

Berjaya Corporation Berhad

Company No: 554790-X

Date: 28 June 2018

Subject: **UNAUDITED QUARTERLY (Q4) INTERIM FINANCIAL REPORT FOR
THE PERIOD ENDED 30 APRIL 2018**

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BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	3 months ended		Year to date ended	
	30/04/2018	30/04/2017	30/04/2018	30/04/2017
	RM'000	RM'000	RM'000	RM'000
				(Audited)
GROUP REVENUE	2,111,807	2,234,779	8,667,666	9,182,394
PROFIT FROM OPERATIONS	38,771	170,163	345,522	735,485
Investment related income	64,460	36,016	171,504	428,570
Investment related expenses	(56,021)	(53,153)	(287,006)	(162,335)
Finance costs	(92,543)	(126,682)	(372,647)	(398,305)
Share of results of associates	2,696	37,663	12,567	60,913
Share of results of joint ventures	(411)	(1,792)	2,152	(1,700)
(LOSS)/PROFIT BEFORE TAX	(43,048)	62,215	(127,908)	662,628
INCOME TAX EXPENSE	(66,026)	(56,389)	(261,802)	(345,208)
(LOSS)/PROFIT AFTER TAX	(109,074)	5,826	(389,710)	317,420
ATTRIBUTABLE TO:				
- Equity holders of the parent	(95,190)	3,238	(377,073)	149,285
- Non-controlling interests	(13,884)	2,588	(12,637)	168,135
	(109,074)	5,826	(389,710)	317,420
(LOSS)/EARNINGS PER SHARE (SEN)				
- Basic, for the period	(1.66)	0.10	(6.53)	2.93
- Diluted, for the period	(1.66)	0.10	(6.54)	2.93

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

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		Year to date ended	
	30/04/2018 RM'000	30/04/2017 RM'000	30/04/2018 RM'000	30/04/2017 RM'000 (Audited)
(LOSS)/PROFIT AFTER TAX	(109,074)	5,826	(389,710)	317,420
OTHER COMPREHENSIVE ITEMS				
<u>Items that may be reclassified subsequently to profit or loss</u>				
Net changes on available-for-sale ("AFS") financial assets				
- Changes in fair value of AFS investments	(1,023)	8,147	190	7,258
- Transferred to profit or loss due to:				
- Disposals of AFS investments	165	(1,376)	(236)	797
- Impairment of AFS investments	1,500	78	4,418	575
Foreign currency translation	(15,559)	(58,528)	(195,732)	180,232
Foreign currency translation reserve transferred to profit or loss due to loss of control over subsidiaries	31,710	-	32,595	(2,739)
Foreign currency translation reserve transferred to profit or loss due to disposal of associate	-	30	-	(30,664)
Amortisation of gaming rights	(2,508)	(2,477)	(10,032)	-
Reversal of impairment/(impairment) in value of gaming rights	101,812	(657,301)	101,812	(696,390)
Changes in fair value reserve upon accounting for deferred tax liabilities on (reversal of impairment)/impairment of gaming rights	(24,434)	-	(24,434)	167,134
Share of other comprehensive items of associates	4,313	4,911	(6,254)	164
Taxation relating to components of other comprehensive income	(432)	145,551	4,920	3,877
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Revaluation of land and buildings	3,785	104	3,785	579
Actuarial loss recognised in defined benefit pension scheme	3,378	(441)	3,378	(657)
Tax effects relating to components of other comprehensive income	(603)	132	(603)	97
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(6,970)	(555,344)	(475,903)	(52,317)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
- Equity holders of the parent	(53,012)	(205,508)	(444,535)	61,007
- Non-controlling interests	46,042	(349,836)	(31,368)	(113,324)
	(6,970)	(555,344)	(475,903)	(52,317)

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

BERJAYA CORPORATION BERHAD

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 30/04/2018 RM'000	Group As at 30/04/2017 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,477,579	3,722,983
Biological assets	3,923	4,193
Investment properties	837,083	840,177
Land held for development	2,437,365	2,640,614
Investment in associated companies	1,194,253	1,215,343
Investment in joint ventures	104,941	119,707
Other investments	143,828	152,409
Other long term receivables	952,389	737,076
Intangible assets	5,563,640	5,853,796
Deferred tax assets	68,406	77,124
	<u>14,783,407</u>	<u>15,363,422</u>
Current Assets		
Development properties	270,361	978,374
Inventories	1,808,877	1,156,715
Trade and other receivables	1,766,515	2,153,619
Short term investments	44,362	11,927
Tax recoverable	66,099	90,732
Deposits with financial institutions	706,591	636,024
Cash and bank balances	910,473	1,098,273
	<u>5,573,278</u>	<u>6,125,664</u>
Assets of disposal group/Non-current assets classified as held for sale	704,282	43,462
	<u>6,277,560</u>	<u>6,169,126</u>
TOTAL ASSETS	<u>21,060,967</u>	<u>21,532,548</u>
EQUITY AND LIABILITIES		
Share capital	4,930,556	4,930,556
Irredeemable Convertible Unsecured Loan Stocks ("ICULS") - Equity component	306,739	306,848
Reserves	1,566,658	1,951,570
	<u>6,803,953</u>	<u>7,188,974</u>
Less: Treasury shares	(33,669)	(33,669)
	<u>6,770,284</u>	<u>7,155,305</u>
Non-controlling interests	3,496,461	3,663,364
Equity funds	<u>10,266,745</u>	<u>10,818,669</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stocks	128,193	152,278
Long term borrowings	2,963,773	3,304,466
Provisions and other long term liabilities	332,695	244,742
Deferred tax liabilities	1,356,382	1,361,446
	<u>4,781,043</u>	<u>5,062,932</u>
Current Liabilities		
Trade and other payables	2,740,890	2,283,177
Provisions	6,902	11,672
Short term borrowings	3,055,704	3,308,755
Taxation	64,746	42,360
Derivative liability	-	2,208
	<u>5,868,242</u>	<u>5,648,172</u>
Liabilities directly associated with disposal groups classified as held for sale	144,937	2,775
	<u>6,013,179</u>	<u>5,650,947</u>
Total Liabilities	<u>10,794,222</u>	<u>10,713,879</u>
TOTAL EQUITY AND LIABILITIES	<u>21,060,967</u>	<u>21,532,548</u>
Basic net assets per share (sen)	132.57	140.46
Dilutive net assets per share (sen)	118.15	123.98

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

(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent										Distributable				
	Share capital RM'000	Share premium RM'000	ICULS - equity component # RM'000	AFS 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	Total net equity funds RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 May 2017	4,930,556	-	306,848	1,079	243	258,797	130,788	230,150	(660,083)	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669
Total comprehensive income	-	-	-	5,433	-	-	20,559	-	(1,974)	(92,183)	(376,370)	-	(444,535)	(31,368)	(475,903)
Share of an associated company's effect arising from dilution on equity interest of its subsidiary company	-	-	-	-	-	-	-	-	-	-	17,192	-	17,192	18,810	36,002
Transactions with owners:															
Transfer of reserves	-	-	-	(44)	(31)	-	(89)	11,111	-	(1,231)	(9,716)	-	-	-	-
Effect on deferred tax liability	-	-	(109)	-	-	-	-	-	-	-	-	-	(109)	-	(109)
Adjustment in relation to dilution of equity interest in subsidiary companies	-	-	-	-	-	-	(1,646)	-	2,484	-	(391)	-	447	11,268	11,715
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	-	5,820	-	27,806	-	-	-	33,626	(55,333)	(21,707)
Adjustments arising from amortisation of gaming rights	-	-	-	-	-	-	-	-	-	-	7,161	-	7,161	2,871	10,032
Share based payment	-	-	-	-	1,197	-	-	-	-	-	-	-	1,197	1,537	2,734
Dividends paid to non-controlling interests	-	-	(109)	(44)	1,166	-	4,085	11,111	30,290	(1,231)	(2,946)	-	42,322	(154,345)	(114,688)
At 30 April 2018	4,930,556	-	306,739	6,468	1,409	258,797	155,432	241,261	(631,767)	87,454	1,447,604	(33,669)	6,770,284	3,496,461	10,266,745

Notes:

This comprises the equity components of Irredeemable Convertible Unsecured Loan Stocks ("ICULS").

^ This comprises the fair values of warrants .

BERJAYA CORPORATION BERHAD
(Company No: 554790 - X)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018
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	Share premium RM'000	ICULS - equity component # RM'000	AFS reserves RM'000	Reserve of disposal group classified as held for sale 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 May 2016	4,673,180	6,965	253,608	(13,247)	9,971	1,051	145,758	326,613	31,312	(831,734)	111,321	1,996,003	(130,399)	6,580,402	4,476,304	11,056,706
Total comprehensive income	-	-	-	13,617	-	(53)	-	(177,036)	-	1,326	74,018	149,135	-	61,007	(113,324)	(52,317)
Share of an associated company's effect arising from dilution on equity interest of its subsidiary company	-	-	-	-	-	-	-	-	-	-	-	16,618	-	16,618	-	16,618
Effects of amortisation on gaming rights	-	-	-	-	-	-	-	(10,031)	-	-	-	7,159	-	(2,872)	2,872	-
Transactions with owners:																
Transfer of reserves	-	-	-	709	(9,971)	(343)	-	(8,758)	99,765	3,190	(4,471)	(80,121)	-	-	-	-
Treasury share acquired	-	-	-	-	-	-	-	-	-	-	-	(2,850)	-	(2,850)	-	(2,850)
Issuance of BCorp ICULS and BCorp Warrants	-	-	187,061	-	-	-	113,039	-	-	-	-	-	-	300,100	-	300,100
Reversal of deferred tax liability on conversion of BCorp ICULS	-	-	2,992	-	-	-	-	-	-	-	-	-	-	2,992	-	2,992
Effects on deferred ta liability on liability component of BCorp ICULS	-	-	(4,209)	-	-	-	-	-	-	-	-	-	-	(4,209)	-	(4,209)
Arising from conversion of BCorp ICULS - by surrender option	250,411	-	(132,604)	-	-	-	-	-	-	-	-	(80,225)	-	37,582	-	37,582
Share option reserves forfeited	-	-	-	-	-	(1,054)	-	-	-	-	-	-	-	(1,054)	-	(1,054)
Adjustment in relation to disposal/dilution of equity interest in subsidiary companies	-	-	-	-	-	(162)	-	-	-	4,557	-	-	-	4,395	86,154	90,549
Adjustment due to increase in equity in subsidiary companies	-	-	-	-	-	3	-	-	-	162,578	-	(188)	-	162,393	(662,695)	(500,302)
Acquisition of subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	256	256
Transferred from distributable earnings to capital reserve arising from a subsidiary company's bonus issue of shares	-	-	-	-	-	-	-	-	99,073	-	-	(99,073)	-	-	-	-
Adjustments arising from amortisation of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,375)	(5,375)
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,045	1,846
Share based payment	-	-	-	-	-	801	-	-	-	-	-	-	-	801	-	-
Final dividend*	-	-	-	-	-	-	-	-	-	-	-	(99,580)	99,580	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(121,873)	(121,873)
	250,411	-	53,240	709	(9,971)	(755)	113,039	(8,758)	198,838	170,325	(4,471)	(359,187)	96,730	500,150	(702,488)	(202,338)
Transfer pursuant to S618(2) of CA 2016-	4,923,591	6,965	306,848	1,079	-	243	258,797	130,788	230,150	(660,083)	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669
	6,965	(6,965)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 April 2017	4,930,556	-	306,848	1,079	-	243	258,797	130,788	230,150	(660,083)	180,868	1,809,728	(33,669)	7,155,305	3,663,364	10,818,669

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended	
	30/04/2018 RM'000	30/04/2017 RM'000 (Audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	9,489,508	9,829,511
Payments for operating expenses	(8,844,409)	(9,033,211)
Payment of taxes	(218,609)	(563,258)
Expenditure incurred on disposal of development project	-	(244,016)
Other receipts (including tax refunds)	17,665	107,878
Net cash generated from operating activities	444,155	96,904
CASH FLOW FROM INVESTING ACTIVITIES		
Disposal of property, plant and equipment and non-current assets	13,509	36,354
Disposal of investments in subsidiary companies	89,370	102,540
Disposal of investments in associated companies	58,891	501,545
Disposal of other investments	45,917	63,786
Proceeds from settlement of surrendering certain assets and lease interests to related authorities	-	218,309
Acquisition of property, plant and equipment and non-current assets	(205,409)	(447,343)
Acquisition of investments in subsidiary companies	(34,037)	(184,211)
Acquisition of investments in associated companies and a joint venture	(34,712)	(33,832)
Acquisition of other investments and short term investments	(77,834)	(34,767)
Acquisition of treasury shares by subsidiary companies	-	(8,356)
Interest received	52,162	54,430
Dividend received	35,092	18,217
Repayment from joint ventures and associated companies	133,038	2,671
Deposit placements with fund managers	-	(22,223)
Other receipts	183,467	118,012
Net cash generated from investing activities	259,454	385,132
CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition of treasury shares by the Company	-	(2,850)
Issuance of share capital to non-controlling interests of subsidiary companies	4,703	4,219
Issuance of medium term notes by subsidiary company	280,000	80,000
Redemption of medium term notes	(255,000)	(105,000)
Dividends paid to non-controlling interests of subsidiary companies	(82,857)	(124,507)
Interest paid	(388,050)	(379,307)
Drawdown of bank and other borrowings	1,965,109	1,357,431
Repayment of bank and other borrowings	(2,159,713)	(2,256,003)
Placement of bank deposits	-	(4,134)
Net withdrawal from banks as security pledges for borrowings	43,255	696,510
Net cash used in financing activities	(592,553)	(733,641)
NET CHANGE IN CASH AND CASH EQUIVALENTS	111,056	(251,605)
OPENING CASH AND CASH EQUIVALENTS	1,408,191	1,607,368
Effect of exchange rate changes	(64,390)	52,428
CLOSING CASH AND CASH EQUIVALENTS	1,454,857	1,408,191
Cash and cash equivalents carried forward comprise:	RM'000	RM'000
Deposits with financial institutions	706,591	636,024
Cash and bank balances	910,473	1,098,273
Bank overdraft (included under short term borrowings)	(35,341)	(82,587)
	1,581,723	1,651,710
Less :		
Remisiers' deposit held in trust	(12,632)	(13,206)
Cash and cash equivalents restricted in use	(173,424)	(230,476)
	1,395,667	1,408,028
Including: Cash and cash equivalents classified as held for sale	59,190	163
	1,454,857	1,408,191

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

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

NOTES TO THE INTERIM FINANCIAL REPORT

- A1 The interim financial report is not audited and has been prepared in compliance with Financial Reporting Standards ("FRS") 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 year ended 30 April 2017. 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 year ended 30 April 2017.

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 May 2017.

The initial application of the FRSs, Amendments to FRSs 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:
- the property development segment is affected by the prevailing cyclical economic conditions.
 - the stock and futures broking businesses are influenced by the performance of the stock market.
 - the local island beach resorts situated at the East Coast of Peninsular Malaysia are affected by the North-East monsoon season in the third quarter of the financial year.
 - 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 Year to date RM'000
Gain on disposal of other investments	387	3,904
Gain on disposal of property	-	1,604
Gain on disposal of subsidiary companies	35,572	47,566
Loss arising from disposal of a subsidiary company	-	(15,382)
Loss on disposal of other investments	(222)	(4,140)
Loss arising from dilution of interest in an associated company	-	(3,098)
Impairment in value of investment in an associated company	(9,780)	(9,823)
Impairment in value of AFS investments	(1,500)	(4,418)
Impairment in property, plant and equipment	(11,818)	(11,818)
Impairment loss on assets held for sale	(30,246)	(30,246)
Net fair value changes of fair value through profit or loss ("FVTPL") investments	(1,525)	(12,945)
Net fair value changes of investment properties	9,622	9,622
Loss on partial disposal of an associated company	-	(39,942)
Provision for impairment on a portion of the balance of GMOC Project sales proceeds *	-	(155,084)
Reversal of impairment in an associated company	-	635
	<u>(9,510)</u>	<u>(223,565)</u>

* The provision for impairment that is attributable to the Group, which holds about 37% effective equity interest in GMOC, amounted to about RM57.85 million. (Refer to Note A7)

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

NOTES TO THE INTERIM FINANCIAL REPORT

Statement of financial position

The management had identified certain group of companies, which the management has intention to dispose of, and reclassified the assets and liabilities associated to these companies as held for sales in accordance to FRS 5: Non-current assets held for sale and discontinued operations.

- (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 April 2018.

- A4 There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period ended 30 April 2018.

Subsequent to the quarter ended 30 April 2018 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.

(a) Treasury shares

There was no share buyback during the financial year ended 30 April 2018.

The number of treasury shares held in hand as at 30 April 2018 are as follows:

	Average price per share RM	Number of shares	Amount RM'000
Total treasury shares as at 30 April 2018	0.70	48,008,152	33,669

As at 30 April 2018, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 4,875,583,000 (30 April 2017: 4,875,583,000) ordinary shares.

- A5 The Company did not pay any dividend in the financial year ended 30 April 2018.

- A6 Segment information for the financial year ended 30 April 2018:-

REVENUE	External RM'000	Inter-segment RM'000	Total RM'000
Gaming operations	3,372,650	110,948	3,483,598
Financial services	42,349	1,861	44,210
Property investment and development	523,286	15,589	538,875
Hotels and resorts	534,115	2,640	536,755
Marketing of consumer products and services	3,362,739	29,735	3,392,474
Restaurants and cafes	709,142	350	709,492
Others	123,385	31,002	154,387
Elimination: Inter-segment Revenue	-	(192,125)	(192,125)
Total revenue	<u>8,667,666</u>	<u>-</u>	<u>8,667,666</u>

BERJAYA CORPORATION BERHAD**(Company No: 554790 - X)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2018

NOTES TO THE INTERIM FINANCIAL REPORT

RESULTS

	RM'000
Gaming operations	398,169
Financial services	7,888
Property investment and development	70,969
Hotels and resorts	78,476
Marketing of consumer products and services	16,857
Restaurants and cafes	26,381
Others	2,506
	<u>601,246</u>
Unallocated corporate items	<u>(255,724)</u>
Profit from operations	345,522
Investment related income	
-Interest income	105,316
-Gain on disposal of subsidiary companies	47,566
-Gain on disposal of other investments	3,904
-Gain on disposal of property	1,604
-Fair value gain on investment properties	9,777
-Reversal of impairment in an associated company	590
-Dividend income and others	2,747
	<u>171,504</u>
Investment related expenses	
-Fair value changes of FVTPL investments	(12,945)
-Fair value loss of investment properties	(155)
-Impairment in value of AFS investments	(4,418)
-Loss arising from dilution of interest in associated companies	(3,098)
-Impairment in value of investment in an associated company	(9,778)
-Impairment in property, plant and equipment	(11,818)
-Impairment in assets held for sale	(30,246)
-Loss arising from disposal of a subsidiary company	(15,382)
-Loss on disposal of other investments	(4,140)
-Loss on partial disposal of an associated company	(39,942)
-Provision for impairment on a portion of the balance of GMOC Project sales proceeds*	(155,084)
	<u>(287,006)</u>
Finance costs	(372,647)
Share of results of associates	12,567
Share of results of joint ventures	2,152
Loss before tax	<u>(127,908)</u>
Income tax expense	<u>(261,802)</u>
Loss after tax	<u><u>(389,710)</u></u>

* The provision for impairment that is attributable to the Group, which holds about 37% effective equity interest in GMOC, amounted to about RM57.85 million. (Refer to Note A7)

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NOTES TO THE INTERIM FINANCIAL REPORT

- A7 There were no significant events since the end of this current quarter that have not been reflected in the financial statements for this current financial quarter under review except for the non-payment of the balance sales proceeds amounting to RMB974.07 million (equivalent to RM620.33 million) ("Final Instalment"), to be received by Berjaya (China) Great Mall Co Ltd ("GMOC"), a 51% owned subsidiary company of the Berjaya Land Berhad ("BLand") group, from the disposal of GMOC Project as disclosed in Note B7(A)(ii).

GMOC, after having sought legal advice, will commence legal proceedings against Beijing SkyOcean and the Guarantors as it has strong grounds to recover the outstanding Final Instalment due to GMOC. Based on the legal advice in respect of the legal proceedings and the eventual enforcement of the claim award, the BLand board of directors estimated that the reasonable time frame to recover the outstanding Final Instalment is approximately 3 years.

Hence, in accordance to FRS 139 : Financial Instruments: Recognition and Measurement, GMOC has made a provision for impairment of RMB243.51 million (equivalent to RM155.08 million) in the second quarter to account for the time value of money for the full recovery of the outstanding Final Instalment.

This provision will be reversed when GMOC eventually receives the payment of the balance sales proceeds from Beijing SkyOcean and the Guarantors.

- A8 There were no changes in the composition of the Group for the current period ended 30 April 2018, including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operations except for the following:-
- (a) On 9 June 2017, BLand announced it has acquired one ordinary share, representing 100% equity interest, in Berjaya Fukuoka Development (S) Pte Ltd ("BFDS") from Madam Teow Gek Keo for a cash consideration of SGD1.00. BFDS was incorporated in Singapore on 12 December 2012 with an issued share capital of SGD1.00 comprising one ordinary share. It has an 100% owned subsidiary company called Hakata Waterfront Development Godo Kaisha ("HWDGK"), which was incorporated in Japan on 22 January 2012. The intended principal activities of BFDS and HWDGK are investment holding and hotel and resort operation respectively.
 - (b) On 28 June 2017, Berjaya Sports Toto Berhad ("BToto") announced that H. R. Owen Finance Limited ("HROF"), a private limited company registered in England and Wales and an indirect subsidiary company of BToto, has been dissolved on 27 June 2017. HROF was a dormant company.
 - (c) On 10 August 2017, BToto announced that HR Owen, a 98.38% owned subsidiary company of the BToto group, incorporated a wholly owned subsidiary company in England and Wales under the name of EDOC Holdings Limited ("EDOC"). EDOC has an issued and paid-up share capital of GBP1.00 comprising one ordinary share and its intended principal activity is investment holding.
 - (d) On 30 August 2017, EDOC acquired and subscribed for 2,743,161 ordinary shares, representing 20.15% equity interest, in VIDEODOC Ltd for a total cash consideration of GBP1.85 million (about RM10.3 million). VideoDoc is a private limited company registered in England and Wales and its principal activities are providing general and specialists medical practice services.
 - (e) On 16 November 2017, BLand announced Berjaya Leisure (Cayman) Limited ("BLCL"), its wholly owned subsidiary company, completed of the disposal of 500,000 ordinary shares, representing 100% equity interest, in Berjaya Investment Holdings Pte Ltd ("BIH") to Singapore Institute of Advanced Medicine Holdings Pte Ltd ("SIAMH") for a consideration of SGD2.97 million satisfied by 1,487,468 new SIAMH shares issued at SGD2.00 per SIAMH share ("BIH Disposal"). As part of the terms of the BIH Disposal, BLCL novated the amount owing by BIH to BLCL of about SGD11.20 million to SIAMH and SIAMH settled the amount with the issuance of 5,598,221 new SIAMH shares at the issue price of SGD2.00 per share. BLCL also completed the subscription of 1,909,829 new SIAMH shares at SGD2.00 per SIAMH share for a total cash subscription of about SGD3.82 million. Upon the completion of the BIH Disposal, debt settlement and subscription, BLCL acquired 8,995,518 new SIAMH shares and increased its shareholdings to 11.99 million SIAMH shares representing an equity interest of about 34.27%.

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- A8 (f) The Group's equity interest in an associated company, Berjaya Assets Berhad ("BAssets") decreased to 11.13% following the disposal of 57.0 million BAssets shares by the Group.
- (g) On 24 November 2017, BToto announced that International Lottery & Totalizator Systems Inc, its wholly owned subsidiary company, incorporated a wholly owned subsidiary company in Vietnam under the name of ILTS Vietnam Company Limited ("ILTSVN"). The intended principal activity of ILTSVN is providing lottery technical support services in Vietnam.
- (h) On 24 November 2017, BFood announced that Berjaya Food International Sdn Bhd ("BFI"), its wholly owned subsidiary company, completed the disposal of 13.82 million ordinary shares, representing 99.9% equity interest, in PT Boga Lestari Sentosa ("PT Boga") to Mr Rudy Wiguna and Ms Komelia Ersan for IDR1,000 (or about RM0.32).
- (i) On 22 December 2017, BLand announced the incorporation of the following subsidiary companies:
- i) Ever Revenue Sdn Bhd and Ever Perpetual Growth Sdn Bhd, wholly owned subsidiary companies of Tioman Island Berhad which is 86.25% held by BLand; and
 - ii) Infinity Worth Creation Sdn Bhd, a wholly owned subsidiary company of KDE Recreation Berhad, a wholly owned subsidiary company of the BLand group.
- (j) On 12 February 2018, BLand announced that it has incorporated a wholly owned subsidiary company, Berjaya Myanmar Holdings Sdn Bhd.
- (k) On 20 March 2018, the Company announced that BGroup had on even date incorporated a wholly owned subsidiary company, Beam Team Sdn Bhd ("BeamTeam") with a share capital of RM1.00. the intended principal activity of BeamTeam is providing digital media marketing programs across omni-channels and multi-platforms.
- (l) On 2 April 2018, the Company announced the completion of the disposal of the entire 100% equity interest in Berjaya Green Resources Environmental Engineering (Foshan) Co Ltd ("BGREE"), incorporated in the People's Republic of China ("PRC"), to Foshan Water & Environmental Investment Co Ltd ("FWEI"), a company incorporated in the PRC, for a cash consideration of about RMB78.50 million (or about RM50.87 million).
- (m) On 30 April 2018, Berjaya Philippines Inc, a subsidiary company of BToto, acquired 62,500,000 ordinary shares, representing 25% equity interest, in Chailease Berjaya Finance Corporation ("CBFC") for a total cash consideration of PHP62.5 million (about RM4.7 million). The principal activities of CBFC are providing hire purchase and loan financing services.
- (n) Berjaya Timber Industries (Guyana) Ltd, incorporated in Guyana, and STAR Harbour Timber Company Limited, incorporated in the Solomon Islands, have been de-registered from the company registers of their respective countries.

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- (o) Berjaya Nhon Trach New City Center ("BNTC"), previously a wholly subsidiary company of BLCL, was dissolved. BNTC was a dormant company.
- (p) RC Hotels and Resorts JV Holdings (BVI) Company Limited ("RCJV"), a joint venture of the Group was dissolved. RCJV was an investment holding company.
- (q) BLCL's equity interest in Berjaya Vietnam Financial Center Limited ("BVFC") was diluted from 100% to 32.5% after the injection of fresh capital contribution amounting to VND2,008.69 billion (about RM352 million) into BVFC by Vinhomes Joint Stock Company Limited ("Vinhomes") following certain conditions imposed by the Vietnamese authorities.
- (r) BLCL's equity interest in Berjaya Vietnam International University Town One Member Limited Liability Company ("BVIUT") was diluted from 100% to 0.8% after the injection of fresh capital contribution amounting to VND11,904 billion (about RM2.0 billion) into BVIUT by Vinhomes and its affiliates in order to meet the capital contribution requirement imposed by the Vietnamese authorities which requires BVIUT to increase its charter capital to VND12,000 billion (about RM2.0 billion).

A9 There were no material changes in contingent liabilities or contingent asset since the last annual balance sheet date other than the following:

- (a) With reference to Note 41(2) to the financial statements regarding the matter with Armen&anor, the case regarding Armen&anor's motion to set aside the jury verdict was heard on 6 July 2017 and the Court dismissed Armen&anor's motion. Armen&anor filed a Notice of Appeal on 8 August 2017 in the Court of Appeal, Fourth Appellate District Court, Division 3, California. Armen&anor has filed their appeal briefs and CoswayUSA has to file its reply brief by 29 June 2018.

A10 There were no material changes in capital commitment since the last audited statement of financial position as at 30 April 2017.

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- 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.

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.

The summarised results of the Group are as follows:

	3-Month Ended			12-month Ended		
	30/04/2018	30/04/2017	+ /(-)	30/04/2018	30/04/2017	+ /(-)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	2,111,807	2,234,779	(6)	8,667,666	9,182,394	(6)
Profit from operations	38,771	170,163	(77)	345,522	735,485	(53)
(Loss)/Profit before tax	(43,048)	62,215	N/A	(127,908)	662,628	N/A

Review of results for the quarter

The Group registered a revenue of RM2.11 billion and pre-tax loss of RM43.05 million in the current quarter ended 30 April 2018 as compared to revenue of RM2.23 billion and pre-tax profit of RM62.22 million reported in the previous year corresponding quarter.

Commentary on revenue

The Group recorded a lower revenue for the current quarter mainly due to lower revenue reported by the marketing of consumer products and services as well as property investment and development business segment as compared to the preceding year corresponding quarter.

Marketing of consumer products and services

The marketing of consumer products and services segment reported lower revenue as the retail distribution business was affected by the weak consumer sentiment coupled with the intense competition in the local and oversea markets.

The motor distribution business under H.R. Owen PLC ("HR Owen") reported lower revenue from new car sector.

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Restaurants and cafes

The restaurants and cafes segment reported a higher revenue mainly due to additional Starbucks cafes operating compared to previous year corresponding quarter as well as recording same-store-sales growth in Malaysia.

Property investment and development

The property investment and development segment registered lower revenue in the current quarter. This was because of a much reduced contribution from the Group's foreign projects as well as lower progress billings in the current quarter.

Hotels and resorts

The hotels and resorts segment reported a lower revenue mainly due to lower overall average room rates despite comparable overall occupancy rates.

Gaming operations

The gaming operations reported higher revenue mainly due to higher contribution from both Vietnam and Malaysia operations. The higher revenue reported by the Malaysia operation was mainly due to the seasonally higher sales during the Chinese New Year festive season.

Commentary on pre-tax profit

The pre-tax loss in the current quarter was mainly due to a significant drop in profit from operations. This was mainly due to lower contributions from retail distribution business, property investment and development business, hotel and resorts business as well as gaming operations.

Marketing of consumer products and services

The retail distribution business recorded higher pre-tax losses mainly due to lower sales recorded in the current quarter and lower gross profit margin as a result of more aggressive promotional sales for clearance of slow moving products as well as unfavourable foreign exchange differences recorded in the current quarter.

In spite of the decrease in revenue, the motor distribution business recorded an increase in pre-tax profit due to improved profit margin earned from certain used car sales.

Restaurants and cafes

The higher pre-tax profit of restaurants and cafes segment in the current quarter under review was mainly due to higher pre-tax profit recorded by Starbucks operations, reduced losses from the closure of non-performing restaurants as well as there was no consolidation of the losses from PT Boga, which operates the Kenny Rogers Roasters operation in Indonesia, following its disposal in the previous quarter.

Property investment and development

The property investment and development segment contributed lower pre-tax profit mainly due to lower revenue as mentioned above. The lower pre-tax profit for local projects was mitigated by the effective project cost reduction measures.

Hotels and resorts

The hotels and resorts segment reported lower pre-tax profit mainly due to lower revenue in the current quarter as compared to the previous year corresponding quarter.

Gaming operations

Despite the higher revenue achieved, the business segment registered a lower pre-tax profit as compared to the previous year corresponding quarter. The lower pre-tax profit was mainly due to higher prize payout in the current quarter.

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Review of results for the financial year

The Group registered a revenue of RM8.67 billion and pre-tax loss of RM127.91 million for the financial year ended 30 April 2018 as compared to a revenue of RM9.18 billion and pre-tax profit of RM662.63 million reported in the previous year.

Commentary on revenue

The Group registered a lower revenue for the financial year under review mainly due to lower contribution from the property investment and development segment and marketing of consumer products and services segment.

Marketing of consumer products and services

The marketing of consumer products and services segment reported a lower revenue in the current financial year as compared to the previous year. The retail distribution business was affected by weak consumer spending sentiment particularly in the local market and the intense competition in Mainland China.

The motor distribution business recorded a marginal drop in revenue mainly due to drop in sales volume of its new car sector in the current financial year.

Restaurants and cafes

The restaurants and cafes segment reported a higher revenue mainly due to additional Starbucks cafes operating since the previous year as well as same-store-sales growth.

Property investment and development

The property investment and development segment registered lower revenue in the current year. This was because the remaining units of a property project in China have been disposed of in the previous financial year.

Hotels and resorts

The hotels and resorts segment reported a higher revenue mainly due to higher occupancy rates and room rates in the current financial year as well as full year revenue contribution from a new hotel, which started its operation in the second quarter of the previous financial year.

Gaming operations

The gaming operations reported higher revenue mainly due to full period revenue contribution from the Vietnam operations which started its operations in the second quarter of the previous financial year.

Commentary on pre-tax loss

The Group's pre-tax loss in the current year under review was mainly due to lower profit contribution from property investment and development business as well as exceptional items as disclosed in Note A3. Excluding the impairment of various assets and unfavourable foreign exchange difference totalling about RM354.15 million, the pre-tax profit would have been about RM226.24 million. The pre-tax profit in the previous financial year included the substantial gain from the disposal of an associated company of about RM98.63 million as well as the gain on settlement for surrendering certain assets and lease interests to the relevant authorities of about RM163.64 million.

Marketing of consumer products and services

The higher pre-tax loss reported by retail distribution business in the current year under review was mainly due to decrease in revenue as well as lower gross profit margin as a result of more aggressive promotional sales as mentioned above as well as unfavourable foreign exchange differences.

The motor distribution business reported a higher pre-tax profit as a result of improved profit margin earned from certain used car sales.

Restaurants and cafes

The higher pre-tax profit of the restaurants and cafes segment in the current period under review was mainly due to the abovementioned reasons.

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Property investment and development

The property investment and development segment contributed lower pre-tax profit mainly due to lower revenue in the current year.

Hotels and resorts

The hotels and resorts segment reported higher pre-tax profit mainly due to higher revenue in the current year as compared to the previous year.

Gaming operations

The higher pre-tax profit in the current year was contributed by malaysia operation due to the lower prize payout in the current financial year review.

B2 Review of results of fourth quarter vs third quarter

	3-Month Ended		+ / (-) %
	30/04/2018 RM'000	31/01/2018 RM'000	
Revenue	<u>2,111,807</u>	<u>2,171,346</u>	<u>(3)</u>
Profit from operations	<u>38,771</u>	<u>77,466</u>	<u>(50)</u>
(Loss)/Profit before tax	<u>(43,048)</u>	<u>6,346</u>	<u>N/A</u>

For the quarter under review, the Group recorded a revenue of RM2.11 billion and pre-tax loss of RM43.05 million as compared to a revenue of RM2.17 billion and pre-tax profit of RM6.35 million reported in the preceding quarter.

Commentary on revenue

The Group recorded a marginal drop in revenue for the current quarter. The lower revenue was mainly due to lower revenue achieved by the property investment and development segment as well as marketing of consumer products and services segment.

Marketing of consumer products and services

The lower revenue reported by retail distribution business was mainly due to reasons mentioned in Note B1.

The motor distribution business reported a marginal increase in revenue as compared to the preceding quarter.

Restaurants and cafes

The higher revenue in the third quarter was due to the calendar year end festive sales, school holidays and Christmas and New Year seasons.

Property investment and development

The higher revenue reported by property investment and development segment in the previous quarter was mainly due to sales of several units of residences in Japan.

Hotels and resorts

The hotels and resorts segment reported a lower revenue mainly due to lower occupancy rate and average room rates.

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Gaming operations

The higher revenue reported by gaming operations as compared to previous quarter was mainly due to the seasonally higher sales during the Chinese New Year festive season.

Commentary on pre-tax profit

The pre-tax loss reported in the current quarter was mainly due to lower profit contribution from hotel and resorts business and gaming operations as well as pre-tax losses incurred by the retail distribution business.

Marketing of consumer products and services

The retail distribution business reported a higher pre-tax loss in the current quarter, due to the reasons mentioned in Note B1.

The higher pre-tax profit reported by motor distribution business was mainly due to better performance achieved from new and used car sales.

Restaurants and cafes

The higher pre-tax profit of the restaurants and cafes segment in the previous quarter was in tandem with the higher revenue in previous quarter as mentioned above.

Property investment and development

Despite the lower revenue recorded by the property investment and development segment in this quarter, it recorded a higher pre-tax profit as higher operating expenses were incurred in the previous quarter.

Hotels and resorts

The hotels and resorts segment reported lower pre-tax profit as compared to the previous quarter mainly due to lower revenue in the current quarter.

Gaming operations

The gaming segment contributed lower pre-tax profit mainly due to higher prize payout in the current quarter.

B3 Future prospects

Given the prevailing economic conditions and global financial outlook, the Directors are of the view that the Group's operating environment will be challenging going forward.

B4 There is no profit forecast or profit guarantee for the financial year ended 30 April 2018.

B5 The taxation charge for the current quarter and financial year ended 30 April 2018 are detailed as follows:

	Current Quarter RM'000	Financial Year to date RM'000
Based on the results for the period:-		
Current period provision		
- In Malaysia	56,208	207,207
- Outside Malaysia	9,950	47,580
Deferred tax	(4,282)	(6,744)
Under provision in prior years	4,150	13,759
	<u>66,026</u>	<u>261,802</u>

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The disproportionate tax charge of the Group for the current quarter/financial period ended 30 April 2018 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/(Loss) before tax is stated after charging/(crediting):

	Current Quarter RM'000	Financial Year to date RM'000
Interest income	(18,436)	(105,316)
Dividend income	(123)	(1,914)
Gain on disposal of property, plant and equipment	(184)	(795)
Gain on disposal of other investments	(387)	(3,904)
Gain on disposal of subsidiary companies	(35,572)	(47,566)
Gain on disposal of other investments	(387)	(3,904)
Loss arising from disposal of a subsidiary company	-	15,382
Loss arising from dilution of interest in an associated company	-	3,098
Depreciation of property, plant and equipment	49,959	221,549
Amortisation of intangible assets	17,371	63,855
Impairment loss on receivables	1,582	18,450
Impairment of property, plant and equipment	11,818	11,818
Impairment in value of investment in associated companies	9,780	9,778
Impairment in value of AFS investment	1,500	4,418
Provision for and write off of inventories	7,593	28,772
Provision for impairment on a portion of the balance of GMOC Project sales proceeds	-	155,084
Loss on partial disposal of an associated company	-	39,942
Foreign exchange loss (net)	40,058	114,030
Fair value changes of FVTPL investments (net)	<u>(8,252)</u>	<u>3,168</u>

B7 (A) There has been no further developments for those corporate proposals disclosed in Notes 46 and 47 to the audited financial statements of the Company for the financial year ended 30 April 2017 except for the following:

(i) Note 46(12) in relation to the proposed acquisition of leasehold land in Sungai Besi

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 2018 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

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- B7
- 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.

The judgment is summarised as follows based on the notes of proceedings dated 9 November 2017:

- 1) The Applicants had a legitimate expectation that the site would be constructed and developed for the BCity Project.
- 2) The Selangor State Government and Selangor Town and Country Planning Department (1st and 5th Respondents) had failed to re-table the execution of the BCity Project.
- 3) The 1st and 5th Respondents had acted unreasonably when they failed to have regard to all relevant considerations and disregarded all improper considerations to re-table the execution of the BCity Project. In these circumstances, it has resulted in unfairness to the Applicants as it is tantamount to an abuse of power.
- 4) The cause of action of the substantive application of the judicial review does not involve the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents and is therefore dismissed with costs of RM2,000.00 awarded to the 2nd, 3rd, 4th, 6th, 7th and 8th Respondents respectively.
- 5) The High Court made the following order:
 - (a) In respect of the BCity Project and construction of the equestrian centre, the Applicants are allowed to continue with its development and construction.
 - (b) The Applicants have to submit the comments by the technical departments to the relevant parties.
 - (c) The relevant technical departments shall revert with their response/ feedback within 3 months, failing which the relevant departments are deemed to have no objection to the said development.
 - (d) In respect of the NewSTC, the 1st and 5th Respondents shall re-table its relocation and construction to the National Physical Planning Council within 3 months upon receipt of the proposal from the Applicants. The Applicants shall submit the said proposal within 3 months upon receipt of the fair order, failing which the Applicants are deemed to be no longer interested in carrying out the said proposal.
- 6) The High Court also allows for compensation to be paid to the Applicants by the 1st and 5th Respondents. 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 defendants have filed a Notice of Appeal to the Court of Appeal.

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B7 (A) (ii) Note 46(17) in relation to the disposal of the Berjaya (China) Great Mall Recreation Centre

On 8 December 2017, BLand announced that Beijing SkyOcean had not remitted the remaining adjusted proceeds ("Outstanding Payment") of RMB974.07 million (about RM601.78 million) by 28 November 2017 as agreed. Accordingly, GMOC had on 7 December 2017 issued a notice of demand to Beijing SkyOcean and the guarantors to pay the Outstanding Payment and late payment interest.

On 19 January 2018, BLand announced that GMOC has on even date submitted a notice of arbitration to the Hong Kong International Arbitration Centre against Beijing SkyOcean and the guarantors namely, against SkyOcean Holdings Group Limited and Mr Zhou Zheng, to recover the Outstanding Payment and other reliefs.

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

- (i) On 4 June 2018, BLand announced that BLCL had entered into an agreement to dispose of its entire 32.5% of the capital contribution in BVFC to Vinhomes and Can Gio Tourist City Corporation for a total cash consideration of VND884.93 billion (about RM154.86 million) ("PropBVFCDisposal").

BLCL's capital contribution of VND967.31 billion (about RM169.28 million) initially represented 100% of the charter capital of BVFC. Following conditions imposed by the Vietnamese authorities, BVFC was required to increase its charter capital and Vinhomes injected fresh capital of VND2,008.69 billion (about RM351.52 million) into BVFC to fulfill the requirement. Consequently, BLCL's holding in BVFC was diluted to 32.5%. The cash consideration will be paid in three tranches in accordance to the fulfilment of certain conditions in the agreement.

In conjunction with the PropBVFCDisposal, Vinhomes and its affiliates ("VinhomesAff") are being considered as potential purchasers of BVIUT. VinhomesAff had in December 2017 injected fresh capital of VND11,904 billion (about RM2.08 billion) pursuant to the Vietnamese authorities' requirement to increase the charter capital of BVIUT and thereby diluting BLCL's stake in BVIUT from 100% to 0.8%.

- (ii) On 25 June 2018, the Company announced the completion of the disposal of DSG Holdings Limited ("DSG") to Besino Environment Limited ("Besino"), a company incorporated in the People's Republic of China ("PRC"). Previously on 6 March 2018, the Company announced that the Company and other shareholders of DSG, namely Earthlodge Investments Limited and Elque Resources Sdn Bhd, have entered into an agreement with Besino for the proposed disposal of their entire equity interest comprising 10.00 million ordinary shares in DSG to Besino or its affiliate for a total cash consideration of RMB508 million (about RM312.93 million). The Company's portion of the sale proceeds is RMB431.80 million (about RM265.99 million).

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B8 Group borrowings and debt securities as at 30 April 2018 were as follows:

		At end of current quarter RM'000
Short term borrowings		
Secured		
	Foreign currency amount	
	'000	
Denominated in Ringgit Malaysia	#	2,378,755
USD	24,289 *	95,125
SGD	24,175 *	71,554
GBP	59,514 *	322,751
PHP	371,252 *	28,179
JPY	1,946,936 *	69,913
VND	97,565,000 *	19,513
		<u>2,985,790</u>
Unsecured		
Denominated in Ringgit Malaysia		78,327
USD	80 *	313
		<u>78,640</u>
		3,064,430
Long term borrowings		
Secured		
	'000	
Denominated in Ringgit Malaysia	#	2,340,487
USD	520 *	2,037
SGD	63 *	187
GBP	11,920 *	63,727
PHP	300,000 *	19,928
JPY	14,299,889 *	513,366
RMB	208,401 *	128,875
VND	130,390,000 *	26,078
		<u>3,094,685</u>
Unsecured		
Denominated in RMB	7,924 *	4,900
		<u>4,900</u>
		3,099,585
Total bank borrowings (inclusive of borrowings classified as liabilities of disposal group) @		<u><u>6,164,015</u></u>
* Converted at the respective exchange rates prevailing as at 30 April 2018		
# Includes medium term notes		
- short term		524,701
- long term		874,520
		<u><u>1,399,221</u></u>
@ Includes borrowings classified as liabilities of disposal group		
- short term		8,726
- long term		135,812
		<u><u>144,538</u></u>

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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) On 6 November 2015, BLand announced that its 72.6% subsidiary, Berjaya Jeju Resort Limited ("BJR"), had instituted legal proceedings in the Republic of Korea against Jeju Free International City Development Center ("JDC") for the breach by JDC of certain terms and conditions set out in the Land Sale and Purchase Agreement dated 30 March 2009 ("Land SPA") entered into between BJR and JDC in relation to the proposed mixed development of an international themed village known as the "Jeju Airst City" in Jeju Island, Republic of Korea ("Jeju Project") and to claim for losses and damages incurred ("JDC Lawsuit"). JDC holds a 19% stake in BJR.

Pursuant to the Land SPA, JDC is obligated to transfer the lands acquired thereunder to BJR free from all liens, security interests and encumbrances. However, on 20 March 2015 the Supreme Court of the Republic of Korea ("Korean Supreme Court") ruled that the expropriation by JDC of certain parcels of lands which were then subsequently sold to BJR pursuant to the Land SPA was invalid. Hence JDC had breached the terms of the Land SPA as it failed to transfer good and unencumbered title to the said lands to BJR. A consequence of the Korean Supreme Court decision is that certain former owners of the said lands had filed a suit demanding that the said lands be returned to them. Under the circumstances, the on-going development works on the Jeju Project had been suspended pending the resolution of this matter by JDC with the affected landowners.

Pursuant to the financing arrangement for Phase 1 of the Jeju Project and following the suspension of the development thereon, JDC had repurchased part of the lands (under Phases 2 to 9) for KRW107.0 billion (or about RM374.5 million) and the cash proceeds were used to fully settle the loan outstanding with the financiers, and to partially settle the construction cost of Phase 1 that was due and owing to the main contractor.

On completion of the land repurchased by JDC, BJR terminated the Land SPA in respect of the remaining land under Phase 1 of the Jeju Project. At the sixth court hearings on 14 October 2016, the presiding judge had agreed to BJR's application to conduct land price appraisal of Jeju Project. The presiding judge had also made an inspection of the Jeju Project site on 25 November 2016. As at the date of this announcement, the land price appraisal report of the Jeju Project has been completed by the court appointed land appraisal company and the land price appraisal report has been submitted directly to the court. The JDC Lawsuit is still ongoing.

- (b) Philippine Gaming Management Corporation ("PGMC"), an 88.26%-owned subsidiary company of BToto, commenced arbitration proceedings against Philippine Charity Sweepstakes Office ("PCSO") at the International Chamber of Commerce, International Court of Arbitration, pursuant to an interim agreement between PGMC and the PCSO whereby the parties agreed to resort to arbitration in order to settle issues regarding PGMC's exclusivity as an online lottery lessor of PCSO in Luzon, Philippines. On 13 August 2015, PGMC and PCSO entered into a supplemental and status quo agreement to maintain the status quo existing as provided for in an interim settlement agreement for a period of three (3) years from 22 August 2015 until 21 August 2018. On 1 March 2018, BToto announced that on 23 February 2018, Prime Gaming Management Corporation ("PGMC"), a wholly owned subsidiary company of BPI which is a 88.26% subsidiary of BToto, received a copy of the Final Award issued by the Arbitral Tribunal regarding the dispute between PGMC and Philippine Charity Sweepstakes Office ("PCSO") whereby the Arbitral Tribunal ruled that PGMC does not have an exclusive contractual right to supply an online lottery system for Luzon as the terms of its lease agreements do not grant such exclusivity. The Arbitral Tribunal also ordered PGMC to pay all PCSO's reasonable costs in the arbitration of about PHP53.59 million and to reimburse PCSO the amount of USD200,000 as advance for costs. PGMC has filed the appeal.

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B9 (c) Reference is made to Note B7(A)(ii).

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

The arbitration proceedings have entered the constitution of the tribunal stage. HKIAC has confirmed the appointment of the co-arbitrator nominated by GMOC and has designated the Respondents' co-arbitrator. HKIAC has also recommended the candidate to be the presiding arbitrator in this case. The constitution of the arbitral tribunal will be completed within the coming weeks. The arbitration proceedings is still on-going.

B10 The Board does not recommend any dividend for the current quarter under review (previous year corresponding quarter ended 30 April 2017: Nil).

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

	Group (3-month period)			
	30/04/2018	30/04/2017	30/04/2018	30/04/2017
	RM'000		sen	
Net (loss)/profit for the quarter	(95,190)	3,238		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2	1,788	2,410		
- BCorp ICULS 4	191	202		
Adjusted net (loss)/earnings for the quarter	<u>(93,211)</u>	<u>5,850</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,875,583	4,875,583		
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 per share ('000)	<u>5,623,418</u>	<u>5,623,418</u>		
Basic (loss)/earnings per share			<u>(1.66)</u>	<u>0.10</u>
Adjusted net (loss)/earnings for the quarter	(93,211)	5,850		
Dilution effect on conversion of Redtone International Berhad ICULS	(194)	-		
	<u>(93,405)</u>	<u>5,850</u>		
Number of shares used in the calculation of diluted (loss)/earnings per share ('000)	<u>5,623,418</u>	<u>5,623,418</u>		
Diluted (loss)/earnings per share			<u>(1.66)</u>	<u>0.10</u>

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B11	Group (12-month period)			
	30/04/2018	30/04/2017	30/04/2018	30/04/2017
	RM'000		sen	
Net (loss)/profit for the year	(377,073)	149,285		
Impact on statement of profit or loss upon conversion of ICULS				
- BCorp ICULS 2	9,322	10,771		
- BCorp ICULS 4	812	1,065		
Adjusted net (loss)/earnings for the year	<u>(366,939)</u>	<u>161,121</u>		
Weighted average number of ordinary shares in issue with voting rights ('000)	4,875,583	4,731,741		
Weighted average number of shares to be issued upon conversion of mandatorily convertible ICULS ('000)	<u>747,835</u>	<u>769,346</u>		
Number of shares used in the calculation of basic per share ('000)	<u>5,623,418</u>	<u>5,501,087</u>		
Basic (loss)/earnings per share			<u>(6.53)</u>	<u>2.93</u>
Adjusted net (loss)/earnings for the year	(366,939)	161,121		
Dilution effect on exercise of Redtone International Berhad ICULS	(781)	(62)		
Dilution effect on exercise of Berjaya Food Berhad warrants	-	(25)		
	<u>(367,720)</u>	<u>161,034</u>		
Number of shares used in the calculation of diluted (loss)/earnings per share ('000)	<u>5,623,418</u>	<u>5,501,087</u>		
Diluted (loss)/earnings per share			<u>(6.54)</u>	<u>2.93</u>

c.c. Securities Commission