</u>	<u>2,071,045</u>	<u>(6)</u>
Profit from operations	<u>38,810</u>	<u>82,880</u>	<u>(53)</u>
Profit before tax	<u>10,883</u>	<u>45,621</u>	<u>(76)</u>

**Review of results for the quarter**

The Group registered a revenue of RM1.94 billion and pre-tax profit of RM10.88 million in the current quarter ended 30 September 2020 as compared to revenue of RM2.07 billion and pre-tax profit of RM45.62 million reported in the previous year corresponding quarter.

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### Commentary on revenue

The Group recorded a lower revenue for the current quarter mainly due to lower revenue reported by the gaming business and hotels and resorts business segment as compared to the previous year corresponding quarter.

#### Marketing of consumer products and services

The marketing of consumer products and services segment reported higher revenue mainly due to higher new car sales from HR Owen from the motor distribution business as a result of the backlog delivery fulfillment after the earlier COVID-19 pandemic lockdown. However, the higher revenue for the motor distribution business was dampened by the decrease in revenue from both the telecommunication and retail distribution businesses.

#### Restaurants and cafes

The restaurants and cafes segment reported a marginal increase in revenue, indicating that this segment had recovered to the pre-COVID-19 level.

#### Property investment and development

The property investment and development segment registered higher revenue in the current quarter mainly due to higher sales from the local high-end projects of the Group.

#### Hotels and resorts

The hotels and resorts segment was severely affected by the international border closures and travel restrictions and reported lower revenue.

#### Gaming operations

Sports Toto Malaysia Sdn Bhd ("STM") reported lower revenue due to slower than expected economic recovery and weaker consumer sentiment since the resumption of operations after the COVID-19 pandemic lockdown.

### Commentary on pre-tax profit

The Group's pre-tax profit was lower in the current quarter under review mainly due to lower revenue from hotels and resorts segment, higher finance costs incurred and share of losses from the Group's associated companies. However, this was mitigated by the recognition of the gain on disposal of Berjaya Jeju Resort Limited ("BJeju") amounting to about RM65.8 million as disclosed in Note A3, following the completion of the JDC Lawsuit settlement on 28 August 2020.

#### Marketing of consumer products and services

The marketing of consumer products and services segment reported higher pre-tax profit mainly due to higher revenue in the current quarter as compared to the previous year corresponding quarter.

#### Restaurants and cafes

The higher pre-tax profit of restaurants and cafes segment in the current quarter under review was mainly due to effective cost management implemented to mitigate the impact of COVID-19 pandemic, as well as improved performance of the Group's Kenny Rogers Roasters operations after closing down certain non-performing stores in the previous financial year.

#### Property investment and development

The property investment and development segment contributed higher pre-tax loss mainly due to the increase in quit rent as a result of the change in gazetted rates in the state of Pahang, Malaysia with effect from 1 January 2020.

#### Hotels and resorts

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

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Gaming operations

The gaming operations reported higher pre-tax profit despite the drop in revenue. This was mainly attributed to lower prize payout and lower operating expenses incurred in the current quarter as compared to the previous year corresponding quarter.

B2 Review of results of current quarter vs preceding quarter

	<b>3-Month Ended</b>		
	<b>30/09/2020</b>	<b>30/06/2020</b>	<b>+ / (-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	<u>1,943,623</u>	<u>859,019</u>	<u>126</u>
Profit/(Loss) from operations	<u>38,810</u>	<u>(229,940)</u>	<u>N/A</u>
Profit/(Loss) before tax	<u>10,883</u>	<u>(380,803)</u>	<u>N/A</u>

For the current quarter under review, the Group recorded a revenue of RM1.94 billion and pre-tax profit of RM10.88 million as compared to a revenue of RM859.02 million and pre-tax loss of RM380.8 million reported in the preceding quarter.

Commentary on revenue

The Group recorded an increase in revenue for the current quarter. The higher revenue was mainly due to resumption of business operations during the quarter. In the previous quarter, most of the businesses operated at a very low activity level due to the government-imposed lockdowns.

Marketing of consumer products and services

The marketing of consumer products and services segment reported higher revenue as compared to the preceding quarter. The increase in revenue was mainly contributed by the motor distribution business due to the fulfillment of backlog orders brought forth by the lockdown in the preceding quarter.

Restaurants and cafes

The restaurants and cafes segment reported higher revenue in the current quarter under review as a consequence of the gradual easing of the lockdown measures.

Property investment and development

The higher revenue reported by property investment and development segment in the current quarter was mainly due to higher sales from the local high-end projects of the Group.

Hotels and resorts

The lifting of domestic travel restrictions has led to the higher revenue reported by the hotels and resorts business segment, particularly The Taaras Beach & Spa Resort at Pulau Redang.

Gaming operations

The gaming operations reported higher revenue in the current quarter mainly from STM with full operation during Recovery Movement Control Order phase. This was mainly due to the contribution from 42 draws in the current quarter compared to only 6 draws conducted in the preceding quarter as the operation was temporarily closed due to the COVID-19 pandemic lockdown.

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Commentary on pre-tax profit

The pre-tax profit reported in the current quarter was mainly due to higher revenue contributed by the gaming business as well as the recognition of gain on disposal of BJeju as mentioned in Note B1 above. Also, in the preceding quarter, there were impairment of goodwill amounting to RM158 million.

Marketing of consumer products and services

The marketing of consumer products and services segment reported pre-tax profit in the current quarter as compared to a pre-tax loss incurred in the preceding quarter. This was in line with the higher revenue as explained above.

Restaurants and cafes

The restaurants and cafes segment reported pre-tax profit in the current quarter as compared to a pre-tax loss incurred in the preceding quarter. This was in line with the higher revenue as explained above.

Property investment and development

The property investment and development segment contributed lower pre-tax loss in the current quarter mainly due to higher revenue as explained above.

Hotels and resorts

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

Gaming operations

The improved result in gaming operations was in line with the revenue contribution from 42 draws conducted during the current quarter as compared to only 6 draws in the preceding quarter as explained above.



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**B3** Future prospects

The COVID-19 pandemic which resulted in unprecedented preventive measures of varying degrees of global population lockdown had adversely impacted the global economy. With the gradual easing of global population lockdown, economic activities have progressively resumed. However, the subsequent occurrence of the second and third COVID-19 waves in many countries have resulted in tighter movement control. Accordingly, the Malaysian government has also imposed the CMCO in certain states of Malaysia. Meanwhile, the United Kingdom has also imposed a national lockdown from 5 November 2020 to 2 December 2020.

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

The property development business segment is expected to be impacted by slower property sales mainly due to the expected liquidity squeeze arising from the contraction of the economy in the short term. The tourism industry was about to kickstart its recovery with domestic tourism after the initial lifting of domestic travel restrictions although international travels are still restricted. However, the occurrence of the second and third COVID-19 waves have again dampened the recovery rate of the tourism industry. As such, the Directors expect the occupancy rates and the revenue from events at the hotels, resorts, clubs and recreation business segments to remain low.

As for the restaurants and cafes business segment, the Group is cautiously optimistic that the operating results of the Group will be satisfactory in the remaining quarters of the financial year ending 30 June 2021, as a majority of economic activities are still allowed to be conducted provided that standard operating procedures (SOPs) laid out by the National Security Council are strictly adhered to.

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

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B4 There is no profit forecast or profit guarantee for the financial period ended 30 September 2020.

B5 The taxation charge for the current quarter ended 30 September 2020 are detailed as follows:

	Current Quarter RM'000
Based on the results for the period:-	
Current period provision	
- In Malaysia	50,141
- Outside Malaysia	7,223
Deferred tax	(12,659)
Under provision in prior years	136
	<u>44,841</u>

The disproportionate tax charge of the Group for the current quarter ended 30 September 2020 was mainly due to certain expenses or losses being disallowed for tax purposes, certain gains which are not taxable and non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

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

	Current Quarter RM'000
Interest income	(8,852)
Dividend income	(142)
Gain on disposal of property, plant and equipment	(2,958)
Gain on disposal of subsidiary company	(65,829)
Negative goodwill on an acquisition of a subsidiary company	(2,845)
Loss on deemed disposal of a subsidiary company	163
Fair value changes on derivative assets	484
Fair value changes on derivative liabilities	9
Depreciation of property, plant and equipment	61,056
Depreciation of right-of-use assets	52,897
Amortisation of intangible assets	10,243
Impairment in associated companies	4,902
Impairment loss on receivables	1,021
Provision for and write off of inventories	11,499
Foreign exchange loss (net)	17,838
Fair value changes of investment properties (net)	314
Fair value changes of FVTPL investments (net)	<u>(1,843)</u>

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

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

		At end of current quarter RM'000
Short term borrowings		
Secured		
	Foreign currency amount	
Denominated in	'000	
Ringgit Malaysia	#	1,515,375
USD	14,406 *	59,828
SGD	8,727 *	26,485
GBP	44,935 *	240,604
PHP	486,743 *	41,804
VND	140,451,767 *	28,090
EUR	1,048 *	5,114
		<u>1,917,300</u>
Unsecured		
Denominated in		
Ringgit Malaysia		37,938
GBP	2 *	12
		<u>37,950</u>
		1,955,250
Long term borrowings		
Secured		
	'000	
Denominated in	#	
Ringgit Malaysia	#	2,417,348
USD	1,357 *	5,637
SGD	41,427 *	125,730
JPY	2,349,025 *	92,328
VND	58,155,000 *	11,631
EUR	53,500 *	261,000
ISK	1,406,392 *	42,284
		<u>2,955,958</u>
Unsecured		
Denominaed in		
GBP	48 *	255
		<u>255</u>
		2,956,213
Total bank borrowings		<u><u>4,911,463</u></u>
* Converted at the respective exchange rates prevailing as at 30 September 2020		
# Includes medium term notes		
- short term (Conventional)		199,876
- short term (Islamic)		15,600
- long term (Conventional)		997,920
		<u><u>1,213,396</u></u>

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

B9 There is no change in material litigation since the last annual reporting date up to the date of this announcement, other than as disclosed in Note A9, except for the following:-

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

With reference to the conditional sale and purchase agreement ("SPA") entered into by Berjaya Tagar Sdn Bhd ("BTSB") with Selangor Turf Club ("STC") for the acquisition of 3 parcels of leasehold land measuring a total area of approximately 244.79 acres located in Sungai Besi together with all existing buildings and fixtures erected thereon ("Sungai Besi Land") for a total consideration of RM640.0 million to be settled by way of cash of RM35.0 million payable to STC and the balance of RM605.0 million to be satisfied by a transfer to STC of 750 acres of land located in Sungai Tinggi ("Sungai Tinggi Land") with a newly built turf club ("NewSTC") thereon ("STC Proposals"), for which BTSB had proposed to acquire the Sungai Tinggi Land from BerjayaCity Sdn Bhd, ("BCity"), a subsidiary company of Berjaya Corporation Berhad and to appoint BCity as the turnkey contractor of the new turf club ("BCity Project"), BTSB subsequently entered into supplemental agreement for an extension of time until 18 January 2020 to fulfil certain conditions precedent. The conditions precedent that have not been fulfilled are as follows:

- 1) renewal of the consent by Land and Mines Department (Federal) for the transfer to BTSB of the portion of the Sungai Besi Land (held under H.S.(D) 61790 No. P.T. 2872 in the Mukim of Petaling, District and State of Wilayah Persekutuan) that is situated in Wilayah Persekutuan, Kuala Lumpur which had expired on 11 January 2006; and
- 2) the approvals, permits or consents of any other relevant authorities as may be required by applicable laws including inter-alia the following:
  - (i) approval from the Town and Country Planning Department of the State of Selangor on the re-tabling of the amended master layout plan which was re-submitted on 19 August 2008;
  - (ii) approval from the Majlis Daerah Hulu Selangor ("MDHS") for the Development Order and building plan pertaining to the construction of the new turf club after approval under item 2(i) above is obtained; and
  - (iii) approval from the State Exco of Selangor for the conversion and sub-division of Sungai Tinggi Land after approvals under items 2 (i) and (ii) above are obtained.

On 10 November 2017, BLand announced that further to the legal proceedings instituted by BLand, BTSB and BCity (the "Applicants") in March 2016 against the (1) Selangor State Government, (2) MDHS, (3) Majlis Daerah Kuala Selangor, (4) Pengarah Pejabat Tanah & Galian Negeri Selangor, (5) Pengarah Jabatan Perancangan Bandar dan Desa Negeri Selangor, (6) Pengarah Jabatan Kerja Raya Negeri Selangor, (7) Pengarah Jabatan Alam Sekitar Negeri Selangor and (8) Pengarah Jabatan Geosains Negeri Selangor (the "Respondents") by way of an application for judicial review in the Shah Alam High Court, the High Court had on 9 November 2017 decided on the judicial review in favour of the Applicants.

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

The judgment rendered on 9 November 2017 was as follows:

- 1) The Applicants' applications against the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents were dismissed with costs of RM2,000.00 awarded to the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents respectively.
- 2) The Applicants are allowed to proceed with the development.
- 3) The Applicants are required to submit the relevant documents to the relevant technical departments for comments.
- 4) The technical departments are directed to respond within 3 months from the receipt of these documents, and failing which it is deemed that they have no objection to these documents.
- 5) Pursuant to an order in the nature of mandamus, the 1st and 5th Respondents are directed to re-table the Applicants' proposal papers to relocate and construct the Selangor Turf Club before the National Physical Planning Council within 3 months after the receipt of the proposal papers from the Applicants.
- 6) The Applicants are directed to submit the said proposal papers within 1 month upon receipt of the fair order, failing which the Applicants shall forfeit the benefit of the order of mandamus pursuant to paragraph (5) above.
- 7) The 1st and 5th Respondents are ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation will be assessed in subsequent proceedings.

On 14 December 2017, Bland announced that the Selangor State Government and several other respondents ("the Appellants") have filed a Notice of Appeal to the Court of Appeal to appeal against the above decision of the Shah Alam High Court ("Main Appeal").

The 1st and 5th Respondents have also applied to stay the ongoing proceedings in the Shah Alam High Court and the execution of the Shah Alam High Court judgment in the judicial review proceedings ("Stay of Proceedings Application"). The Applicants have applied to the Shah Alam High Court for an extension of time to submit the proposal papers to the 1st and 5th Respondents ("Extension of Time Application"). In addition, the Applicants have also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgment ("Assessment Proceedings").

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

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

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

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

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

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

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

The STC Proposals proceedings are still ongoing.

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

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

Beijing SkyOcean has paid:

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

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

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

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

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

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

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

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

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

- (i) Beijing SkyOcean shall pay to GMOC the outstanding balance amount of RMB974.07 million;
- (ii) Beijing SkyOcean shall pay liquidated damages on the outstanding balance amount calculated at the People's Bank of China's lending rate of 4.75% per annum from the payment due date of 28 November 2017 until the date full payment is made;
- (iii) The Guarantors shall be jointly and severally liable for the amounts payable by Beijing SkyOcean under the Final Award; and
- (iv) The Respondents shall jointly pay legal costs of about RMB15.9 million (or about RM9.72 million) and arbitration costs of about HKD3.96 million (or about RM2.23 million) within 30 days after issuance of the Final Award, failing which late payment interest at 8% per annum shall be charged from the due date until the date of actual payment.

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

The above mentioned recognition and enforcement proceedings is still ongoing.

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

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

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

	Group (3-month period)			
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
	RM'000		sen	
Net loss for the quarter	(58,952)	(54,225)		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	1,005	1,427		
- BCorp ICULS 2016/2026	148	168		
Adjusted net loss for the quarter	<u>(57,799)</u>	<u>(52,630)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,874,325	5,164,925		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>747,835</u>	<u>747,835</u>		
Number of shares used in the calculation of basic loss per share ('000)	<u>5,622,160</u>	<u>5,912,760</u>		
Basic loss per share			<u>(1.03)</u>	<u>(0.89)</u>
Adjusted net loss for the quarter	(57,799)	(52,630)		
Dilution effect on exercise of Berjaya Assets Berhad warrants	<u>-</u>	<u>(3)</u>		
	<u>(57,799)</u>	<u>(52,633)</u>		
Number of shares used in the calculation of diluted loss per share ('000)	<u>5,622,160</u>	<u>5,912,760</u>		
Diluted loss per share			<u>(1.03)</u>	<u>(0.89)</u>

c.c. Securities Commission