

## 2020年6月期（2019年7月～2020年6月）年次決算短信

会 社 名 ワイ・ティー・エル・コーポレーション・バーハッド

株式銘柄コード (1773)

本店所在地 マレーシア 55100 クアラルンプール、ジャラン・ブギット・ビンタン 55、ヨー・ティオン・レイ・プラザ 11階

所 属 部 東証1部（外国）

決 算 期 本決算：年1回（6月） 中間決算：四半期ごと

問 い 合 せ 先 東京都千代田区大手町1-1-1  
大手町パークビルディング  
アンダーソン・毛利・友常法律事務所  
弁護士 森下 国彦  
弁護士 日高 英太朗  
弁護士 川端 彩華  
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1. 本国における決算発表日 2020年8月28日（金曜日）

2. 業績

	決算期（連結）		
	当期（未監査）	前期（再表示）	増減率
売上高または営業収入	19,166,932 千リングgit	18,047,528 千リングgit	6.20%
純利益（税引後）	3,718 千リングgit	721,355 千リングgit	-99.48%
一株当たり利益	-1.78 セン	2.30 セン	-177.39%

配当金の推移			
	当 期	前 期	備 考
第1四半期	0 セン	0 セン	
第2四半期	0 セン	0 セン	
第3四半期	0 セン	0 セン	
第4四半期	0 セン	4.0 セン	
合 計	0 セン	4.0 セン	

3. 概況・特記事項・その他

- (1) 純利益（税引後）は法人税考慮後・少数株式持分損益考慮前利益に基づき算出されている。
- (2) 上記1株当たり利益は基本的利益である。希薄化後1株当たり利益は、当期が-1.78 セン、前期が 2.30 センであった。これらの1株当たり利益は法人税考慮後・少数株主持分考慮後利益に基づき算出している。
- (3) 売上高または営業収入および純利益（税引後）の数値は百の位を四捨五入している。
- (4) 前期の数値は修正再表示されている。

**YTL CORPORATION BERHAD**  
Company No. 198201012898 (92647-H)  
Incorporated in Malaysia

**Interim Financial Report**  
**30 June 2020**

**YTL CORPORATION BERHAD**  
Company No. 198201012898 (92647-H)  
Incorporated in Malaysia

**Interim Financial Report**  
**30 June 2020**

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**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

Interim financial report on consolidated results for the financial year ended 30 June 2020.

The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2020 RM'000	Preceding Year Corresponding Quarter 30.06.2019 RM'000	12 Months Ended	
			30.06.2020 RM'000	30.06.2019 RM'000
<b>Revenue</b>	3,524,912	5,091,662	19,166,932	18,047,528
Cost of sales	(3,100,720)	(4,075,557)	(15,567,930)	(13,940,465)
Gross profit	424,192	1,016,105	3,599,002	4,107,063
Other operating income	262,405	224,455	593,155	403,255
Other operating expenses	(350,557)	(678,004)	(2,167,429)	(2,137,407)
<b>Profit from operations</b>	336,040	562,556	2,024,728	2,372,911
Finance costs	(406,089)	(457,580)	(1,852,018)	(1,747,499)
Share of results of associated companies and joint ventures	(54,810)	89,224	257,247	411,095
<b>(Loss)/Profit before taxation</b>	(124,859)	194,200	429,957	1,036,507
Taxation	(197,300)	(107,693)	(426,239)	(315,152)
<b>(Loss)/Profit for the period/year</b>	<u>(322,159)</u>	<u>86,507</u>	<u>3,718</u>	<u>721,355</u>
<b>Attributable to:-</b>				
Owners of the parent	(252,226)	(13,816)	(189,855)	242,589
Non-controlling interests	(69,933)	100,323	193,573	478,766
<b>(Loss)/Profit for the period/year</b>	<u>(322,159)</u>	<u>86,507</u>	<u>3,718</u>	<u>721,355</u>
<b>Earnings/(loss) per share</b>				
Basic (Sen)	<u>(2.39)</u>	<u>(0.13)</u>	<u>(1.78)</u>	<u>2.30</u>
Diluted (Sen)	<u>(2.39)</u>	<u>(0.13)</u>	<u>(1.78)</u>	<u>2.30</u>

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2020 RM'000	Preceding Year Corresponding Quarter 30.06.2019 RM'000	12 Months Ended	
			30.06.2020 RM'000	30.06.2019 RM'000
<b>(Loss)/Profit for the period/year</b>	<u>(322,159)</u>	<u>86,507</u>	<u>3,718</u>	<u>721,355</u>
<b>Other comprehensive income/(loss) :-</b>				
<i>Items that will not be reclassified subsequently to income statement:-</i>				
Re-measurement of post-employment benefit obligations	(183,886)	(50,743)	(183,886)	(50,743)
<i>Items that may be reclassified subsequently to income statement:-</i>				
Financial assets at fair value through other comprehensive loss	(26,877)	(19,413)	(35,459)	(20,987)
Cash flow hedges	258,200	(205,037)	(227,883)	(353,606)
Share of other comprehensive income of associated company	58,612	-	58,612	-
Foreign currency translation	<u>374</u>	<u>173,717</u>	<u>(332,640)</u>	<u>313,021</u>
<b>Other comprehensive income/(loss) for the period/year, net of tax</b>	<u>106,423</u>	<u>(101,476)</u>	<u>(721,256)</u>	<u>(112,315)</u>
<b>Total comprehensive (loss)/income for the period/year</b>	<u><u>(215,736)</u></u>	<u><u>(14,969)</u></u>	<u><u>(717,538)</u></u>	<u><u>609,040</u></u>
<b>Attributable to :-</b>				
Owner of the parent	(326,753)	(125,321)	(695,220)	132,512
Non-controlling interests	<u>111,017</u>	<u>110,352</u>	<u>(22,318)</u>	<u>476,528</u>
<b>Total comprehensive (loss)/income for the period/year</b>	<u><u>(215,736)</u></u>	<u><u>(14,969)</u></u>	<u><u>(717,538)</u></u>	<u><u>609,040</u></u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statement.

**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
(Incorporated in Malaysia)  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2020</b>	<b>30.06.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	30,640,814	30,759,493
Right of use assets	2,033,612	-
Investment properties	1,192,460	10,217,573
Investment in associated companies and joint ventures	4,382,909	2,845,349
Investments	404,498	409,971
Development expenditure	1,130,929	1,127,238
Intangible assets	8,630,478	8,023,200
Trade, other receivables and contract assets	1,358,093	1,164,736
Derivative financial instruments	10,586	18,722
	<u>49,784,379</u>	<u>54,566,282</u>
<b>Current Assets</b>		
Inventories	2,086,055	2,783,723
Property development costs	240,973	561,937
Trade, other receivables and contract assets	3,528,814	4,438,257
Derivative financial instruments	74,259	65,022
Income tax assets	133,326	121,292
Investments	2,301,989	2,352,947
Amount due from related parties	53,125	31,131
Fixed deposits	10,396,221	10,635,496
Cash and bank balances	1,264,487	1,171,006
	<u>20,079,249</u>	<u>22,160,811</u>
<b>TOTAL ASSETS</b>	<u><u>69,863,628</u></u>	<u><u>76,727,093</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
(Incorporated in Malaysia)  
**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2020</b>	<b>30.06.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY</b>		
Share capital	3,467,555	3,340,111
Other reserves	475,223	907,066
Retained profits	8,982,209	9,488,302
Less : Treasury shares, at cost	(501,837)	(472,793)
<b>Equity Attributable to Owners of the Parent</b>	<u>12,423,150</u>	<u>13,262,686</u>
Non-Controlling Interests	<u>3,118,924</u>	<u>7,631,855</u>
<b>TOTAL EQUITY</b>	<u>15,542,074</u>	<u>20,894,541</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Long term payables and other contract liabilities	1,519,579	1,257,683
Bonds & borrowings	29,525,098	30,722,521
Lease liabilities	1,360,407	-
Grants and contributions	596,668	560,828
Deferred tax liabilities	2,170,916	2,073,144
Post-employment benefit obligations	913,247	759,646
Derivative financial instruments	15,402	54,116
	<u>36,101,317</u>	<u>35,427,938</u>
<b>Current Liabilities</b>		
Trade, other payables and other contract liabilities	3,575,754	4,681,472
Derivative financial instruments	174,944	63,491
Amount due to related parties	39,211	16,006
Bonds & borrowings	13,931,500	15,357,267
Lease liabilities	250,825	-
Income tax liabilities	105,121	133,891
Provision for liabilities and charges	142,882	152,487
	<u>18,220,237</u>	<u>20,404,614</u>
<b>TOTAL LIABILITIES</b>	54,321,554	55,832,552
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>69,863,628</u>	<u>76,727,093</u>
Net Assets per share (RM)	<u>1.17</u>	<u>1.25</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

Group	← Share capital		Attributable to Owners of the Parent				→ Non-Controlling interests		Total equity RM'000
	RM'000	RM'000	Retained profits RM'000	Treasury shares RM'000	Other reserves RM'000	Total RM'000	Controlling interests RM'000		
At 1 July 2019, as previously reported	3,340,111		9,488,302	(472,793)	907,066	13,262,686	7,631,855	20,894,541	
Effects of adopting of MFRS 16	-	(21,573)		-	-	(21,573)	(34,584)	(56,157)	
At 1 July 2019, as restated	3,340,111		9,466,729	(472,793)	907,066	13,241,113	7,597,271	20,838,384	
(Loss)/Profit for the year	-	(189,855)		-	-	(189,855)	193,573	3,718	
Other comprehensive loss	-	(101,878)		-	(403,487)	(505,365)	(215,891)	(721,256)	
Total comprehensive loss for the year	-	(291,733)		-	(403,487)	(695,220)	(22,318)	(717,538)	
Changes in composition of the Group	-	312,352		-	-	312,352	(183,646)	128,706	
Conversion of ICULS	-	(79,524)		-	(46,826)	(126,350)	-	(126,350)	
Dividend paid	-	(426,770)		-	-	(426,770)	(641,264)	(1,068,034)	
Effects of a former subsidiary become an associate	-	-		-	-	-	(3,631,119)	(3,631,119)	
Purchase of treasury shares	-	-		(29,044)	-	(29,044)	-	(29,044)	
Share option expenses	-	-		-	19,343	19,343	-	19,343	
Share option lapsed	-	527		-	(527)	-	-	-	
Share option lapsed by subsidiary	-	628		-	(346)	282	-	282	
At 30 June 2020	3,467,555		8,982,209	(501,837)	475,223	12,423,150	3,118,924	15,542,074	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.



**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

Group	← Share capital		Attributable to Owners of the Parent				→ Non-controlling interests		Total equity RM'000
	RM'000	RM'000	Retained profits RM'000	Treasury shares RM'000	Other reserves RM'000	Total RM'000	Controlling interests RM'000		
At 30 June 2018, as previously reported	3,340,111	10,123,292	1,009,646	(337,142)	139	14,135,907	7,540,331	21,676,238	
Effects of adopting of MFRS 15	-	(68,128)	-	-	-	(67,989)	284	(67,705)	
Acquisition accounting and consolidation elimination restatements	-	(25,986)	-	-	-	(25,986)	(22,110)	(48,096)	
At 30 June 2018, as restated	3,340,111	10,029,178	1,009,785	(337,142)	-	14,041,932	7,518,505	21,560,437	
Effects of adopting of MFRS 9	-	(225,802)	(37,908)	-	-	(263,710)	(2,220)	(265,930)	
At 1 July 2018, as restated	3,340,111	9,803,376	971,877	(337,142)	-	13,778,222	7,516,285	21,294,507	
Profit for the year	-	242,589	-	-	-	242,589	478,766	721,355	
Other comprehensive loss	-	(28,012)	(82,065)	-	-	(110,077)	(2,238)	(112,315)	
Total comprehensive income/(loss) for the year	-	214,577	(82,065)	-	-	132,512	476,528	609,040	
Changes in composition of the Group	-	(109,797)	-	-	-	(109,797)	133,640	23,843	
Dividend paid	-	(422,748)	-	-	-	(422,748)	(494,598)	(917,346)	
Purchase of treasury shares	-	-	-	(135,651)	-	(135,651)	-	(135,651)	
Share options expenses	-	-	19,635	-	-	19,635	-	19,635	
Share option lapsed	-	1,748	(1,748)	-	-	-	-	-	
Share option lapsed by subsidiary	-	1,146	(633)	-	-	513	-	513	
At 30 June 2019	3,340,111	9,488,302	907,066	(472,793)	-	13,262,686	7,631,855	20,894,541	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	<b>12 Months Ended</b>	
	<b>30.06.2020</b>	<b>30.06.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	429,957	1,036,507
Adjustment for :-		
Adjustment on fair value of investment properties	4,441	(13,172)
Amortisation of contract costs	7,842	11,569
Amortisation of deferred income	(5,209)	(4,579)
Amortisation of grants and contributions	(15,166)	(15,973)
Amortisation of other intangible assets	72,111	10,806
Depreciation of property, plant and equipment	1,561,748	1,497,585
Depreciation of right of use assets	168,959	-
Dividend income	(10,083)	(29,411)
Fair value changes of derivatives	16,128	19,981
Fair value changes of investments	(25,237)	(62,507)
Effects of a former subsidiary become an associate	(258,549)	-
Impairment losses	186,279	159,514
Interest expense	1,843,067	1,745,236
Interest income	(275,153)	(311,520)
Inventories written down	44,597	77,662
Net gain on disposal of property, plant and equipment	(12,924)	(4,820)
Property, plant and equipment written off	17,768	26,793
Provision for post-employment benefit	47,279	64,699
(Write back of)/Provision for liabilities and charges	(3,437)	7,520
Share option expenses	21,637	22,020
Share of results of associated companies and joint ventures	(257,247)	(411,095)
Unrealised gain on foreign exchange	(92,661)	(109,570)
Write back of fuel cost	(9,602)	-
Other non cash items	10,677	1,505
<b>Operating profit before changes in working capital</b>	<b>3,467,222</b>	<b>3,718,750</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 - continued**

	12 Months Ended	
	30.06.2020 RM'000	30.06.2019 RM'000
<b>Changes in working capital:-</b>		
Inventories	639,466	389,591
Property development costs	(17,007)	(57,401)
Receivables, deposits and prepayments	686,505	(754,888)
Payables and accrued expenses	(402,953)	806,611
Related parties balances	(13,234)	(12,024)
<b>Cash generated from operations</b>	4,359,999	4,090,639
Dividend received	423,954	438,742
Interest paid	(1,698,692)	(1,657,715)
Interest received	295,934	316,368
Payment to a retirement benefits scheme	(129,147)	(111,214)
Income tax paid	(405,919)	(306,555)
<b>Net cash from operating activities</b>	2,846,129	2,770,265
<b>Cash flows from investing activities</b>		
Acquisition of subsidiaries	(128,699)	(2,596,788)
Acquisition of associated companies	(18,937)	(367,340)
Development expenditure incurred	(5,073)	(132,686)
Grants received in respect of infrastructure assets	49,342	29,432
Maturities of income funds	176,000	1,285,382
Proceeds from disposal of investment properties	-	13,837
Proceeds from disposal of property, plant & equipment	29,896	20,039
Proceeds from disposal of investments	34,448	11,806
Effects of a former subsidiary become an associate	(245,872)	-
Purchase of investment properties	(114,803)	(43,496)
Purchase of property, plant & equipment	(1,681,530)	(2,412,100)
Purchase of intangible assets	(207,806)	(4,215)
Purchase of investments	(625,172)	(192,641)
Shareholder loans	(94,651)	(60,305)
<b>Net cash used in investing activities</b>	(2,832,857)	(4,449,075)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))  
(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 - continued**

	12 Months Ended	
	30.06.2020 RM'000	30.06.2019 RM'000
<b>Cash flows from financing activities</b>		
Dividend paid	(426,770)	(422,748)
Dividend paid to non-controlling interests by subsidiaries	(641,264)	(494,598)
Repurchase of own shares by the company (at net)	(29,044)	(135,651)
Repurchase of subsidiaries' shares by subsidiaries	(2)	(198,625)
Proceeds from bonds	-	510,000
Proceeds from borrowings	4,341,241	6,657,542
Proceeds from issue of shares	127,444	-
Upfront fees on borrowings	-	(1,950)
Repayment of bonds	(10,000)	(500,000)
Repayment of borrowings	(3,700,510)	(3,763,118)
Repayment of lease liabilities	(397,880)	-
<b>Net cash used in financing activities</b>	<u>(736,785)</u>	<u>1,650,852</u>
Net changes in cash and cash equivalents	(723,513)	(27,958)
Effects of exchange rate changes	58,758	190,142
Cash and cash equivalents at beginning of the financial year	<u>11,763,827</u>	<u>11,601,643</u>
Cash and cash equivalents at end of the financial year	<u><u>11,099,072</u></u>	<u><u>11,763,827</u></u>
<b>Cash and cash equivalent comprise :-</b>		
Fixed deposit with licensed bank	10,396,221	10,635,496
Cash and bank balances	1,264,017	1,171,006
Deposits with maturity 90 days and more	(516,019)	-
Bank overdraft	(45,147)	(42,675)
	<u><u>11,099,072</u></u>	<u><u>11,763,827</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT**

**Notes:-**

**Disclosure requirements pursuant to FRS 134 – paragraph 16**

The Condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 June 2019.

**A1. Accounting Policies and Methods of Computation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2019.

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2019, except for changes arising from the adoption of MFRS 16 “Leases” as described below:

MFRS 16 “Leases” (“MFRS 16”)

MFRS 16 supersedes MFRS 117 “Leases” (“MFRS 117”) and the related interpretations. Under MFRS 16, a lease is a contract (or part of a contract) that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

MFRS 16 eliminates the classification of leases by the lessee as either finance leases (on balance sheet) or operating leases (off balance sheet). MFRS 16 requires lessee to recognise “right-of-use” of the underlying asset and a lease liability reflecting future lease payments for leases. The right-of-use asset is depreciated in accordance with the principle in MFRS 116 ‘Property, Plant and Equipment’ and the lease liability is accreted over time with interest expense recognised in the Income Statement.

The Group applies MFRS 16 using the modified retrospective approach, therefore the comparative information was not restated and continues to be reported under MFRS 117 and IC Interpretation 4 “Determining Whether an Arrangement Contain a Lease” (“IC 4”). The retrospective impact of applying MFRS 16 for the leasing contracts assessed to be relevant to MFRS 16 as at 1 July 2019 is adjusted to the Group’s retained earnings as at 1 July 2019.

The purchases and sales of rights to access and rights to use licenses of intellectual property are excluded from the scope of MFRS 16.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest rate method, re-measured when there is a change in the Group's estimates of future lease payments arising from changes in circumstances relating to the contractor if the Group changes its assessment of whether it will exercise a purchase, extension or termination options.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application.

In such re-measurements, a corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in Income Statement if the carrying value of the right-of-use asset has been reduced to zero.

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less at inception or at the initial application of MFRS 16 and low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The adoption of MFRS 16 impacts the Group's performance in the current financial year as below:

- (a) On the Income Statement, expenses which previously included leasing expenses within Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") were replaced by interest expense on lease liabilities and depreciation of the right-of-use assets.
- (b) On the Statements of Cash Flows, operating lease rental outflows previously recorded within "net cash flows from operating activities" were reclassified as "net cash flows used in financing activities" for repayment of principal and interest of lease liabilities.

For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

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The table below shows the impact of changes to the condensed consolidated statement of financial position of the Group resulting from the adoption of MFRS 16 as at 1 July 2019:

	<b>As previously reported</b>	<b>Effects of adoption of MFRS 16</b>	<b>As restated</b>
	<b>30.06.2019</b>		<b>01.07.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>			
Right-of-use assets	-	689,926	689,926
Trade, other receivables and contract assets	-	15,162	15,162
<b>Current assets</b>			
Trade, other receivables and contract assets	-	6,408	6,408
<b>Equity</b>			
Retained earnings	9,488,302	(21,573)	9,466,729
Non-controlling interests	7,631,855	(34,584)	7,597,271
<b>Non-current liabilities</b>			
Lease liabilities	-	613,125	613,125
Deferred tax	-	(6)	(6)
<b>Current liabilities</b>			
Lease liabilities	-	154,534	154,534

The adoption of MFRSs, amendments to MFRSs and IC interpretation which were effective for the financial year beginning on or after 1 July 2019 do not have significant financial impact to the Group other than explained above.

**A2. Seasonality or Cyclicity of Operations**

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

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Notes: - continued

**A3. Disaggregation of revenue**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2020 RM'000	Preceding Year Corresponding Quarter 30.06.2019 RM'000	12 Months Ended	
			30.06.2020 RM'000	30.06.2019 RM'000
<b>Utilities</b>				
Sale of electricity	1,198,394	1,801,158	5,837,626	6,705,782
Sale of clean water, treatment and disposal of waste water	858,445	891,625	3,482,557	3,432,281
Sale of steam	35,118	51,134	171,900	211,048
Broadband and telecommunications revenue	92,352	234,856	395,702	863,289
Others	63,400	37,513	389,427	154,832
	<u>2,247,709</u>	<u>3,016,286</u>	<u>10,277,212</u>	<u>11,367,232</u>
<b>Cement manufacturing &amp; trading</b>				
Sale of cement and related products	512,325	728,165	4,077,724	2,655,217
Others	1,736	3,383	14,479	19,035
	<u>514,061</u>	<u>731,548</u>	<u>4,092,203</u>	<u>2,674,252</u>
<b>Construction</b>				
Construction contracts revenue	<u>587,187</u>	<u>509,403</u>	<u>2,316,005</u>	<u>1,219,499</u>
<b>Hotel operations</b>				
Hotel room and food and beverages	69,638	265,314	1,104,498	1,195,859
Others	1,230	8,655	18,552	27,292
	<u>70,868</u>	<u>273,969</u>	<u>1,123,050</u>	<u>1,223,151</u>
<b>Property</b>				
Property development projects	10,468	285,588	446,744	435,872
Sale of land held for property development	-	-	-	9,050
Others	3,945	4,908	17,213	19,546
	<u>14,413</u>	<u>290,496</u>	<u>463,957</u>	<u>464,468</u>
<b>Information technology &amp; e-commerce related business</b>				
Media and advertising services	201	311	3,500	3,669
Others	3	97	41	153
	<u>204</u>	<u>408</u>	<u>3,541</u>	<u>3,822</u>
<b>Management services &amp; others</b>				
Operation and maintenance services	32,609	42,328	104,008	127,529
Food and beverages operations	1,112	5,363	15,945	21,632
Others	9,589	317	99,566	51,794
	<u>43,310</u>	<u>48,008</u>	<u>219,519</u>	<u>200,955</u>



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Notes: - continued

**A3. Disaggregation of revenue - continued**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2020 RM'000	Preceding Year Corresponding Quarter 30.06.2019 RM'000	12 Months Ended	
			30.06.2020 RM'000	30.06.2019 RM'000
<b>Other sources</b>				
Rental income	15,092	164,708	478,684	639,938
Interest income	30,356	55,810	183,968	224,804
Dividend income	1,712	1,026	8,793	29,407
	<u>47,160</u>	<u>221,544</u>	<u>671,445</u>	<u>894,149</u>
<b>Total revenue</b>	<u>3,524,912</u>	<u>5,091,662</u>	<u>19,166,932</u>	<u>18,047,528</u>

**A4. Exceptional or Unusual Items**

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

**A5. Changes in estimates of amounts reported**

There was no significant change in estimates of amounts reported in prior interim periods or prior financial years.

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A6. Changes in Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities except for the following:-

During the current financial year, 100,546,311 and 11,656,600 ordinary shares were issued in exchange for YTL Land & Development Berhad's ordinary shares and ICULS at an issue price of RM1.14 and RM1.10 per share, respectively pursuant to the conditional share exchange offer by the Company.

During the current financial quarter and year, the Company repurchased 1,000 and 31,044,200 ordinary shares of its issued share capital from the open market, at an average of RM0.94 per share, respectively. The total consideration paid for the share buy-back, including transaction costs amounted to RM859 and RM29,042,841, respectively and was financed by internally generated funds. The shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

As at 30 June 2020, the number of treasury shares held was 372,906,618 ordinary shares.

**A7. Dividend paid**

The following dividend payment was made during the financial year ended 30 June 2020:

	RM'000
In respect of the financial year ended 30 June 2019:-	
An interim dividend of 4 sen per ordinary share paid on 13 November 2019	<u>426,770</u>

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A8. Segment Information**

Inter-segment pricing is determined based on a negotiated basis.

The Group's segmental result for the financial year ended 30 June 2020 is as follows:-

	Construction RM'000	Information technology & e-commerce related business RM'000	Cement Manufacturing & trading RM'000	Property investment & development RM'000	Management services & others RM'000	Hotels RM'000	Utilities RM'000	Elimination RM'000	Total RM'000
External revenue	2,316,005	3,541	4,095,174	962,594	386,041	1,123,187	10,280,390	-	19,166,932
Inter-segment revenue	29,509	4,820	22,658	213,085	254,445	12,481	66,423	(603,421)	-
Total revenue	2,345,514	8,361	4,117,832	1,175,679	640,486	1,135,668	10,346,813	(603,421)	19,166,932
Segment results									
Profit from operations	199,880	43	237,391	167,569	834,522	113,408	471,915	-	2,024,728
Finance costs									(1,852,018)
Share of profit of associated companies & joint ventures									172,710
Profit before taxation									257,247
Finance costs									429,957
Depreciation and amortisation									1,852,018
<b>EBITDA *</b>									1,790,285
									4,072,260

\* Included is a fair value gain of RM4.7 million, impairment losses of RM186.3 million and inventories written down of RM44.6 million.

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Notes: - continued

**A8. Segment Information - continued**

Inter-segment pricing is determined based on a negotiated basis.

The Group's segmental result for the financial year ended 30 June 2019 is as follows:-

	Construction RM'000	Information technology & e-commerce related business RM'000	Cement Manufacturing & trading RM'000	Property investment & development RM'000	Management services & others RM'000	Hotels RM'000	Utilities RM'000	Elimination RM'000	Total RM'000
External revenue	1,219,499	3,822	2,674,252	1,103,296	456,046	1,223,381	11,367,232	-	18,047,528
Inter-segment revenue	141,377	80,553	7,303	239,913	281,427	16,415	14,632	(781,620)	-
Total revenue	1,360,876	84,375	2,681,555	1,343,209	737,473	1,239,796	11,381,864	(781,620)	18,047,528
Segment results									
Profit from operations	80,513	2,560	208,771	281,802	668,445	193,193	937,627	-	2,372,911
Finance costs									(1,747,499)
Share of profit of associated companies & joint ventures									625,412
Profit before taxation									411,095
Finance costs									1,036,507
Depreciation and amortisation									1,747,499
<b>EBITDA *</b>									1,499,408
									4,283,414

\* Included is a fair value gain of RM55.7 million, impairment losses of RM159.5 million and inventories written down of RM64.7 million.

**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**A9. Changes in the Composition of the Group**

There were no significant changes in the composition of the Group for the current financial year ended 30 June 2020, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following-

- On 12 July 2019, YTL Jordan Services Sdn Bhd (now known as YTL Power Resources Sdn Bhd) (“YTLPR”) acquired 1 ordinary share, representing the total number of issued shares in Equinox Solar Farm Sdn Bhd (“ESF”) for RM1.00. As a result, ESF has become a wholly-owned subsidiary of YTLPR and an indirect owned subsidiary of the Company.
- The following companies, all indirect subsidiaries of YTL Power International Berhad (“YTL Power”), have been struck-off from the register of UK Companies House and ceased to be indirect subsidiaries of YTL Power and the Company:

Struck off on 30 July 2019:

- (a) Wessex Electricity Utilities Limited
- (b) Wessex Promotions Limited
- (c) Wessex Property Services Limited
- (d) Wessex Spring Water Limited
- (e) Wessex Logistics Limited
- (f) Wessex Water Commercial Limited

Struck off on 6 August 2019:

- (a) Sword Bidco (Holdings) Limited
  - (b) Sword Bidco Limited
  - (c) Sword Midco Limited
- On 22 November 2019, Elite Dining Sdn Bhd (“Elite Dining”) was incorporated as a wholly-owned subsidiary of Autodome Sdn Bhd, an indirect wholly-owned subsidiary of the Company, with an issued share capital of RM1.00 comprising 1 ordinary share. Elite Dining will be principally involved in food and beverage operator.
  - On 28 November 2019, FICO-YTL Cement Sales and Marketing Company Limited (“FICO-YTL Cement Sales and Marketing”) was incorporated as a wholly-owned subsidiary of FICO Tay Ninh Cement Joint Stock Company, an indirect subsidiary of YTL Cement. FICO-YTL Cement Sales and Marketing will be principally involved in wholesale of construction materials and installing equipment.
  - On 4 December 2019, Shanghai YTL Hotels Management Co., Ltd (“Shanghai YTL Hotels Management”), a wholly-owned subsidiary of YTL Singapore Pte Ltd, has been deregistered pursuant to the Company Law of the People’s in Republic of China. Accordingly, Shanghai YTL Hotels Management has ceased to be an indirect subsidiary of the Company.

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**Notes: - continued**

- On 20 December 2019, Brabazon Estates Limited (“Brabazon Estates”) was incorporated as a wholly-owned subsidiary of YTL Developments (UK) Limited in England and Wales, an indirect wholly-owned subsidiary of YTL Power. As a result, Brabazon Estates became an indirect wholly-owned subsidiary of the Company. Brabazon Estates was incorporated as a company limited by guarantee without share capital and is principally involved in the management of real estate.
- On 2 March 2020, Taser Power Pte. Ltd. (“Taser Power”) was incorporated as a wholly-owned subsidiary of YTL PowerSeraya Pte. Limited, an indirect wholly-owned subsidiary of YTL Power, with an issued share capital of SGD1.00 comprising one (1) ordinary share. As a result, Taser Power became an indirect wholly-owned subsidiary of the Company.

Taser Power will own and operate energy facilities and services (full value chain of electricity generation including trading of physical fuel and fuel related derivative instruments, and sale of by-products from the electricity generation process).

- On 31 March 2020, Sword Holdings Limited (“Sword Holdings”), a wholly-owned subsidiary of YTL Infrastructure Ltd, which in turn a wholly-owned subsidiary of YTL Power, had been struck-off from the Companies Register in Cayman Islands. As a result, Sword Holdings ceased to be an indirect wholly-owned subsidiary of the Company.
- On 31 March 2020, YTL Jawa Energy B.V., a wholly-owned subsidiary of YTL Jawa Power Holdings Ltd, disposed 720 ordinary shares, representing 40% of the share capital of Bel Air Den Haag Beheer B.V. (“Bel Air”), to YTL Jawa Power B.V., a wholly-owned subsidiary of YTL Jawa Power Holdings B.V., for a consideration of USD9,347,457.44. As a result, Bel Air became a 60% owned subsidiary of YTL Jawa Energy B.V. and an indirect subsidiary of YTL Power and the Company. Bel Air was incorporated in Amsterdam, the Netherlands on 26 May 2011 and is engaged in investment holding.
- On 16 June 2020, YTL Finance (Cyprus) Limited (“YTL Finance (Cyprus)”) was incorporated as a wholly-owned subsidiary of YTL Utilities Finance Limited, an indirect wholly-owned subsidiary of YTL Power. As a result, YTL Finance (Cyprus) became an indirect wholly-owned subsidiary of the Company.

YTL Finance (Cyprus) was incorporated in Cyprus with an issued share capital of EUR1,000 comprising 1,000 ordinary shares of EUR1.00 each. YTL Finance (Cyprus) will serve as a finance company for inter-company group lending into the United Kingdom.

- On 30 June 2020, YTL Power acquired the entire issued share capital comprising 1 ordinary share in Suria Solar Farm Sdn. Bhd (“Suria Solar”).

Suria Solar was incorporated on 13 February 2019 and will be principally involved in the development, ownership, operation and maintenance of solar photovoltaic power plants and related engineering, procurement, construction and commissioning services.

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**Notes: - continued**

**A10. Changes in Contingent Liabilities or Contingent Assets**

There were no significant changes in the contingent liabilities of the Group since the last financial year ended 30 June 2019.

**A11. Subsequent Events**

There were no items, transactions or events of material or unusual in nature during the period from the end of the quarter under review to the date of this report.

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**Disclosure requirements per Part A of Appendix 9B of the Bursa Securities Main Market Listing Requirements**

**B1. Review of Performance**

	Individual Quarter		Variance	Cumulative Quarter		Variance
	30.06.2020	30.06.2019	%	30.06.2020	30.06.2019	%
	RM'000	RM'000	+/-	RM'000	RM'000	+/-
<b>Revenue</b>						
Construction	587,187	509,403	15%	2,316,005	1,219,499	90%
Information technology & e-commerce related business	205	408	-50%	3,541	3,822	-7%
Cement Manufacturing & trading	514,900	731,548	-30%	4,095,174	2,674,252	53%
Property investment & development	31,638	454,792	-93%	962,594	1,103,296	-13%
Management services & others	69,217	105,122	-34%	386,041	456,046	-15%
Hotels	70,878	274,103	-74%	1,123,187	1,223,381	-8%
Utilities	2,250,887	3,016,286	-25%	10,280,390	11,367,232	-10%
	<u>3,524,912</u>	<u>5,091,662</u>		<u>19,166,932</u>	<u>18,047,528</u>	
<b>(Loss)/profit before taxation</b>						
Construction	25,714	44,938	-43%	194,681	80,497	>100%
Information technology & e-commerce related business	(2,121)	144	>100%	41	2,560	-98%
Cement Manufacturing & trading	(59,948)	14,684	>100%	(864)	145,473	->100%
Property investment & development	(384,634)	(201,307)	-91%	(271,525)	(8,824)	->100%
Management services & others	225,964	14,307	>100%	178,361	14,887	>100%
Hotels	43,782	123,423	-65%	95,104	176,575	-46%
Utilities	26,384	198,011	-87%	234,159	625,339	-63%
	<u>(124,859)</u>	<u>194,200</u>		<u>429,957</u>	<u>1,036,507</u>	

For the current financial year under review, the Group revenue was at RM19,166.9 million as compared to RM18,047.5 million, recorded in the preceding financial year ended 30 June 2019. The Group profit before taxation for the current financial year stood at RM430.0 million. This represents a decrease of RM606.6 million or 58.5% as compared to a profit of RM1,036.5 million recorded in the preceding year corresponding period. However, after eliminating the losses arising from fair value changes, impairment loss and inventories write down of RM226.2 million, the Group recorded a profit before tax of RM656.2 million for the current financial year.

For the current financial quarter under review, the Group revenue was RM3,524.9 million as compared to RM5,091.7 million, recorded in the preceding year corresponding quarter. The Group recorded a loss before tax of RM124.9 million for the current financial quarter. This represents a decrease of RM319.1 million or 164.3% as compared to a profit of RM194.2 million recorded in the preceding year corresponding quarter. However, after eliminating the losses arising from fair value changes, impairment loss and inventories write down of RM170.4 million, the Group recorded a profit before tax of RM45.5 million for the current financial quarter.



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**Notes – continued**

With the easing of the Government’s movement control order (“MCO”) which commenced on 18 March 2020, the Group’s construction and cement segments re-commenced its operations in stages, as permitted. The Utilities segment which services are essential continued to operate throughout the control period. The direct impact of the Covid-19 pandemic is reflected in the performance of the respective operating business segments for the financial quarter/year ended 30 June 2020 as compared to the preceding year corresponding quarter/year analysed as follows:

Construction

For the current financial quarter under review, the increase in revenue was principally due to the significant increase in progress of construction works. However, the lower profit before tax was mainly due to higher finance costs and overheads incurred.

For the current financial year under review, the increase in revenue and profit before tax was principally due to the significant progress in construction works during the financial year.

Information technology & e-commerce related business

For the current financial quarter under review, the lower revenue was primarily due to the lower revenue recorded by the content and digital media division following the impact of Covid-19. However, the loss before tax was mainly due to an impairment loss on goodwill.

For the current financial year under review, decrease in revenue and profit before taxation were mainly due to the reasons mentioned above.

Cement Manufacturing & trading

For the current financial quarter under review, decrease in revenue was caused by the contraction in domestic cement demand that was compounded by the MCO which resulted in the shut down of operations during this period whilst the loss before tax was mainly due to higher allowance for impairment of receivables and higher finance costs related to the acquisition of Malayan Cement Berhad (“MCB”) (formerly known as Lafarge Malaysia Berhad).

For the current financial year under review, the increase in revenue was mainly due to consolidation of MCB. Despite the higher revenue, the loss before tax was mainly due to reasons mentioned above.

Property investment & development

For the current financial quarter/year under review, the decrease in revenue was mainly due to the deconsolidation of the results of Starhill Global Real Investment Trust (“SGREIT”) in which the Company and its subsidiary companies’ in aggregate hold 37.48% of the units and lower sales recorded in The Fennel project undertaken by Sentul Raya Sdn. Bhd. and the 3-Orchard By-The-Park project undertaken by YTL Westwood Properties Pte. Ltd (“YTL Westwood”). However, the higher loss before tax was mainly attributable to the recognition of losses on sale of completed units and qualifying certificate extension fees incurred by YTL Westwood for the 3 Orchard By-The-Park project and share of fair value loss on investment properties recorded by SGREIT.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

Management services & others

For the current financial quarter/year under review, decrease in revenue was mainly due to lower distribution income from investments and the drop in interest income following the drop in interest rates in most jurisdictions that the Group operates. Despite the lower revenue, profit before tax was higher primarily due to a one-off gain on deconsolidation of SGREIT which was partially offset by the share of losses of an associated company.

Hotels

For the current financial quarter/year under review, the decrease in revenue and profit before tax was significantly impacted by the lower operating results from most of the Group's hotel businesses amid extremely challenging conditions due to the unprecedented disruption caused by the Covid-19 pandemic. Country borders in most jurisdictions in which the hospitality businesses operate were closed to foreign travelers. Seminars and meetings were restricted due to social distancing measures and adherence to standard operating procedures issued by governments in these jurisdictions.

Utilities

For the current financial quarter under review, the performance of the divisions within the Utilities segment is set out below:

- For the Power Generation (Contracted) business, lower revenue was mainly due to the lower energy payment recorded. However, the impact on profit before taxation was minimal as the plant operates under a guaranteed capacity payment regime.
- Multi utilities business (Merchant) division recorded lower revenue primarily due to the decrease in fuel oil price and lower retail volume recorded. However, the improvement in loss before taxation was mainly due to the higher fuel oil tank leasing rate, higher retail and ancillary margin and lower finance costs.
- Water & sewerage division recorded lower revenue primarily due to the decrease in price as determined by the regulator. The higher allowance for impairment of receivables of RM62.5 million (GBP11.8 million) [2019: RM26.7 million (GBP5.0 million)] resulting from a review of the potential impact of the Covid-19 pandemic on customers and lower revenue as mentioned above contributed to a lower profit before tax. It should be noted that once such impairments are realized the regulatory regime allows for recovery against future tariffs
- Telecommunications division recorded lower revenue and higher loss before taxation primarily due to lower project revenues recorded. However, the EBITDA of this division is positive.

For the current financial year under review, performance of the respective operating business divisions was consistent with the notes mentioned above with the exception of the Multi utilities business (Merchant) and Water & sewerage divisions:

- Multi utilities business (Merchant) division recorded lower revenue primarily due to the decrease in fuel oil price and lower generation of unit sold, partially offset by higher sales of fuel oil. However, the improvement in loss before taxation was mainly due to absence of one-off charge for impairment of receivable recognised in the preceding year, lower finance costs recorded in the current year and higher retail and tank leasing margin.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

- Water & sewerage division contributed a higher revenue primarily due to the differing weather conditions leading to changes in supply volume and partially offset by decrease in price as determined by the regulator. The higher allowance for impairment of receivables of RM113.8 million (GBP21.5 million) [2019: RM70.1 million (GBP13.1 million)] resulting from a review of the potential impact of the Covid-19 pandemic on customers and decrease in prices as determined by the regulator as mentioned above contributed to a lower profit before tax. It should be noted that once such impairments are realised the regulatory regime allows for recovery against future tariffs.

The decrease in revenue and profit before tax was mainly due to the lower profit from Water & sewerage division, loss recorded in the Telecommunications business division and partially offset by better performance in Multi utilities business (Merchant) segment.

**B2. Comparison with Preceding Quarter**

	<b>Current Quarter 30.06.2020 RM'000</b>	<b>Preceding Quarter 31.03.2020 RM'000</b>	<b>Variance % +/-</b>
Revenue	3,524,912	4,813,551	-27%
(Loss)/Profit before taxation	(124,859)	183,901	->100%
(Loss)/Profit attributable to owners of the parent	(252,226)	29,524	->100%

The decrease in revenue and loss before tax was primarily attributable to lower profit recorded across all segments, partially offset by a one-off gain on deconsolidation of SGREIT. The loss after tax for the current quarter under review arose substantially from the recognition of deferred tax expenses arising from the increase in corporation tax rate in the United Kingdom from 17% to 19% as disclosed in Note B7.

**B3. Audit Report of the preceding financial year ended 30 June 2019**

The Auditors' Report on the financial statements of the financial year ended 30 June 2019 did not contain any qualification.

**B4. Prospects**

Globally, businesses are facing unprecedented social and economic challenges following the Covid-19 pandemic. Countries where the Group operates have implemented various movement control regulations and laws and limited the operation of non-essential services. However, the Group's businesses have been cushioned by its Utilities segment which by its nature are essential services that have continued to operate throughout the control period. The construction and cement segments have re-commenced in stages as permitted and operations have normalised. The impact of the coronavirus pandemic in the longer term cannot be accurately estimated as there are still significant uncertainties on how and when the pandemic can be contained and full business activities resume.

## **INTERIM FINANCIAL REPORT**

### **Notes – continued**

#### Construction

The Covid-19 pandemic and the unprecedented enforcement of the movement control order (MCO) had impacted the construction segment with the sudden suspension of its activities. Operations have since re-commenced, but under strict standard operating procedures, which have disrupted operational efficiency, resulted in sub-optimal utilisation of assets and the dislocation of resources.

Management has been proactive in taking actions to mitigate the delays and has also implemented stringent cost control measures. Notwithstanding, this segment is expected to contribute positively based on its current order book.

#### Information technology & e-commerce related business

This segment whose contribution is insignificant to the Group will have minimal impact to the Group's prospects even when the economy recovers from the Covid-19 pandemic.

#### Cement manufacturing & trading

The short-term outlook remains challenging due to the impact of the Covid-19 pandemic on public and private plans for new investments. Notwithstanding, the solid dynamics of its main markets remain intact and management is confident that the key growth drivers, e.g. infrastructure requirements and demand for housing from urbanization, will continue to underpin demand growth. The Cement division will also increase export volumes from its dedicated Langkawi production facility.

#### Property investment & development

As a result of the unprecedented situation, it is not possible to forecast with any accuracy at this stage how the current shutdown will impact on the property market and consumer demand for property products. Notwithstanding, the Group will continue to embark on marketing efforts and initiatives to unlock sales as well as undertake project launches.

#### Management services & others/Hotels

The short-term outlook for the hospitality industry remains challenging. Demand from international business and leisure travelers is expected to remain subdued until containment of the pandemic, after which we expect pent-up demand to fuel recovery. In the near term, demand is expected to come from the substitution of international travel with local travel due to restrictions on overseas travel.

#### Utilities

The YTL Power Group has an 80% equity interest in PT Tanjung Jati Power Company ("TJPC"), an independent power producer which is undertaking the development of Tanjung Jati A, a 2 x 660 megawatt coal-fired power project in Java, Indonesia. TJPC has a 30-year power purchase agreement with PT PLN (Persero), Indonesia's state-owned electric utility company, amended and restated in December 2015 and March 2018. In February 2020, TJPC obtained the Business Viability Guarantee Letter from the Ministry of Finance of the Republic of Indonesia and is working towards achieving financial close.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

The YTL Power Group also has a 45% equity interest in Attarat Power Company (“APCO”), which is developing a 554 megawatt (gross) oil shale fired power generation project in the Hashemite Kingdom of Jordan. APCO has signed a 30-year Power Purchase Agreement (including construction period of 3.5 years) with the National Electric Power Company (“NEPCO”), Jordan’s state-owned utility, for the entire electrical capacity and energy of the power plant, with an option for NEPCO to extend the Power Purchase Agreement to 40 years (from the commercial operation date of the project’s second unit). Construction has commenced on the project with commercial operations for the first unit scheduled to commence in the middle of this year and the second unit in the last quarter of the year. However, the global Covid-19 pandemic has led to a delay in the project due to travel and movement restrictions imposed by the Government of Jordan. APCO has invoked the force majeure provisions under the Power Purchase Agreement with NEPCO. As the effects of Covid-19 are still on-going, the force majeure provisions are still in effect.

YTL Power Generation Sdn. Bhd. (“YTLPG”) re-commenced operations on 1 September 2017 for the supply of 585MW of capacity from its existing facility in Paka for a term of 3 years 10 months, which will be expiring on 30 June 2021. YTLPG is expected to perform satisfactorily as it operates under a Power Purchase Agreement (“PPA”).

The electricity market in Singapore is expected to remain competitive, driven by volatilities across global markets and generation capacity oversupply in the wholesale electricity market. Despite the current challenges, this segment will continue to focus on customer service and diversification beyond the core business into integrated multi-utilities supply. The proposed acquisition of Tuaspring announced on 12 March 2020 is a logical extension of the Group’s existing multi utilities operations. The power plant and associated assets of Tuaspring, which is the newest combined cycle power plant in Singapore, will be integrated into existing businesses and upon completion, is expected to contribute positively to the future earnings of the Group.

In response to the Covid-19 pandemic, Singapore implemented heightened safe distancing measures from 7 April 2020 to 1 June 2020, locally known as "circuit breaker" measures. During circuit breaker, Singapore's electricity demand came down due, inter alia, to closure of public premises and workplaces for non-essential services. YTL PowerSeraya is closely monitoring the situation, including customers' electricity consumption and revenue collections. The Singapore government will be cushioning the impact of Covid-19 on businesses, with payouts to help cover employer's manpower costs as well as providing property tax rebates. Electricity demand has since recovered, but is still lower than pre-Covid-19 levels. However, as power generation is an essential service, YTL PowerSeraya is confident of recovery post pandemic.

As for the Water & Sewerage division, from 1st April 2020 Wessex Water will be working towards investment commitments agreed with the regulator as part of its Price Review 2020-2025 (“PR19”). Over the last 5 years, Wessex Water’s investment in its regulated assets base (“RAB”) increased from RM15.11 billion (GBP2.75 billion) to RM17.79 billion (GBP3.35 billion). The RAB value is expected to increase to RM20.66 billion (GBP3.89 billion) at the end of the period, 31 March 2025 following the investment commitments agreed for PR19.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

Whilst this next period commencing from 1 April 2020 will see a shift from current levels of performance, the Group remains committed to delivering high quality, reliable and resilient services that are affordable to everyone. It is confident it will continue to deliver outperformance against these new targets.

With the existing network in place, the Telecommunications division will continue to expand its telecommunications infrastructure business and is well positioned to grow its subscriber base with innovative, competitive and affordable products and services. The outbreak of the Covid-19 pandemic and the enforcement of the MCO by the Government meant that all schools were closed and education disrupted. Arising from this YTL Communications and FrogAsia collaborated with YTL Foundation, a not-for-profit foundation funded principally by the YTL Group, to launch the Learn from Home Initiative in March 2020 to enable students to learn from home during this period. Under the initiative, YTL Foundation provided free Yes 4G SIM cards with 40GB of data to students registered in government schools and certain tertiary education institutions and also provided free mobile phones and YES 4G internet data plans to students from B40 families, thereby ensuring students have free access to sufficient data for online learning. Online learning resources and lessons were also provided by FrogAsia to facilitate learning from home. In view of the overwhelming response to the Learn from Home Initiative, YTL Communications hopes to be able to continue serving this underserved community with affordable plans.

Despite the challenging outlook, the Group expects the performance of its business segments to remain resilient as these segments' operations are substantially essential in nature. The Group will continue to closely monitor the related risks and impact on all business segments.

**B5. Profit Forecast**

The Group did not issue any profit forecast or profit guarantee for the current financial quarter.

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**INTERIM FINANCIAL REPORT**

**Notes – continued**

**B6. Profit/(Loss) for the period/year**

	<b>Current Quarter 30.06.2020 RM'000</b>	<b>Year To Date 30.06.2020 RM'000</b>
<b>Profit for the period is stated after charging/(crediting):</b>		
Allowance for impairment of receivables - net of reversal	96,429	156,545
Amortisation of contract costs	1,558	7,842
Amortisation of grants and contributions	(12)	(15,166)
Amortisation of other intangible assets	28,048	72,111
Depreciation of property, plant and equipment	281,369	1,561,748
Depreciation of right of use assets	53,158	168,959
Dividend income	(2,820)	(10,083)
Fair value changes of derivatives	(24)	16,128
Fair value changes of investments	(4,793)	(25,237)
Interest expense	397,138	1,843,067
Interest income	(19,588)	(91,185)
Gain on foreign exchange	(14,753)	(71,253)
Net gain on disposal of property, plant and equipment	(2,117)	(12,924)
Property, plant and equipment written off	8,576	17,768
Write back of fuel cost	(9,602)	(9,602)
Write back of liabilities and charges	(5,101)	(3,437)

Other than the above items, there were no other investment income, write off of receivables, gain or loss on disposal of properties, impairment of assets and exceptional items for the current financial quarter and financial year to date.

**B7. Taxation**

Taxation comprise the following:-

	<b>Current Quarter 30.06.2020 RM'000</b>	<b>Year To Date 30.06.2020 RM'000</b>
In respect of current period/year		
- Income tax	9,518	274,332
- Deferred tax	187,782	151,907
	<u>197,300</u>	<u>426,239</u>

The higher effective tax rate of the Group as compared to the Malaysian statutory income tax rate for the current financial quarter and financial year to date was mainly attributable to the UK Corporation Tax rate now remaining at 19% for 2020-21 after repeal of the previous legislation that reduced the rate to 17%. Consequently, the deferred tax balances as at 30 June 2020 were remeasured at that date which resulted in a debit to the income statement of RM162.4 million and losses from certain subsidiary companies, non-deductibility of certain expenses for tax purposes and partially offset by income subjected to different tax jurisdictions.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

**B8. Corporate Developments**

**Corporate Proposals Announced and Pending Completion**

As at the date of this report, being the latest practicable date, there are no corporate proposals announced and pending completion, save for the following:-.

- (i) On 12 March 2020, YTL Power and Taser Power., entered into a put and call option agreement with Tuaspring Pte. Ltd. (“Tuaspring”) for the proposed acquisition of the power plant and associated assets of Tuaspring by YTL PowerSeraya Pte. Limited, from the receivers and managers of Tuaspring, for a total purchase consideration of SGD 331,450,000 to be settled as to SGD 230,000,000 in cash and SGD 101,452,000 comprising ordinary shares and loan notes amounting to 7.54% of the post-acquisition equity in YTL Utilities (S) Pte. Limited, the immediate holding company of YTL PowerSeraya Pte. Limited (“Proposed Acquisition”).

Approval for the Proposed Acquisition from the Energy Market Authority of Singapore was received on 20 May 2020. Completion is conditional inter alia on approval of the Public Utilities Board of Singapore and completion of financing arrangements. All approvals are expected to be received within three months.

- (ii) On 29 April 2020, CIMB Investment Bank Berhad announced on behalf of the Company, the proposal to establish and implement a new employees share option scheme (“ESOS”) (“2020 ESOS”) for the eligible employees and directors of the Company and/or its subsidiaries (“Proposed ESOS”).

The Company has in place an existing ESOS that was implemented on 1 April 2011 with a duration of 10 years which will be expiring on 31 March 2021 (“Existing Scheme”).

In accordance with the provisions of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), a listed issuer may implement more than one scheme provided that the aggregate number of new ordinary shares in the Company available under all the schemes (i.e. the aggregate of outstanding options under the Existing Scheme together with options to be granted under the 2020 ESOS) does not exceed 15% of the Company’s total number of issued shares (excluding treasury shares) at any one time, in compliance with the requirements under Paragraph 6.38 of the MMLR.

On 18 June 2020, Bursa Securities granted the Company an extension of time until 16 November 2020 to issue the circular in relation to the Proposed ESOS. The Company intends to convene the extraordinary general meeting for the Proposed ESOS on the same day as its forthcoming annual general meeting to be held later this year.

The Proposed ESOS is pending completion.

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**YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**

**Notes – continued**

**B9. Group Borrowings and Debt Securities**

The Group's borrowings and debts securities as at 30 June 2020 are as follows:-

	<b>Secured</b> <b>RM'000</b>	<b>Unsecured</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Current</b>			
Bankers' acceptances	-	28,726	28,726
Bank overdrafts	-	45,147	45,147
Finance lease liabilities	16,341	133	16,474
ICULS *	-	2,103	2,103
Revolving credit	53,000	3,761,393	3,814,393
Term loans	93,778	9,710,879	9,804,657
Bonds	-	220,000	220,000
	<u>163,119</u>	<u>13,768,381</u>	<u>13,931,500</u>
<b>Non-current</b>			
Finance lease liabilities	3,930	-	3,930
ICULS *	-	3,539	3,539
Revolving credit	237,000	1,385,623	1,622,623
Term loans	2,357,904	5,881,463	8,239,367
Bonds	328,196	19,327,443	19,655,639
	<u>2,927,030</u>	<u>26,598,068</u>	<u>29,525,098</u>
<b>Total borrowings</b>	<b><u>3,090,149</u></b>	<b><u>40,366,449</u></b>	<b><u>43,456,598</u></b>

\* Irredeemable Convertible Unsecured Loan Stock ("ICULS")

Foreign currency borrowings included in the above are as follows :-

	Foreign Currency '000	RM Equivalents '000
US Dollar	670,351	2,869,102
Singapore Dollar	2,259,507	6,940,754
Sterling Pound	2,524,559	13,293,065
Japanese Yen	12,778,532	507,678
Thai Baht	1,994,249	276,315
Australia Dollar	487,448	1,435,778
		<u>25,322,692</u>

Save for the borrowings of RM178.2 million, US Dollar 220.0 million, Sterling Pound 91.1 million, Yen 7.45 billion and Thai Baht 2.0 billion by subsidiary companies of which corporate guarantees are provided by the Company, all other borrowings of subsidiary companies are on a non-recourse basis to the Company.

**INTERIM FINANCIAL REPORT**

**Notes – continued**

**B10. Derivatives Financial Instruments, Fair Value Changes of Financial Liabilities and Fair Value hierarchy**

(a) Derivatives Financial Instruments

As at 30 June 2020, the Group's outstanding derivatives are as follows:

<b>Type of Derivatives</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value RM'000</b>
<b><u>Fuel oil swaps</u></b>		
- Less than 1 year	1,251,463	(119,490)
- 1 year to 3 years	184,282	(5,338)
- More than 3 years	-	-
<b><u>Currency forwards</u></b>		
- Less than 1 year	1,154,571	18,806
- 1 year to 3 years	276,176	522
- More than 3 years	-	-

The Group entered into fuel oil swaps to hedge highly probable forecast physical fuel oil and natural gas purchases that are expected to occur at various dates in the future. The fuel oil swaps have maturity dates that match the expected occurrence of these transactions.

The Group entered into currency forwards to hedge highly probable forecast transactions denominated in foreign currency expected to occur in the future. The currency forwards have maturity dates that match the expected occurrence of these transactions.

The Group entered into interest rate swap contracts to manage its interest rate risk arising primarily from interest-bearing borrowings. Borrowings at floating rate expose the Group to fair value interest rates and the derivative financial instruments minimise the fluctuation of cash flow due to changes in the market interest rates.

The derivative financial instruments are stated at fair value based on banks' quotes. The fair value changes on the effective portion of the derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

All derivative financial instruments are executed with creditworthy counter parties with a view to limit the credit risk exposure of the Group.

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**INTERIM FINANCIAL REPORT**

**Notes – continued**

(b) Fair Value Changes of Financial Liabilities

The gains arising from fair value changes of financial liabilities for the current financial year ended 30 June 2020 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the gains	Fair value (loss)/gain	
			Current quarter 30.06.2020 RM'000	Year to date 30.06.2020 RM'000
Forward foreign currency exchange contracts	Foreign exchange differential between the contracted rate and the market forward rate	Foreign exchange rates differential between the contracted rate and the market forward rate which have moved in favour of the Group	(2,098)	1,049
Fuel oil swap	Fuel oil price differential between the contracted price and the market forward price	Fuel oil price differential between the contracted price and the market forward price which have moved in favour of the Group	33,367	2,228
Currency options contracts	Spot rate, interest rate and basis curve, volatility and time to maturity	Change in time value was greater due to shorter remaining tenor	25	3,357
Total			31,294	6,634

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

(c) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (a) Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (c) Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date, the Group and the Company held the following financial instruments carried at fair value on the statement of financial position:-

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<b>30 June 2020</b>				
<b>Assets</b>				
Financial assets at fair value through profit and loss				
- Trading derivatives	-	8,712	-	8,712
- Income/equity funds	-	2,307,965	-	2,307,965
- Equity investments	10,470	3,607	-	14,077
- Receivables from a joint venture	-	-	1,108,966	1,108,966
Derivative used for hedging	-	76,133	-	76,133
Financial assets at fair value through other comprehensive income	22,237	47	362,161	384,445
<b>Total assets</b>	<b>32,707</b>	<b>2,396,464</b>	<b>1,471,127</b>	<b>3,900,298</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit and loss				
- Trading derivatives	-	13,575	-	13,575
Derivative used for hedging	-	176,771	-	176,771
<b>Total liabilities</b>	<b>-</b>	<b>190,346</b>	<b>-</b>	<b>190,346</b>

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**INTERIM FINANCIAL REPORT**

**Notes: - continued**

**B11. Material litigation**

There was no material litigation pending as at the date of this report.

**B12. Dividend**

No dividend has been declared for the current financial quarter.

**B13. Earnings Per Share**

**i) Basic earnings per share**

The basic earnings per share of the Group has been computed by dividing the net profit attributable to owners of the parent for the financial quarter/year by the weighted average number of ordinary shares in issue during the financial quarter/year as set out below:-

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter 30.06.2020</b>	<b>Preceding Year Corresponding Quarter 30.06.2019</b>	<b>12 Months Ended</b>	
			<b>30.06.2020</b>	<b>30.06.2019</b>
(Loss)/Profit attributable to owners of the parent (RM'000)	(252,226)	(13,816)	(189,855)	242,589
<i>Weighted average number of ordinary shares ('000)</i>				
<i>Weighted average number of ordinary shares ('000)</i>	10,910,559	10,910,559	11,008,284	10,910,559
Less: Shares repurchased	(341,863)	(232,832)	(359,446)	(340,603)
	<u>10,568,696</u>	<u>10,677,727</u>	<u>10,648,838</u>	<u>10,569,956</u>
Basic earnings/(loss) per share (sen)	(2.39)	(0.13)	(1.78)	2.30

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INTERIM FINANCIAL REPORT

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B13. Earnings Per Share

ii) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the net profit attributable to owners of the parent for the financial quarter/year by the weighted average number of ordinary shares in issue during the financial quarter/year as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2020	Preceding Year Corresponding Quarter 30.06.2019	12 Months Ended 30.06.2020 30.06.2019	
(Loss)/Profit attributable to owners of the parent (RM'000)	(252,226)	(13,816)	(189,855)	242,589
<i>Weighted average number of ordinary shares - diluted ('000)</i>				
Weighted average number of ordinary shares-basic	10,568,697	10,677,728	10,648,839	10,569,956
Effect of unexercised employees share option scheme ("ESOS")	-	-	-	-
	<u>10,568,697</u>	<u>10,677,728</u>	<u>10,648,839</u>	<u>10,569,956</u>
Diluted earnings per share (sen)	(2.39)	(0.13)	(1.78)	2.30

*Total cash expected to be received in the event of an exercise of all outstanding ESOS options is RM520.959 million (2019: RM529.465 million). Accordingly, the Net Asset ("NA") on a proforma basis will increase by RM520.959 million (2019: RM529.465 million) resulting in an increase in NA per share of RM0.05 (2019: RM0.05). In arriving at the diluted earnings per share, NA and NA per share, no income has been accrued for the cash proceeds.*

By Order of the Board  
HO SAY KENG  
Secretary

Kuala Lumpur  
Dated: 28 August 2020