

# **Berjaya Corporation Berhad**

Registration Number: 200101019033 (554790-X)

Date: 30 May 2023

Subject: **UNAUDITED QUARTERLY (Q3) FINANCIAL REPORT FOR  
THE PERIOD ENDED 31 MARCH 2023**

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended		Year to date ended	
	31/03/2023 RM'000	31/03/2022 RM'000	31/03/2023 RM'000	31/03/2022 RM'000
GROUP REVENUE	2,499,882	2,421,551	7,078,229	5,863,406
PROFIT FROM OPERATIONS	130,334	112,072	423,612	210,368
Investment related income	16,998	40,189	87,844	229,395
Investment related expenses	(2,433)	(1,666)	(9,028)	(7,725)
Finance costs	(109,871)	(74,625)	(302,885)	(253,062)
Share of results of associates	42,907	10,330	64,848	44,507
Share of results of joint ventures	4,264	7,138	17,476	18,443
PROFIT BEFORE TAX	82,199	93,438	281,867	241,926
INCOME TAX EXPENSE	(59,756)	(78,912)	(179,150)	(168,610)
PROFIT AFTER TAX	22,443	14,526	102,717	73,316
ATTRIBUTABLE TO:				
- Equity holders of the parent	3,255	(35,886)	(37,965)	5,814
- Non-controlling interests	19,188	50,412	140,682	67,502
	22,443	14,526	102,717	73,316
EARNINGS/(LOSS) PER SHARE (SEN)				
- Basic, for the period	0.06	(0.62)	(0.67)	0.12
- Diluted, for the period	0.06	(0.62)	(0.67)	0.12

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>3 months ended</u>		<u>Year to date ended</u>	
	<u>31/03/2023</u>	<u>31/03/2022</u>	<u>31/03/2023</u>	<u>31/03/2022</u>
	RM'000	RM'000	RM'000	RM'000
PROFIT AFTER TAX	22,443	14,526	102,717	73,316
OTHER COMPREHENSIVE ITEMS				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation	17,061	8,735	19,676	20,104
Share of associated companies' currency translation differences	(984)	841	632	99
<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")	13,743	(2,753)	61,180	651
Share of associated companies' changes in fair values of FVTOCI investments	415	(3,231)	9,102	(8,573)
Share of other comprehensive income items of associated companies	-	(208)	-	(123)
Actuarial gain recognised in defined benefit pension schemes	-	-	162	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>52,678</u>	<u>17,910</u>	<u>193,469</u>	<u>85,474</u>
ATTRIBUTABLE TO:				
- Equity holders of the parent	21,375	(34,695)	25,427	23,091
- Non-controlling interests	31,303	52,605	168,042	62,383
	<u>52,678</u>	<u>17,910</u>	<u>193,469</u>	<u>85,474</u>

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

**BERJAYA CORPORATION BERHAD**

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31/03/2023 RM'000	As at 30/06/2022 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,422,313	3,230,786
Right-of-use assets	2,233,998	1,853,675
Investment properties	908,262	936,605
Inventories - Land held for property development	2,173,070	2,307,376
Investment in associated companies	1,035,396	942,933
Investment in joint ventures	187,301	175,042
Other investments	549,812	349,425
Other long term receivables	405,119	383,893
Retirement benefit assets	25,948	25,294
Intangible assets	4,901,799	4,876,957
Deferred tax assets	98,327	86,692
	<u>15,941,345</u>	<u>15,168,678</u>
<b>Current Assets</b>		
Inventories - Property development costs	204,864	91,200
Inventories - Completed properties and others	1,676,795	1,467,950
Contract cost assets	10,022	12,417
Trade and other receivables	1,884,433	1,854,267
Contract assets	158,864	161,777
Short term investments	139,684	99,713
Tax recoverable	50,969	46,525
Deposits with financial institutions	675,502	637,209
Cash and bank balances	800,873	721,864
	<u>5,602,006</u>	<u>5,092,922</u>
Non-current assets classified as held for sale	181,789	188,968
	<u>5,783,795</u>	<u>5,281,890</u>
<b>TOTAL ASSETS</b>	<u>21,725,140</u>	<u>20,450,568</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	5,347,774	5,286,202
Irredeemable Convertible Unsecured Loan Stocks ("ICULS") - Equity component	110	53,231
Reserves	1,000,772	806,269
	<u>6,348,656</u>	<u>6,145,702</u>
Less: Treasury shares	(91,677)	(74,982)
	<u>6,256,979</u>	<u>6,070,720</u>
Non-controlling interests	2,713,204	2,808,371
<b>Equity funds</b>	<u>8,970,183</u>	<u>8,879,091</u>
<b>Non-current liabilities</b>		
ICULS - liability component	8	5,066
Redeemable Convertible Cumulative Preference Shares - liability component	21,586	-
Long term borrowings	3,544,386	3,248,194
Other long term liabilities	130,378	135,638
Lease liabilities	2,175,633	1,802,679
Contract liabilities	170,694	185,341
Provisions	40,833	37,381
Deferred tax liabilities	1,236,079	1,237,231
	<u>7,319,597</u>	<u>6,651,530</u>
<b>Current Liabilities</b>		
ICULS - liability component	4	2,057
Trade and other payables	2,301,294	2,248,998
Contract liabilities	534,892	435,773
Derivative liabilities	37,443	39,750
Provisions	9,286	21,994
Short term borrowings	2,256,635	1,871,413
Lease liabilities	241,986	231,947
Taxation	53,820	68,015
	<u>5,435,360</u>	<u>4,919,947</u>
<b>Total Liabilities</b>	<u>12,754,957</u>	<u>11,571,477</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>21,725,140</u>	<u>20,450,568</u>
Basic net assets per share (sen)	112.06	108.58
Dilutive net assets per share (sen)	110.70	106.82

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

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

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

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023  
 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	FVTOCI 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 2022	5,286,202	53,231	(89,592)	113,039	2,198	213,735	(475,267)	61,113	981,043	(74,982)	6,070,720	2,808,371	8,879,091
Loss for the year	-	-	-	-	-	-	-	-	(37,965)	-	(37,965)	140,682	102,717
Other comprehensive income	-	-	53,847	-	-	-	-	9,416	129	-	63,392	27,360	90,752
Total comprehensive income	-	-	53,847	-	-	-	-	9,416	(37,836)	-	25,427	168,042	193,469
Share of an associated company's effect arising on changes in interest in its subsidiary company	-	-	-	-	-	-	2,423	-	-	-	2,423	-	2,423
Effects arising from the disposals of FVTOCI investments	-	-	(834)	-	-	-	-	-	834	-	-	-	-
<b>Transactions with owners:</b>													
Transfer of reserves	-	-	(10,943)	-	(11,945)	(3,409)	(5,574)	18,187	13,684	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	-	-	(16,695)	(16,695)	-	(16,695)
Reversal of deferred tax liability on conversion of BCorp ICULS	-	1,225	-	-	-	-	-	-	-	-	1,225	-	1,225
Arising from conversion of BCorp ICULS	61,572	(54,346)	-	-	-	-	-	-	-	-	7,226	-	7,226
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	145,586	-	-	-	145,586	(360,241)	(214,655)
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	-	-	21,067	-	-	-	21,067	89,131	110,198
Acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	403	403
Capital repayment by a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	(3,132)	(3,132)
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	88,414	88,414
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	1,078	1,078
Share based payment	-	-	-	-	-	-	-	-	-	-	-	1,855	1,855
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(80,717)	(80,717)
	61,572	(53,121)	(10,943)	-	(11,945)	(3,409)	161,079	18,187	13,684	(16,695)	158,409	(263,209)	(104,800)
At 31 March 2023	5,347,774	110	(47,522)	113,039	(9,747)	210,326	(311,765)	88,716	957,725	(91,677)	6,256,979	2,713,204	8,970,183

Note:

^ This represents the fair values of warrants.

**BERJAYA CORPORATION BERHAD**

Registration Number: 200101019033 (554790-X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

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	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 2021	5,092,989	242,657	(69,786)	1,779	258,797	47,883	218,738	(406,803)	33,179	723,840	(59,987)	6,083,286	2,824,227	8,907,513
Profit for the year	-	-	-	-	-	-	-	-	-	5,814	-	5,814	67,502	73,316
Other comprehensive income	-	-	(13,747)	-	-	-	262	(385)	31,147	-	-	17,277	(5,119)	12,158
Total comprehensive income	-	-	(13,747)	-	-	-	262	(385)	31,147	5,814	-	23,091	62,383	85,474
Share of an associated company's effect arising on changes in interest in its subsidiary company	-	-	-	-	-	-	-	(6,750)	-	-	-	(6,750)	-	(6,750)
<b>Transactions with owners:</b>														
Transfer of reserves	-	-	1,484	351	-	(1,036)	128	(3,334)	5,037	(2,630)	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	-	-	-	(13,574)	(13,574)	-	(13,574)
Acquisition of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	81	81
Re-issuance of Warrants 2012/2022	-	-	-	-	1,260	-	-	-	-	(154)	-	1,106	-	1,106
Reversal of deferred tax liability on conversion of BCorp ICULS	-	242	-	-	-	-	-	-	-	-	-	242	-	242
Arising from conversion of BCorp ICULS	27,348	(24,643)	-	-	-	-	-	-	-	-	-	2,705	-	2,705
Adjustment due to increase in equity interest in subsidiary companies	-	-	-	-	-	-	-	(1,204)	-	-	-	(1,204)	(74,196)	(75,400)
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	(793)	-	-	-	20,219	-	-	-	19,426	(6,776)	12,650
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	32,897	32,897
Share based payment	-	-	-	(914)	-	-	-	-	-	-	-	(914)	1,783	869
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(25,802)	(25,802)
	27,348	(24,401)	1,484	(1,356)	1,260	(1,036)	128	15,681	5,037	(2,784)	(13,574)	7,787	(72,013)	(64,226)
At 31 March 2022	5,120,337	218,256	(82,049)	423	260,057	46,847	219,128	(398,257)	69,363	726,870	(73,561)	6,107,414	2,814,597	8,922,011

Note:

^ This represents the fair values of warrants .

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	31/03/2023 RM'000	31/03/2022 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from operations	7,447,611	6,110,368
Payments for operating expenses	(6,931,842)	(5,591,087)
Payment of taxes	(214,490)	(144,629)
Other receipts (including tax refunds)	119,132	30,174
Net cash generated from operating activities	<u>420,411</u>	<u>404,826</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Disposal of property, plant and equipment and non-current assets	34,342	95,002
Disposal of investments in subsidiary companies	67,905	36,216
Disposal of investments in associated companies	22,630	221,515
Disposal of other investments and short term investments	73,863	8,534
Acquisition of property, plant and equipment and non-current assets	(384,804)	(359,605)
Acquisition of investments in subsidiary companies	(178,583)	(31,187)
Acquisition of investments in associated companies and joint venture	(59,606)	(9,515)
Acquisition of other investments and short term investments	(186,329)	(23,112)
Acquisition of treasury shares by subsidiary company	(43,653)	(4,973)
Interest received	21,946	20,710
Dividend received	47,659	29,333
Net repayment from joint ventures and associated companies	2,963	2
Other receipts	48,329	92,457
Net cash (used in)/generated from investing activities	<u>(533,338)</u>	<u>75,377</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Acquisition of treasury shares by the Company	(16,695)	(13,574)
Issuance of share capital to non-controlling interests of subsidiary companies	110,000	32,704
Issuance of Redeemable Convertible Loan by subsidiary company	5,630	-
Issuance of medium term notes by subsidiary companies	123,400	228,850
Redemption of medium term notes by subsidiary companies	(123,850)	(286,380)
Dividends paid to non-controlling interests of subsidiary companies	(81,157)	(30,930)
Interest paid	(266,493)	(207,429)
Drawdown of bank and other borrowings	1,367,373	915,428
Repayment of bank and other borrowings	(753,220)	(777,158)
Payment of lease liabilities	(180,272)	(204,124)
Net (placement of)/withdrawal from banks as security pledges for borrowings	(19,741)	9,854
Net cash generated from/(used in) financing activities	<u>164,975</u>	<u>(332,759)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>52,048</b>	<b>147,444</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>1,085,172</b>	<b>948,321</b>
Effect of exchange rate changes	47,548	5,650
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b><u>1,184,768</u></b>	<b><u>1,101,415</u></b>
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	675,502	604,741
Cash and bank balances	800,873	742,591
Bank overdraft (included under short term borrowings)	(58,957)	(57,133)
	<u>1,417,418</u>	<u>1,290,199</u>
Less :		
Remisiers' deposit held in trust	(13,052)	(31,765)
Cash and cash equivalents restricted in use	(219,598)	(157,764)
	<u>1,184,768</u>	<u>1,100,670</u>
Including: Cash and cash equivalents classified as held for sale	-	745
	<u>1,184,768</u>	<u>1,101,415</u>

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

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

## 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 2022. 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 2022.

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 2022.

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

Recognised directly in statement of profit or loss

(i) Included under investment related income and (expenses):	Current Quarter RM'000	Financial Period to date RM'000
Loss on partial disposal of associated companies	-	(4,584)
Loss on deemed disposal of a subsidiary company	(1,474)	(1,474)
Gain on disposal of investment property	-	2,000
Remeasurement gain of a former joint venture prior to its reclassification to investment in a subsidiary company	2,390	2,390
Negative goodwill	124	124
Gain on disposal of land held for development	-	1,536
Net fair value changes of fair value through profit or loss ("FVTPL") investments	2,787	39,240
(Provision)/Reversal of impairment in associated companies	(2,083)	1,195
	<u>1,744</u>	<u>40,427</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 31 March 2023.



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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

## NOTES TO THE INTERIM FINANCIAL REPORT

A4 There were no issuances and repayment of equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 31 March 2023 except for the following:

- (a) Share Capital  
102,627,780 ordinary shares were issued pursuant to conversion of 102,627,780 BCorp ICULS 2016/2026.
- (b) 2% 10-year ICULS of RM1.00 nominal value each  
102,627,780 BCorp ICULS 2016/2026 were tendered for the subscription of 102,627,780 ordinary shares.
- (c) Treasury shares  
61,071,000 units of ordinary share were bought back and held as treasury shares with none of these shares being cancelled or sold.

The details of the share buyback during the financial period ended 31 March 2023 were as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
November 2022	0.2350	0.2500	0.2432	10,741,000	2,612
December 2022	0.2550	0.2900	0.2798	50,330,000	14,083
			0.2734	61,071,000	16,695

The number of treasury shares held in hand as at 31 March 2023 was as follows:

	Average price per share RM	Number of shares	Amount RM'000
Balance as at 1 July 2022	0.2358	317,988,527	74,982
Increase in treasury shares	0.2734	61,071,000	16,695
	0.2419	379,059,527	91,677

As at 31 March 2023, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 5,583,491,000 ordinary shares (31 March 2022: 5,112,603,000).

Subsequent to the financial period ended 31 March 2023 and up to the date of this announcement, there were no issuance of ordinary shares pursuant to the conversion of BCorp ICULS and exercise of warrants.

A5 The Company did not pay any dividend in the financial period ended 31 March 2023.

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023

## NOTES TO THE INTERIM FINANCIAL REPORT

## A6 Segment information for the financial period ended 31 March 2023:-

## REVENUE

	External RM'000	Inter- segment RM'000	Total RM'000
Retail	3,335,946	2,237	3,338,183
Property	333,826	13,497	347,323
Hospitality	736,273	26,277	762,550
Services	2,672,184	115,679	2,787,863
Elimination: Inter-segment Revenue	-	(157,690)	(157,690)
Total revenue	<u>7,078,229</u>	<u>-</u>	<u>7,078,229</u>

## RESULTS

Retail		RM'000	169,237
Property		100,302	
Hospitality		(16,846)	
Services		<u>275,549</u>	
		528,242	
Unallocated corporate items		<u>(104,630)</u>	
Profit from operations		423,612	
Investment related income			
-Interest income			37,376
-Gain on disposal of investment property			2,000
-Gain on disposal of land held for development			1,536
-Fair value gain on FVTPL investments			41,081
-Remeasurement gain of a former joint venture prior to its reclassification to investment in a subsidiary company			2,390
-Negative goodwill			124
-Reversal of impairment in associated companies			2,324
-Dividend income			<u>1,013</u>
			87,844
Investment related expenses			
-Fair value loss on FVTPL investments			(1,841)
-Loss on deemed disposal of a subsidiary company			(1,474)
-Impairment in associated companies			(1,129)
-Loss on partial disposal of associated companies			<u>(4,584)</u>
			(9,028)
Finance costs			(302,885)
Share of results of associates			64,848
Share of results of joint ventures			<u>17,476</u>
Profit before tax			281,867
Income tax expense			<u>(179,150)</u>
Profit after tax			<u>102,717</u>

## **BERJAYA CORPORATION BERHAD**

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

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2023**

**NOTES TO THE INTERIM FINANCIAL REPORT**

- A7 There were no significant events since the end of this current period under review that have not been reflected in the financial statements for this current financial period under review.
- A8 There were no changes in the composition of the Group for the current financial period ended 31 March 2023, including business combinations, acquisition or disposal of subsidiary companies, restructuring and discontinuing operations except for the following:-
- (i) On 4 July 2022, Berjaya Enviro (S) Pte Ltd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Singapore.
  - (ii) On 22 July 2022, Berjaya Air Cargo Sdn Bhd and Rumah Mampu Berjaya Sdn Bhd, both wholly-owned subsidiaries of the Group, were struck off from the Registrar of Companies, Companies Commission of Malaysia.
  - (iii) On 26 July 2022, London Lotus Centre Limited, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies of United Kingdom and dissolved accordingly.
  - (iv) On 9 August 2022, H.R. Owen Leasing Limited, H.R. Owen Motor Dealerships Limited, H.R. Owen Motor Properties Limited and H.R. Owen Vehicle Leasing Company, the wholly-owned subsidiaries of the Group, were struck off from the Registrar of Companies of United Kingdom and dissolved accordingly.
  - (v) On 31 August 2022, H.R. Owen Plc, a wholly-owned subsidiary of the Group, had acquired two wholly-owned subsidiaries namely H.R. Owen Servicing And Repairs Limited (formerly known as Joe Macari Servicing Limited) and J M Developments (UK) Limited for a total consideration of £3.0 million (equivalent to approximately RM15.6 million). An initial sum of £750,000 (equivalent to approximately RM3.9 million) was paid during the first quarter of the current financial year and the remaining sum to be paid over 3 years from the date of completion. The principal activities of the subsidiaries are maintenance and repair of motor vehicles and property investment respectively.
  - (vi) On 5 September 2022, PT Berjaya Cosway Indonesia, a 95%-owned subsidiary of the Group, had commenced the members' voluntary liquidation pursuant to the Indonesian Laws.
  - (vii) On 5 September 2022, Informatics Global Campus Pte Ltd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Singapore.
  - (viii) On 20 September 2022, Netprofit.com Limited, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies of United Kingdom and dissolved accordingly.
  - (ix) On 26 September 2022, Semakin Sinar Sdn Bhd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Companies Commission of Malaysia and dissolved accordingly.
  - (x) On 1 October 2022, Informatics Computer Education Sdn Bhd, a wholly-owned subsidiary of the Group, was struck off from Registrar of Companies, Companies Commission of Malaysia and dissolved accordingly.
  - (xi) On 19 October 2022, eCosway.com (HK) Limited and Tact Full Limited, the wholly-owned subsidiaries of the Group, had commenced the voluntary deregistration pursuant to Section 750 of the Hong Kong Companies Ordinance (Cap 622).
  - (xii) On 1 November 2022, the Group had incorporated a wholly-owned subsidiary company, Agensi Pekerjaan Berjaya HR Sdn Bhd (formerly known as Berjaya HR Sdn Bhd) ("APBHR") with a share capital of RM2. The intended principal activities of APBHR are to provide recruitment services of foreign workers being expatriate of professional and skilled workers.
  - (xiii) On 1 November 2022, Sports Toto Apparel Sdn Bhd and Sports Toto Products Sdn Bhd, the wholly-owned subsidiaries of the Group, had commenced the creditors' voluntary winding up pursuant to Section 440(1) of the Companies Act 2016.
  - (xiv) On 8 November 2022, FEAB Equity Sdn Bhd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Companies Commission of Malaysia and dissolved accordingly.
  - (xv) On 26 November 2022, Berjaya Group (Aust) Pty Limited, a wholly-owned subsidiary of the Group, was deregistered from the Australian Securities and Investments Commission.

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**NOTES TO THE INTERIM FINANCIAL REPORT**

- (xvi) On 2 December 2022, Simply Real Sdn Bhd ("SRSB"), a wholly-owned subsidiary of the Group, acquired 28.4% equity interests in Kusa Vegan Sdn Bhd ("KVSb") for a consideration of RM120,000. Subsequently, on 22 December 2022, SRSB further subscribed for 250,000 new shares in KVSb at RM1 each. Upon the completion of the share subscription, the Group's equity interest in KVSb increased from 28.4% to 55.0% and hence, KVSb became a subsidiary company of the Group.
  - (xvii) On 30 December 2022, Berjaya Bakes Sdn Bhd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Companies Commission of Malaysia and dissolved accordingly.
  - (xviii) On 6 January 2023, the Group had incorporated a wholly-owned subsidiary company, Berjaya Iceland Sdn Bhd ("BISb") with a share capital of RM2. The intended principal activity of BISb is investment holding.
  - (xix) On 8 February 2023, Berjaya Vacation Club Berhad ("BVC"), a wholly-owned subsidiary of the Group, acquired the remaining 31.27% equity interest in its joint venture, Asia Jet Sdn Bhd ("AJSb") for a total cash consideration of RM1.8 million, thus making AJSb a wholly-owned subsidiary of BVC.
  - (xx) On 10 February 2023, Cahaya Nominees (Tempatan) Sdn Bhd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Companies Commission of Malaysia and dissolved accordingly.
  - (xxi) On 2 March 2023, Boxit Holdings Sdn Bhd, a wholly-owned subsidiary of the Group, was struck off from the Registrar of Companies, Companies Commission of Malaysia and dissolved accordingly.
  - (xxii) On 31 March 2023, Just Kpop Limited, a wholly-owned subsidiary of the Group, had commenced the liquidation pursuant to the Supreme Court of Korea.
- 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 2022.

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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:

Retail

Retail - non-food:

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.

Retail - food:

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

Property

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.

Hospitality

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.

Services

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

The performance of the Group's operating businesses may be affected should the imposition of restrictive measures be introduced in response to any future pandemic.

The summarised results of the Group are as follows:

	3-Month Ended			9-Month Ended		
	31/03/2023 RM'000	31/03/2022 RM'000	+ / (-) %	31/03/2023 RM'000	31/03/2022 RM'000	+ / (-) %
Revenue	2,499,882	2,421,551	3	7,078,229	5,863,406	21
Profit from operations	130,334	112,072	16	423,612	210,368	101
Profit before tax	82,199	93,438	(12)	281,867	241,926	17

**Review of results for the quarter**

The Group registered a revenue of RM2.50 billion and pre-tax profit of RM82.20 million in the current quarter ended 31 March 2023 as compared to a revenue of RM2.42 billion and pre-tax profit of RM93.44 million reported in the previous year corresponding quarter.

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on revenue

The Group recorded a higher revenue in the current quarter mainly contributed by the hospitality, property and food retail business segments.

Retail

The lower revenue from the non-food retail business segment was mainly due to lower revenue from H.R. Owen Plc ("HR Owen"). HR Owen's revenue in its local currency i.e. Pound Sterling for this current quarter was on par with the previous year corresponding quarter. However, it reported a drop in revenue when converted to Ringgit Malaysia from Pound Sterling due to the unfavourable foreign exchange effect.

The higher revenue reported by the food retail business was mainly due to the opening of new Starbucks cafes in the current quarter.

Property

The property segment reported higher revenue in the current quarter mainly due to higher property progress billings registered from its local project at The Tropika, Bukit Jalil as well as the higher revenue arising from the disposal of several parcels of land.

Hospitality

The hospitality segment reported higher revenue mainly due to the higher overall occupancy rates and average room rates as compared to the previous year corresponding quarter.

Services

The services segment reported a decrease in revenue in the current quarter. This was mainly due to the lower revenue reported by the gaming operations, which was operated by STM Lottery Sdn Bhd (formerly known as Sports Toto Malaysia Sdn Bhd) ("STM Lottery"). The lower revenue was primarily due to the current quarter having lesser number of draws as compared to the previous year corresponding quarter. There were forty one (41) draws in the current quarter under review as compared to forty three (43) draws in the previous year corresponding quarter. In addition, the higher revenue in the previous year corresponding quarter was attributable to the Toto Supreme 6/58 lotto game reaching to a record accumulated jackpot prize.

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Commentary on results

The Group reported a higher profit from operations in the current quarter, which was mainly contributed by the property and hospitality segments. The lower pre-tax profit was due to the impact of higher finance costs and lower net investment related income in the current quarter which was mitigated by the share of better results from the associated companies.

Retail

The lower pre-tax profit reported by the non-food retail business was mainly due to lower contribution by HR Owen. The lower pre-tax profit from HR Owen in the current quarter was mainly due to the used car sector profit margin softened in the current quarter whilst in the previous year corresponding quarter, HR Owen achieved exceptionally higher profit level due to the new car supply constraints then. In addition, HR Owen also now faced challenges from the impact of continued inflationary costs pressures and higher finance costs arising from the interest rate hike in the United Kingdom.

In spite of higher revenue reported by the food retail segment, it reported a lower pre-tax profit in the current quarter which was mainly due to margin compression arising from inflationary pressures thus incurring higher operating costs.

Property

The property business segment reported higher pre-tax profit due to higher property progress billings from The Tropika project at Bukit Jalil and also the disposal of several parcels of land.

Hospitality

The improved performance from the hotel business segment was due to the abovementioned reasons.

Services

The drop in pre-tax profit was in line with the lower revenue attained by STM Lottery and the higher prize payout in the current quarter under review.

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**Review of results for the financial period**

The Group registered a revenue of RM7.08 billion and pre-tax profit of RM281.87 million for the financial period ended 31 March 2023 as compared to a revenue of RM5.86 billion and pre-tax profit of RM241.93 million reported in the previous year corresponding period.

**Commentary on revenue**

The Group registered higher revenue in the current period due to the higher revenue recorded from all segments except for non-food retail segment.

**Retail**

The lower revenue from the non-food retail segment was mainly contributed by the revenue in HR Owen and the deconsolidation effect of the two motor trading subsidiaries. HR Owen reported an increase in revenue in the current period as compared to the previous year corresponding period. However, it reported a drop in revenue when converted to Ringgit Malaysia from Pound Sterling due to the unfavourable foreign exchange effect.

The food retail business segment reported a higher revenue in the current period under review mainly due to higher same-store-sales growth particularly from the Starbucks cafe outlets as well as additional Starbucks cafes operating in Malaysia as compared to the previous year corresponding period.

**Property**

The higher revenue reported by the property segment was mainly due to higher property progress billings, higher revenue arising from the disposal of several parcels of land as well as higher sales of overseas residence units.

**Hospitality**

The hospitality segment reported higher revenue mainly due to higher overall occupancy rates and average room rates in the current period under review.

**Services**

The higher revenue of services segment was mainly contributed by the gaming operations. The increase in revenue was mainly due to the full resumption of business operations in the current period ended 31 March 2023 whilst the previous year corresponding period business operations were disrupted by the imposition of nationwide lockdown from 1 June 2021 to 13 September 2021 resulting in the cancellation of thirty seven (37) draws during that period.



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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on results

The higher pre-tax profit reported for the current period was mainly due to the significant improvement in profit from operations which was contributed by the property and services segments, as well as improved performance from hospitality segment.

Retail

The lower pre-tax profit reported by the non-food retail business was mainly due to HR Owen. HR Owen pre-tax profit declined in the current period as compared to the previous year corresponding period. The outstanding performance recorded in the previous year 9-month period benefited from the exceptionally strong demand in used car as a result of new car supply constraints. In addition, the incurrence of higher operating costs with continued inflationary pressures and higher finance costs arising from interest rate hike in the United Kingdom have further impacted the profit margin in the current period.

In spite of higher revenue reported by the food retail segment, it reported a lower pre-tax profit in the current period which was mainly due to higher operating costs incurred arising from inflationary pressures.

Property

The property business segment reported pre-tax profit which was mainly due to the higher revenue registered as mentioned above in the current period under review.

Hospitality

The improved performance from the hospitality business segment was mainly due to the higher revenue as mentioned above in the current period under review.

Services

The increase in pre-tax profit from the services business segment was mainly due to the full resumption of STM Lottery's business operations in the current period under review as mentioned above.

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

**B2 Review of results of current quarter vs preceding quarter**

	3-Month Ended		+ / (-) %
	31/03/2023 RM'000	31/12/2022 RM'000	
Revenue	<u>2,499,882</u>	<u>2,335,157</u>	<u>7</u>
Profit from operations	<u>130,334</u>	<u>139,764</u>	<u>(7)</u>
Profit before tax	<u>82,199</u>	<u>92,081</u>	<u>(11)</u>

For the current quarter under review, the Group recorded a revenue of RM2.50 billion and pre-tax profit of RM82.20 million as compared to a revenue of RM2.34 billion and pre-tax profit of RM92.08 million reported in the preceding quarter.

**Commentary on revenue**

The Group recorded higher revenue in the current quarter mainly contributed by non-food retail segment.

**Retail**

The non-food retail business segment reported higher revenue as HR Owen's revenue was higher in the current quarter compared to the revenue reported in the preceding quarter. The higher revenue achieved was attributed to higher number of vehicles sold from both new and used car sectors in the current quarter under review.

As compared to the previous quarter, the food retail business reported lower revenue in the current quarter under review. The higher revenue recorded in the previous quarter was attributed to the calendar year end festive promotions, school holidays and the Christmas season. The second quarter is traditionally the food retail business biggest quarter in terms of their revenue in the financial year.

**Property**

The property segment reported a marginal decline in revenue due to the absence of overseas residence units disposal in the current quarter. However, this decrease was offset by higher revenue from the higher property progress billings and the disposal of several parcels of land.

**Hospitality**

The lower revenue registered from the hospitality business segment was mainly due to lower occupancy rates as compared to the preceding quarter.

**Services**

The services segment reported lower revenue mainly due to lower revenue reported by STM Lottery, which was mainly due to lower number of draws conducted. There were forty one (41) draws in the current quarter as opposed to forty eight (48) draws in the preceding quarter.

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ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

Commentary on results

The lower pre-tax profit reported for the current quarter under review was mainly from the services and retail segments.

Retail

HR Owen recorded a pre-tax profit in the current quarter as opposed to the pre-tax loss reported in the preceding quarter. The improved results aligned with the stronger revenue attained but partially offset by higher operating costs due to inflationary pressures and also higher finance costs driven by interest rate hike in the United Kingdom.

The lower pre-tax profit reported by the food retail business was mainly due to the abovementioned reasons.

Property

The lower pre-tax profit reported by the property segment was mainly due to the abovementioned reasons.

Hospitality

The pre-tax loss reported by the hospitality segment was mainly due to the lower revenue mentioned in the above paragraph, unfavourable foreign exchange effect as well as higher operating costs incurred.

Services

STM Lottery registered a lower pre-tax profit in the current quarter mainly due to the higher prize payout in the current quarter under review.

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**B3 Future prospects**

Malaysia's economic growth is expected to moderate in 2023, underpinned by strong domestic demand and the moderation of average inflation rate despite the uncertainties in global economic conditions. The NFO business industry in Malaysia continues to be vigilant and to navigate carefully through changes in the local government policies. The performance of the business segments of the Group is expected to improve on the back of strong consumer spending, rebound of tourism activities and better-than-expected labour market conditions. The Group will monitor the prevailing global and local political development in the countries where the Group has business operations.

Taking into account of the aforesaid and barring any unforeseen circumstances, the Directors are cautiously optimistic that the performance of the business operations of the Group for the remaining quarter of the financial year ending 30 June 2023 to be satisfactory.

**B4** There is no profit forecast or profit guarantee for the financial period ended 31 March 2023.**B5** The taxation charge for the current quarter ended 31 March 2023 are detailed as follows:

	Current Quarter RM'000	Financial Period to date RM'000
Based on the results for the period:-		
Current period provision		
- In Malaysia	57,552	190,293
- Outside Malaysia	1,423	5,460
Deferred tax	356	(11,821)
Under/(Over) provision in prior years	425	(4,782)
	<u>59,756</u>	<u>179,150</u>

The disproportionate tax charge of the Group for the current quarter ended 31 March 2023 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.

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

	Current Quarter RM'000	Financial Period to date RM'000
Interest income	(12,792)	(37,376)
Dividend income	(29)	(1,013)
Loss on partial disposal of associated companies	-	4,584
Loss on deemed disposal of a subsidiary company	(1,474)	(1,474)
Gain on disposal of investment property	-	(2,000)
Gain on disposal of land held for development	-	(1,536)
Depreciation of property, plant and equipment	49,625	150,368
Depreciation of right-of-use assets	65,070	174,268
Amortisation of intangible assets	10,036	33,854
Remeasurement gain of a former joint venture prior to its reclassification to investment in a subsidiary company	(2,390)	(2,390)
Negative goodwill	(124)	(124)
Impairment loss on receivables (net)	3,363	12,807
Provision/(Reversal) of impairment in associated companies	1,013	(3,453)
(Reversal)/Provision for write down of inventories (net)	(1,745)	3,783
Bad debts recovered	(31)	(5,858)
Foreign exchange (gain)/loss (net)	(3,800)	9,207
Fair value changes of FVTPL investments (net)	<u>(2,787)</u>	<u>(39,240)</u>

B7 (A) There has been no further development for those corporate proposals disclosed in Notes 46 and 47 to the audited financial statements of the Company for the financial year ended 30 June 2022.

(B) Events announced subsequent to the date of the audited financial statements:

- (i) On 13 July 2022, the Company announced that the Company proposed to list its indirect 51.62%-owned subsidiary, Singapore Institute of Advanced Medicine Holdings Pte Ltd ("SIAMH") on the Catalist Board of the Singapore Exchange Securities Trading Limited by way of an initial public offering ("Proposed Listing"). The Proposed Listing was approved by the shareholders of the Company at the Extraordinary General Meeting held on 6 October 2022.

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B8 Group borrowings and debt securities as at 31 March 2023 were as follows:

		At end of current quarter RM'000
Short term borrowings		
Secured		
	Foreign currency amount	
	'000	
Denominated in	#	
Ringgit Malaysia		1,628,536
USD	10,131	44,719
SGD	19,894	66,117
GBP	71,246	390,354
JPY	2,114,915	70,046
PHP	117,500	9,545
EUR	3,149	15,168
		2,224,485
Unsecured		
Denominated in		
Ringgit Malaysia		32,150
		2,256,635
Long term borrowings		
Secured		
	'000	
Denominated in	#	
Ringgit Malaysia		2,749,437
SGD	28,200	93,723
GBP	28,202	154,524
JPY	6,050,464	200,304
PHP	41,667	3,384
EUR	52,337	252,083
ISK	2,794,530	90,931
		3,544,386
Total bank borrowings		
		5,801,021
* Converted at the respective exchange rates prevailing as at 31 March 2023		
# Includes medium term notes		
- short term (Conventional)		100,000
- short term (Islamic)		97,200
		197,200
- long term (Conventional)		848,960
- long term (Islamic)		110,000
		958,960
		1,156,160

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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 41(b)(1) 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 2023 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 41(b)(1) 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 were allowed to proceed with the development.
- 3) The Applicants were required to submit the relevant documents to the relevant technical departments for comments.
- 4) The technical departments were 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 were 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 were 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 were ordered to pay the Applicants compensation for any loss suffered by the Applicants. The amount of such compensation would be assessed in subsequent proceedings.

On 14 December 2017, BLand announced that the Selangor State Government and several other respondents ("the Appellants") had 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 hearing at the Court of Appeal had been fixed on 8 October 2018. The 1st and 5th Respondents had 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 had 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 had also filed an application for assessment of compensation pursuant to the aforesaid Shah Alam High Court judgment ("Assessment Proceedings").

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

The hearing of the Selangor State Government's appeal at the Court of Appeal, which was previously fixed on 24 October 2019 had been vacated by the Court of Appeal. The Court of Appeal would instead hear a motion by the Appellants to adduce further evidence in this matter. The Court of Appeal had fixed 22 November 2019 as case management date to fix the hearing date of the Main Appeal. Subsequently, the Court of Appeal fixed the hearing date of the Main Appeal on 27 March 2020.



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(a) Note 41(b)(1) regarding the STC Proposals proceedings (continued)

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 had fixed the hearing of the FC Leave Motion on 13 April 2020.

The Appellants had 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 was refused by the Court of Appeal, the hearing of the Main Appeal would proceed.

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

Subsequently, the State Government had withdrawn both FC Leave Motion and the stay application at the Court of Appeal on 19 June 2020 and 2 July 2020 respectively. The hearing of the Main Appeal by the Court of Appeal was initially fixed on 14 December 2020. However, the Court of Appeal had postponed the hearing date of the Main Appeal to 29 June 2021. The implementation of FMCO beginning 1 June 2021 further postponed the hearing date to 27 September 2021. On 27 September 2021, the Court of Appeal postponed the hearing date to 3 November 2021.

The Main Appeal was heard by the Court of Appeal on 3 November 2021. The Court of Appeal allowed the appeal of the Appellants and set aside the decision of the Shah Alam High Court rendered on 9 November 2017.

The Applicants did not agree with the decision of the Court of Appeal and filed a motion for leave to appeal to the Federal Court to set aside the decision of the Court of Appeal and restored the decision of the Shah Alam High Court of 9 November 2017 ("Motion for Leave"). With respect to the Assessment Proceedings and Extension of Time Application, the Shah Alam High Court had fixed a further case management date on 25 November 2021 for the Applicants to update the Shah Alam High Court as to their next course of action following the Court of Appeal's decision on 3 November 2021.

The case management date at the Shah Alam High Court was subsequently rescheduled to 8 December 2021 at which the Shah Alam High Court directed that in light of the Court of Appeal's decision, there were no further proceedings on both the Assessment Proceedings and the Extension of Time Application at the Shah Alam High Court. Hence, there was no basis for the applications to be kept in abeyance at the Shah Alam High Court. The Court then struck out both the Assessment Proceedings and the Extension of Time Application with no order as to costs.

Subsequently, the initial hearing date to hear the Motion for Leave at the Federal Court was fixed for 2 August 2022 which was postponed to a later date to be fixed by the Federal Court. At the case management on 3 October 2022, the Federal Court had fixed 12 January 2023 to hear the Motion for Leave. On 12 January 2023, the Federal Court postponed the hearing to 12 April 2023.

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(a) Note 41(b)(1) regarding the STC Proposals proceedings (continued)

At the hearing on 12 April 2023, the Federal Court has granted the Applicants leave for appeal at the Federal Court. The Federal Court has fixed a case management on 19 June 2023 and the hearing date will be set in due course.

The BCity Project Legal Proceedings is still ongoing.

(b) Note 41(b)(2) 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 had 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 had 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 was to be received by November 2017 ("Final Instalment").

Subsequently, on 28 April 2017, BLand announced that following the completion of the Proposed Disposal, GMOC had 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 revised 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.

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 would 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 ("Respondents") to seek recovery of the Final Instalment and accrued late payment interest as well as other reliefs.

The arbitral hearing was held and concluded in the week of 16 December 2019.

On 27 May 2020, BLand announced that GMOC had 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;

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(b) Note 41(b)(2) regarding the GMOC Project Arbitration Proceedings (continued)

- (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.

On 2 June 2021, the Hong Kong Court ordered a bankruptcy order against Zhou Zheng. Subsequently, GMOC appointed Grant Thornton Recovery & Reorganisation Limited as joint and several trustees of the property of Zhou Zheng, to investigate and recover the Final Award.

The courts in the People's Republic of China and Hong Kong have ordered that various assets of Beijing SkyOcean and its Guarantors to be frozen and will be appraised for auction to eventually recover the Final Award.

The abovementioned enforcement proceedings are still ongoing.

(c) Note 41(c)(1) regarding the Amat Muhibah Tax Dispute

On 16 June 2021, the Inland Revenue Board of Malaysia ("IRB") issued notice of Additional Assessment ("Form JA") 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 Group, 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 had 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"). SCIT had fixed the trial on 25 March 2024 and 26 March 2024.

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 had 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 had also been granted an interim stay on the payment of the Tax in Dispute until 15 September 2021. Subsequently, the hearing date had been rescheduled to 25 July 2022 and an interim stay has been granted till then. At the hearing on 25 July 2022, the High Court granted leave for AMSB's application of judicial review and a stay until the full and final determination of the judicial review application.

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(c) Note 41(c)(1) regarding the Amat Muhibah Tax Dispute (continued)

On 8 August 2022, IRB informed the High Court that it had filed an application to intervene ("IRB Application to Intervene"). At the hearing on 2 February 2023, the High Court had allowed IRB Application to Intervene.

On 11 October 2022, the Attorney General Chambers informed the High Court that it had filed an appeal at the Court of Appeal against the High Court's decision to grant leave for the MOF Judicial Review ("AGC Appeal").

The Court of Appeal had fixed a case management on 13 February 2023 in regards to AGC Appeal. On 13 February 2023, the Court of Appeal had fixed a further case management date on 27 March 2023 for the Applicants to update the Court of Appeal on the status of the Notes of Proceedings. At the case management on 27 March 2023, MOF requested for more time to file Notes of Proceedings. The Court of Appeal then fixed case management on 26 July 2023 for both parties to update the status. In regards to the MOF Judicial Review, the High Court had fixed a further case management on 27 July 2023 to update the High Court on the status of the AGC Appeal.

Based on the opinion of AMSB's external legal advisor, the Board of Directors are of the view, that 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 under review (previous year corresponding quarter ended 31 March 2022: Nil).

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B11 The basic and diluted earnings/(loss) per share are calculated as follows:

	Group (3-month period)			
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	RM'000		sen	
Net profit/(loss) for the quarter	3,255	(35,886)		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	-	151		
- BCorp ICULS 2016/2026	-	112		
Adjusted net profit/(loss) for the quarter	<u>3,255</u>	<u>(35,623)</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	5,583,491	5,165,419		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>209</u>	<u>538,188</u>		
Number of shares used in the calculation of basic earnings/(loss) per share ('000)	<u>5,583,700</u>	<u>5,703,607</u>		
Basic earnings/(loss) per share			<u>0.06</u>	<u>(0.62)</u>
Adjusted net profit/(loss) for the quarter	<u>3,255</u>	<u>(35,623)</u>		
Number of shares used in the calculation of diluted earnings/(loss) per share ('000)	<u>5,583,700</u>	<u>5,703,607</u>		
Diluted earnings/(loss) per share			<u>0.06</u>	<u>(0.62)</u>

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B11	Group (9-month period)			
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	RM'000		sen	
Net (loss)/profit for the period	(37,965)	5,814		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2012/2022	-	730		
- BCorp ICULS 2016/2026	118	366		
Adjusted net (loss)/profit for the period	<u>(37,847)</u>	<u>6,910</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	5,580,290	5,152,463		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>39,163</u>	<u>554,956</u>		
Number of shares used in the calculation of basic (loss)/earnings per share ('000)	<u>5,619,453</u>	<u>5,707,419</u>		
Basic (loss)/earnings per share			<u>(0.67)</u>	<u>0.12</u>
Adjusted net (loss)/profit for the period	<u>(37,847)</u>	<u>6,910</u>		
Number of shares used in the calculation of diluted (loss)/earnings per share ('000)	<u>5,619,453</u>	<u>5,707,419</u>		
Diluted (loss)/earnings per share			<u>(0.67)</u>	<u>0.12</u>

c.c. Securities Commission