

BERJAYA ASSETS BERHAD
(REGISTRATION NO.: 196001000237) (3907-W)

18 November 2019

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019

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BERJAYA ASSETS BERHAD
(REGISTRATION NO.: 196001000237) (3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Group	
	As at 30/09/19	As at 30/06/19
	RM'000	(Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	294,168	279,710
Investment properties	2,494,966	2,499,865
Inventories - land held for development	74,693	74,693
Prepaid lease payments	4,400	4,475
Associated company	4,311	3,077
Joint ventures	13,623	14,055
Investments	230,141	240,651
Deferred tax assets	13,063	13,063
Intangible assets	15,741	16,058
Receivables	2,055	2,037
	3,147,161	3,147,684
CURRENT ASSETS		
Inventories - others	197,041	196,611
Receivables	76,617	75,499
Tax recoverable	-	4
Deposits with licensed banks	56,351	59,190
Cash and bank balances	32,609	35,028
	362,618	366,332
TOTAL ASSETS	3,509,779	3,514,016
EQUITY		
Share capital	1,538,120	1,538,120
Reserves :		
Foreign currency translation reserve	5,443	6,537
Fair value through other comprehensive income ("FVTOCI") reserve	(135,047)	(124,538)
Retained earnings	765,888	763,489
	636,284	645,488
Equity attributable to owners of the parent	2,174,404	2,183,608
Non-controlling interests	12,169	9,516
Total equity	2,186,573	2,193,124

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**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	<u>Group</u>	
	As at 30/09/19	As at 30/06/19
	RM'000	(Audited) RM'000
NON-CURRENT LIABILITIES		
Long term bank borrowings	472,216	485,445
Senior medium term notes	158,269	158,172
Hire purchase liabilities	14,115	969
Other long term liabilities	182,153	175,820
Deferred tax liabilities	173,884	173,926
	1,000,637	994,332
CURRENT LIABILITIES		
Payables	153,762	157,225
Short term bank borrowings	160,421	165,411
Hire purchase liabilities	5,091	837
Provisions	546	129
Tax payable	2,749	2,958
	322,569	326,560
Total liabilities	1,323,206	1,320,892
TOTAL EQUITY AND LIABILITIES	3,509,779	3,514,016
<i>Net assets per share attributable to ordinary owners of the parent (sen)</i>	85	87

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2019.

BERJAYA ASSETS BERHAD
(REGISTRATION NO.: 196001000237) (3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	CURRENT QUARTER ENDED	
		30/09/19 RM'000	30/09/18 RM'000
Revenue		72,973	73,855
Operating expenses		(56,151)	(61,233)
Profit from operations		<u>16,822</u>	<u>12,622</u>
Other income	A4	2,605	4,569
Other expenses	A4	(1,740)	(1,246)
Share of results from associated company		1,212	1,045
Share of results from joint ventures		(163)	110
Finance costs		<u>(15,290)</u>	<u>(16,457)</u>
Profit before tax		3,446	643
Taxation	B5	<u>(1,179)</u>	<u>(1,330)</u>
Profit/(Loss) net of tax		<u>2,267</u>	<u>(687)</u>
Attributable to:			
- Owners of the Parent		2,399	(300)
- Non-controlling interests		<u>(132)</u>	<u>(387)</u>
		<u>2,267</u>	<u>(687)</u>
Earnings/(Loss) per share (sen):			
Basic	B10	<u>0.09</u>	<u>(0.01)</u>

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 30 June 2019.

BERJAYA ASSETS BERHAD
(REGISTRATION NO.: 196001000237) (3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	CURRENT QUARTER	
	ENDED	
	30/09/19	30/09/18
	RM'000	RM'000
Profit/(Loss) net of tax	2,267	(687)
<u>Other comprehensive income</u>		
<u>Item that may be subsequently reclassified to profit or loss</u>		
Currency translation difference	(1,094)	1,798
<u>Item that will not be subsequently reclassified to profit or loss</u>		
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")	(10,509)	(11,169)
Total comprehensive income	<u>(9,336)</u>	<u>(10,058)</u>
Attributable to:		
- Owners of the Parent	(9,204)	(9,825)
- Non-controlling interests	<u>(132)</u>	<u>(233)</u>
	<u>(9,336)</u>	<u>(10,058)</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2019.

BERJAYA ASSETS BERHAD
(REGISTRATION NO.: 196001000237) (3907-W)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<----- Attributable to the owners of the Parent ----->

	<--- Non - distributable --->				Distributable		Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	AFS Reserve RM'000	FVTOCI Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity Funds RM'000		
At 1 July 2019	1,538,120	-	(124,538)	6,537	763,489	2,183,608	9,516	2,193,124
Total comprehensive income	-	-	(10,509)	(1,094)	2,399	(9,204)	(132)	(9,336)
Transactions with owners:								
Non-controlling interests arising from additional shares in a subsidiary company	-	-	-	-	-	-	3,000	3,000
Dilution of subsidiary	-	-	-	-	-	-	(215)	(215)
At 30 September 2019	<u>1,538,120</u>	<u>-</u>	<u>(135,047)</u>	<u>5,443</u>	<u>765,888</u>	<u>2,174,404</u>	<u>12,169</u>	<u>2,186,573</u>
At 1 July 2018	1,538,120	6,641	-	6,585	736,400	2,287,746	9,654	2,297,400
Effects of adoption of MFRS 9	-	(6,641)	(108,816)	-	115,457	-	-	-
At 1 July 2018 (as restated)	<u>1,538,120</u>	<u>-</u>	<u>(108,816)</u>	<u>6,585</u>	<u>851,857</u>	<u>2,287,746</u>	<u>9,654</u>	<u>2,297,400</u>
Transfer upon disposal of FVTOCI investment	-	-	978	-	(978)	-	-	-
Total comprehensive income	-	-	(10,509)	1,644	(300)	(9,165)	(233)	(9,398)
At 30 September 2018	<u>1,538,120</u>	<u>-</u>	<u>(118,347)</u>	<u>8,229</u>	<u>850,579</u>	<u>2,278,581</u>	<u>9,421</u>	<u>2,288,002</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2019.

BERJAYA ASSETS BERHAD
(REGISTRATION NO.: 196001000237) (3907-W)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2019
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	CURRENT QUARTER	
	ENDED	
	30/09/19	30/09/18
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	75,530	77,055
Payments for operating expenses	(48,580)	(61,010)
Other payments (including taxes)	(3,279)	(5,019)
Net cash generated from operating activities	<u>23,671</u>	<u>11,026</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of plant and machinery	19	41
Sales of other investments	-	4,818
Acquisition of plant and machinery	(789)	(1,596)
Acquisition of other non current assets	(128)	(4)
Acquisition of investments	-	(7,710)
Interest received	483	585
Dividend received	581	-
Other payments arising on investing activities	(5,600)	-
Net cash used in investing activities	<u>(5,434)</u>	<u>(3,866)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares to non-controlling interests	3,000	-
Drawdown of bank and other borrowings	-	4,380
Repayment of borrowings and loans	(15,323)	(4,908)
Interest paid	(10,397)	(11,898)
Payment of hire purchase liabilities	(737)	(183)
Placement with banks as security pledged for borrowings	(1,059)	(7,549)
Net cash used in financing activities	<u>(24,516)</u>	<u>(20,158)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(6,279)	(12,998)
EFFECTS OF EXCHANGE RATE CHANGES	(94)	88
OPENING CASH AND CASH EQUIVALENTS	31,052	39,529
CLOSING CASH AND CASH EQUIVALENTS	<u>24,679</u>	<u>26,619</u>
 The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	56,351	70,245
Cash and bank balances	32,609	30,140
	<u>88,960</u>	<u>100,385</u>
Less:		
Bank overdrafts	(9,956)	(9,901)
Cash and cash equivalents restricted in usage	(54,325)	(63,865)
	<u>24,679</u>	<u>26,619</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2019.

NOTES:

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

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2019, which were prepared under Malaysian Financial Reporting Standards. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions which are significant for understanding the changes in the financial position and performance of the Company since the year ended 30 June 2019.

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 June 2019, except for the adoption of new Malaysian Financial Reporting Standards ("MFRSs"), Amendments to MFRSs, IC Interpretations and Annual Improvements to MFRSs which were effective for the financial periods beginning 1 January 2019.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 July 2019.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption, other than those described below.

(a) MFRS 16: Leases

MFRS 16 replaced MFRS 117: Leases, IC Interpretation 4: Determining whether an Arrangement contains a Lease, IC Interpretation 115: Operating Lease-Incentives and IC Interpretation 127: Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117.

NOTES (CONTINUED)A1 (a) MFRS 16: Leases (Contd.)

At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions), less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at present value of the lease payment that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications.

Classification of cash flows will also be affected as operating lease payments under MFRS 117 are presented as operating cash flows, whereas under MFRS 16, the lease payments will split into a principal (which will be presented as financing cash flows) and an interest portion (which will be presented as operating cash flows).

Under MFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, MFRS 16 has changed and expanded the disclosures required, in particular regarding how a lessor manages the risks arising from its residual interest in leased assets.

Under MFRS 16, an intermediate lessor accounts for the head lease and the sublease as two separate contracts. The intermediate lessor is required to classify the sublease as a finance or operating lease by reference to the right-of-use asset arising from the head lease (and not by reference to the underlying asset as was the case under MFRS 117).

The Group adopted MFRS 16 on 1 July 2019 using the modified retrospective approach. Hence the Group had recognised the right-of-use assets amounting to RM16,082,000 and the corresponding lease liabilities of RM16,082,000 in respect of its rented premise, land and equipment.

NOTES (CONTINUED)A1 (a) MFRS 16: Leases (Contd.)

The financial impact from the initial adoption of MFRS 16 at 1 July 2019 are as follows:

<u>Consolidated Statement of Financial Position</u>	RM'000
Increase in right-of-use assets	16,082
Increase in lease liabilities	<u>16,082</u>

(b) IC Interpretation 23: Uncertainty over Income Tax Treatments

IC Interpretation 23 provides guidance on how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. If an entity concludes that it is not probable that the tax treatment will be accepted by the tax authority, the effect of the tax uncertainty should be included in the period when such determination is made. An entity shall measure the effect of uncertainty using the method which best predicts the resolution of the uncertainty.

IC Interpretation 23 will be applied retrospectively.

As disclosed in Note 41 of the audited consolidated financial statements for the year ended 30 June 2019, the Group has 2 on-going litigations relating to disputed additional assessments of income taxes raised by the Inland Revenue Board. The Group has assessed and concluded that based on the legal opinion which states that Berjaya Times Square Sdn Bhd ("BTSSB") has reasonable grounds to take a position that the gains for disposal of investment properties should not be subjected to income tax, the adoption of IC Interpretation 23 has no material impact on the financial statements of the Group.

A2 The audit report of the Company's most recent annual audited financial statements did not contain any qualification.

A3 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for the gaming and recreation businesses that may be favourably impacted by the festive and school holiday seasons respectively.

NOTES (CONTINUED)

A4 (a) There were no other unusual items as a result of their nature, size or incidence that had affected the financial statements for the financial quarter ended 30 September 2019 except for the following:

(i) Included under other income/(expenses) in the consolidated statement of profit or loss is:

	Current Quarter ended 30/09/19 RM'000
Gain arising from dilution of investment in subsidiary	215
Amortisation of intangible assets	<u>(275)</u>

(b) There were no material changes in estimates of amounts reported in the current financial period ended 30 September 2019.

A5 There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial quarter ended 30 September 2019.

In addition, none of the outstanding Warrants 2018/2023 were exercised in the period ended 30 September 2019.

A6 The Company did not pay any dividend in the financial quarter ended 30 September 2019.

NOTES (CONTINUED)

A7 Segmental information for the financial quarter ended 30 September 2019:

	External	Inter -	Total
	RM '000	segment	RM '000
		RM '000	
<u>REVENUE</u>			RM '000
Property development and investment	37,349	-	37,349
Gaming and related activities	25,961	502	26,463
Hotel, recreation and others	9,663	-	9,663
Elimination : Intersegment revenue	-	(502)	(502)
Total revenue	<u>72,973</u>	<u>-</u>	<u>72,973</u>
<u>RESULTS</u>			RM '000
Property development and investment			18,759
Gaming and related activities			1,207
Hotel, recreation and others			<u>(585)</u>
			19,381
Unallocated corporate expenses			<u>(2,559)</u>
Profit from operations			16,822
Other income			
- property development and investment			1,067
- gaming and related activities			633
- hotel and recreation			310
- unallocated			595
			<u>2,605</u>
			19,427
Other expenses			
- gaming and related activities			(275)
- unallocated			(1,465)
			<u>(1,740)</u>
			17,687
Share of results after tax from associated companies			1,212
Share of results after tax from joint ventures			(163)
Finance costs			<u>(15,290)</u>
Profit before tax			3,446
Taxation			(1,179)
Profit for the quarter			<u>2,267</u>

NOTES (CONTINUED)

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report.

A9 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this current financial quarter.

A10 There were no material changes in the composition of the Group for the financial quarter ended 30 September 2019 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except as disclosed below:

- a) On 2 August 2019, Jubli Mentari Sdn Bhd ("JMSB") issued 2.5 million new ordinary shares. Berjaya Assets Alliance Sdn Bhd ("BAASB") a wholly owned subsidiary of the Group, only subscribed 1.0 million new ordinary shares in JMSB for a total cash subscription price of RM2.0 million. Consequently, the Group's equity interest in JMSB was diluted from 65% to 56.9%.

A11 There were no material changes in contingent liabilities or contingent assets since the last audited statement of financial position as at 30 June 2019.

A12 There are no changes in capital commitments since the last audited statement of financial position as at 30 June 2019 as follows:

	At 30/09/19 RM'000	At 30/06/18 RM'000
Capital expenditure approved and contracted for	40,931	40,931
Proposed acquisition of remaining		
50% equity interest in Megaquest Sdn Bhd	97,600	97,600
	<u>138,531</u>	<u>138,531</u>

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

B1 Review of group performance

The main operating businesses of the Group are number forecast operation ("NFO") in Sarawak, property development and Investment, the operations of a hotel and recreation business including the operations of Greyhound Café's restaurants. The key factors (other than general economic conditions) affecting the performance of the main operating businesses in the Group are as follows:

NFO in Sarawak

- disposable income of the general public, luck factor, illegal gaming and the number of draws in the financial period.

Property development and investment

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

Hotel and recreation

- room rates, seasonal festive periods and school holidays, locations of the hotel and restaurants, tourism/currency exchange/dining out trends, energy/raw material/other supplies costs, quality of rooms/amenities/service and customer perception.

The summary results of the Group are as follows:

	3-Month Ended		
	30/09/19	30/09/18	+ / (-)
	RM'000	RM'000	%
Revenue	72,973	73,855	(1)
Profit from operations	16,822	12,622	33
Profit before tax	3,446	643	436

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B1 Review of group performance (Contd)**For the Quarter

The Group registered revenue of RM73.0 million and pre-tax profit of RM3.4 million in the current quarter ended 30 September 2019 as compared to revenue of RM73.9 million and pre-tax profit of RM0.6 million reported in the previous year corresponding quarter. The lower Group revenue was mainly due to lower average room rates, lower food and beverage sales, lower theme park tickets sales from the hotel and recreation business segment and lower rental income generated by the property development and property investment business segment.

The above has been mitigated by the higher revenue generated from gaming business segment due to higher average revenue per draw, despite having lower number of draws in the quarter under review.

The Group reported a higher pre-tax profit in the current quarter under review mainly due to lower operating expenses incurred by the property development and property investment business segment and hotel and recreation business segment.

B2 First Quarter vs Preceding Year's Fourth Quarter

	3-Month Ended		
	30/09/19	30/06/19	+/(-)
	RM'000	RM'000	%
Revenue	72,973	102,248	(29)
Profit from operations	16,822	15,535	8
Profit/(Loss) before tax	3,446	(18,374)	(119)

For the current quarter under review, the Group registered a revenue of RM73.0 million which was lower compared to the revenue of RM102.2 million in the preceding quarter ended 30 June 2019. The current quarter's pre-tax profit of RM3.4 million was a turnaround from pre-tax loss of RM18.4 million reported for the preceding quarter.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B2 First Quarter vs Preceding Year's Fourth Quarter (Contd)**

The Group revenue in the preceding quarter was higher mainly due to the one-off disposal of several parcels of land amounting to RM26.1 million.

For the current quarter, the gaming, the hotel and recreation and property development and investment business segment have reported lower revenue mainly due to lower average revenue per draw, lower average room rate and lower rental income respectively.

The Group reported a turnaround to profit before tax in the current quarter under review was mainly due to higher profit contribution from:

- (i) the property development and property investment business segment arising from lower operating expenditure (despite its lower revenue); and
- (ii) the hotel and recreation business segment mainly due to lower maintenance cost.

In addition, the Group accounted for a non-cash impairment of goodwill amounting to RM20.4 million in the preceding quarter.

B3 Future Prospects

Given the prevailing economic conditions and financial outlook, the Directors expect the property investment and hotel and related businesses operated by BTSSB Group to maintain their occupancy rates and market share respectively going forward. The Directors envisage that the operating performance of the Group for the remaining quarters in the financial year ending 30 June 2020 will be challenging.

B4 There is no profit forecast or profit guarantee for the financial quarter and period ended 30 September 2019.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B5 The income tax expenses for the financial quarter ended 30 September 2019 are detailed as follows:

	Current Quarter ended 30/09/19 RM'000
Malaysian taxation:	
Current period provision	1,096
Deferred tax	(42)
Withholding tax	125
	<u>1,179</u>

The disproportionate tax charge of the Group for the financial quarter ended 30 September 2019 was mainly due to certain expenses being disallowed for tax purposes, as well as non-availability of the Group tax relief in respect of losses incurred by certain subsidiary companies.

B6 The corporate exercise announced by the Group but not completed as at the date of this announcement are listed below:

- a) As disclosed in Note 44 in the Company's audited financial statements for the financial year ended 30 June 2013, BWSB had entered into a conditional sale and purchase agreement for the proposed acquisition by BWSB from Kelana Megah Sdn Bhd ("KMSB") of its intended lease interest in a parcel of vacant land measuring about 4.285 acres held under Lot No. PTB 20379, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor for a cash consideration of RM27.99 million ("KMSB SPA").

On 8 May 2018, BWSB has entered into a supplemental agreement with KMSB for the inclusion of the payment of the development returns of RM13.5 million as well as to extend the completion date of the KMSB SPA to 9 April 2019. Subsequently on 3 April 2019, BWSB entered into a supplemental agreement with KMSB to further extend the completion date of the Agreement to 9 April 2021. Upon completion of the KMSB SPA, BWSB will hold a 99-year leasehold land instead of lease interest over the land.

- (b) On 12 July 2016, Tropicfair Sdn Bhd, a wholly-owned subsidiary company of the Company had entered into a Share Sale Agreement with Violet Circle Sdn Bhd to acquire the remaining 50% equity interest in Megaquest Sdn Bhd for a total cash consideration of RM108.0 million. The said acquisition is still pending.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B7 The Group borrowings as at 30 September 2019 are as follows:

Secured:	RM'000
Short term bank borrowings	
- Denominated in Ringgit Malaysia	150,132
- Denominated in GBP (£2,000,000) *	10,289
	160,421
Long term bank borrowings	
- Denominated in Ringgit Malaysia	340,602
- Denominated in GBP (£25,584,000) *	131,614
	472,216
Senior medium term notes	158,269
Total borrowings	790,906

* *Converted at the exchange rate prevailing as at 30 September 2019.*

B8 There is no pending material litigation since the date of the last audited statement of financial position to the date of this announcement, other than as disclosed below.

Reference is made to Note 41 of the audited financial statements of the Group for the financial year ended 30 June 2019.

The Court of Appeal fixed the hearing of BTSSB's appeal against the dismissal of its application for leave for judicial review by the High Court on 18 February 2020.

Both Tax Appeal 1 and Tax Appeal 2 will now be heard at the Special Commissioners of Income Tax ("SCIT") from 11 August 2021 to 13 August 2021.

The above litigations are still on-going.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B9 The Board does not recommend any dividend in the current quarter (previous year's quarter ended 30 September 2018 : Nil).

B10 The earnings/(loss) per share is calculated by dividing earnings/(loss) attributable to owners of the Parent by the weighted average number of ordinary shares in issue:

	30/09/19 RM'000	<u>Current Quarter Ended</u>		30/09/18 Sen
		30/09/18 RM'000	30/09/19 Sen	
Profit/(Loss) for the quarter	<u>2,399</u>	<u>(300)</u>		
Weighted average number of ordinary shares ('000)	<u>2,558,271</u>	<u>2,502,656</u>		
Basic earnings/(loss) per share			<u>0.09 #</u>	<u>(0.01) #</u>

No diluted earnings/(loss) per share is presented as the computation based on the outstanding warrants would have an anti-dilutive effect.

B11 Profit before tax is stated after charging/(crediting):

	Current Quarter ended 30/09/19 RM'000
Interest income	(471)
Dividend income	(581)
Other income excluding dividend and interest income	(1,553)
Depreciation of property, plant and equipment	3,853
Amortisation of intangible assets	<u>275</u>