

2021年6月期第2四半期（2020年10月～2020年12月）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・ブキット・ビンタン 205
 メナラ・ワイ・ティー・エル 33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
 問い合わせ先 東京都千代田区大手町一丁目1-1
 大手町パークビルディング
 アンダーソン・毛利・友常法律事務所外国法共同事業
 弁護士 森下 国彦
 弁護士 日高 英太郎
 弁護士 川端 彩華
 弁護士 古波藏 惇
 弁護士 中田 和輝
 電話 (03)6775-1000

四半期報告書 2021年3月26日
 提出予定日

1. 本国における決算発表日 2021年2月25日（木曜日）

2. 業績

	第2四半期（10月から12月までの3ヶ月）（連結）		
	当期（未監査）	前期（未監査）	増減率
売上高または営業収入	4,591,699千リンギット	5,543,805千リンギット	-17.17%
純利益（税引後）	85,448千リンギット	95,990千リンギット	-10.98%
一株当たり利益	0.15セン	0.17セン	-11.76%

	今期累積額（7月から12月までの6ヶ月）（連結）		
	当期（未監査）	前期（未監査）	増減率
売上高または営業収入	8,770,527千リンギット	10,828,469千リンギット	-19.00%
純利益（税引後）	134,148千リンギット	196,283千リンギット	-31.66%
一株当たり利益	0.16セン	0.31セン	-48.39%

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	
第4四半期		0セン	
合計	0セン	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0.15セン、前期が0.17センであった。今期累積額については、当期が0.16セン、前期が0.31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。

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

Interim Financial Report
31 December 2020

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

Interim Financial Report
31 December 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 period ended 31 December 2020.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020 RM'000	Preceding Year Corresponding Quarter 31.12.2019 RM'000	6 Months Ended	
			31.12.2020 RM'000	31.12.2019 RM'000
Revenue	4,591,699	5,543,805	8,770,527	10,828,469
Cost of sales	(3,694,628)	(4,397,800)	(7,061,208)	(8,636,324)
Gross profit	897,071	1,146,005	1,709,319	2,192,145
Other operating income	113,772	66,705	180,492	215,837
Other operating expenses	(513,685)	(656,374)	(955,308)	(1,268,361)
Profit from operations	497,158	556,336	934,503	1,139,621
Finance costs	(398,163)	(485,082)	(777,310)	(976,561)
Share of results of associated companies and joint ventures	97,857	115,563	176,505	207,855
Profit before taxation	196,852	186,817	333,698	370,915
Taxation	(111,404)	(90,827)	(199,550)	(174,632)
Profit for the period	85,448	95,990	134,148	196,283
Attributable to:-				
Owners of the parent	16,094	17,540	17,387	32,847
Non-controlling interests	69,354	78,450	116,761	163,436
Profit for the period	85,448	95,990	134,148	196,283
Earnings per share				
Basic (Sen)	0.15	0.17	0.16	0.31
Diluted (Sen)	0.15	0.17	0.16	0.31

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2020 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 COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020 RM'000	Preceding Year Corresponding Quarter 31.12.2019 RM'000	6 Months Ended	
			31.12.2020 RM'000	31.12.2019 RM'000
Profit for the period	85,448	95,990	134,148	196,283
Other comprehensive income/(loss) :-				
<i>Items that will not be reclassified subsequently to income statement:-</i>				
- financial assets at fair value through other comprehensive income	73	1,007	(43,479)	(225)
- foreign currency translation	57,876	73,224	21,702	(58,381)
<i>Items that may be reclassified subsequently to income statement:-</i>				
- cash flow hedges	166,754	162,239	201,588	(170,621)
- share of other comprehensive income of associated company	11,055	-	19,624	-
- foreign currency translation	117,598	100,606	76,424	(52,214)
Other comprehensive income/ (loss) for the period, net of tax	353,356	337,076	275,859	(281,441)
Total comprehensive income/ (loss) for the period	438,804	433,066	410,007	(85,158)
Attributable to :-				
Owners of the parent	232,454	212,314	184,860	(106,949)
Non-controlling interests	206,350	220,752	225,147	21,791
Total comprehensive income/ (loss) for the period	438,804	433,066	410,007	(85,158)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statement.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31.12.2020 RM'000	Audited As at 30.06.2020 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	31,403,919	30,499,583
Right of use assets	1,557,212	1,636,035
Investment properties	1,861,678	1,811,126
Investment in associated companies and joint ventures	4,302,229	4,382,017
Investments	320,845	404,911
Development expenditure	1,140,646	1,128,221
Intangible assets	8,501,894	8,631,094
Trade, other receivables and contract assets	1,509,157	1,421,410
Derivative financial instruments	4,556	10,585
	<u>50,602,136</u>	<u>49,924,982</u>
Current Assets		
Inventories	2,041,942	2,184,363
Property development costs	227,043	140,857
Trade, other receivables and contract assets	3,869,966	3,432,600
Derivative financial instruments	122,527	74,259
Income tax assets	93,673	134,459
Investments	3,047,873	2,301,989
Amount due from related parties	77,815	53,694
Fixed deposits	9,545,944	10,396,221
Cash and bank balances	1,766,749	1,265,011
	<u>20,793,532</u>	<u>19,983,453</u>
TOTAL ASSETS	<u><u>71,395,668</u></u>	<u><u>69,908,435</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued

	Unaudited	Audited
	As at	As at
	31.12.2020	30.06.2020
	RM'000	RM'000
EQUITY		
Share capital	3,467,555	3,467,555
Other reserves	681,023	512,535
Retained profits	8,538,064	8,982,083
Less : Treasury shares, at cost	(42,362)	(501,837)
Equity Attributable to Owners of the Parent	<u>12,644,280</u>	<u>12,460,336</u>
Non-Controlling Interests	3,212,479	3,149,593
TOTAL EQUITY	<u>15,856,759</u>	<u>15,609,929</u>
LIABILITIES		
Non-current liabilities		
Long term payables and other contract liabilities	1,381,806	1,288,626
Bonds & borrowings	33,947,347	32,248,322
Lease liabilities	1,512,123	1,447,352
Grants and contributions	633,001	596,669
Deferred tax liabilities	2,248,044	2,164,004
Post-employment benefit obligations	882,915	910,898
Derivative financial instruments	5,622	15,401
	<u>40,610,858</u>	<u>38,671,272</u>
Current Liabilities		
Trade, other payables and other contract liabilities	4,516,629	3,678,272
Derivative financial instruments	68,382	174,944
Amount due to related parties	35,837	39,212
Bonds & borrowings	9,939,860	11,317,556
Lease liabilities	53,905	176,495
Income tax liabilities	165,015	98,873
Provision for liabilities and charges	148,423	141,882
	<u>14,928,051</u>	<u>15,627,234</u>
TOTAL LIABILITIES	55,538,909	54,298,506
TOTAL EQUITY AND LIABILITIES	<u>71,395,668</u>	<u>69,908,435</u>
Net Assets per share (RM)	<u>1.15</u>	<u>1.17</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))
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INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

Group	← Attributable to Owners of the Parent →				Total RM'000	Non- Controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Retained profits RM'000	Treasury shares RM'000	Other reserves RM'000			
At 1 July 2020	3,467,555	8,982,083	(501,837)	512,535	12,460,336	3,149,593	15,609,929
Profit for the period	-	17,387	-	-	17,387	116,761	134,148
Other comprehensive income	-	-	-	167,473	167,473	108,386	275,859
Total comprehensive income for the period	-	17,387	-	167,473	184,860	225,147	410,007
Changes in composition of the Group	-	15,681	-	-	15,681	(49,005)	(33,324)
Dividend paid	-	-	-	-	-	(113,256)	(113,256)
Purchase of treasury shares	-	-	(18,225)	-	(18,225)	-	(18,225)
Share dividend	-	(477,700)	477,700	-	-	-	-
Share option expenses	-	-	-	1,356	1,356	-	1,356
Subsidiary's share option lapsed	-	613	-	(341)	272	-	272
At 31 December 2020	<u>3,467,555</u>	<u>8,538,064</u>	<u>(42,362)</u>	<u>681,023</u>	<u>12,644,280</u>	<u>3,212,479</u>	<u>15,856,759</u>

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 2020 and the accompanying explanatory notes attached to the interim financial statements.

YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))
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INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

Group	← Attributable to Owners of the Parent →				Total RM'000	Non- Controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Retained profits RM'000	Treasury shares RM'000	Other reserves 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 MFRS 16	-	(2,532)	-	-	(2,532)	(7,276)	(9,808)
At 1 July 2019, as restated	3,340,111	9,485,770	(472,793)	907,066	13,260,154	7,624,579	20,884,733
Profit for the period	-	32,847	-	-	32,847	163,436	196,283
Other comprehensive loss	-	-	-	(139,796)	(139,796)	(141,645)	(281,441)
Total comprehensive income/(loss) for the period	-	32,847	-	(139,796)	(106,949)	21,791	(85,158)
Changes in composition of the Group	-	320,348	-	-	320,348	(312,864)	7,484
Dividend paid	-	(426,770)	-	-	(426,770)	(299,037)	(725,807)
Issue of share capital	114,623	-	-	-	114,623	-	114,623
Purchase of treasury shares	-	-	(22,860)	-	(22,860)	-	(22,860)
Share option expenses	-	-	-	1,460	1,460	-	1,460
Subsidiary's share option lapsed	-	167	-	(92)	75	-	75
At 31 December 2019	3,454,734	9,412,362	(495,653)	768,638	13,140,081	7,034,469	20,174,550

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 2020 and the accompanying explanatory notes attached to the interim financial statements.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

	6 Months Ended	
	31.12.2020	31.12.2019
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	333,698	370,915
Adjustment for :-		
Amortisation of contract costs	1,927	4,554
Amortisation of grants and contributions	(11,530)	(9,754)
Amortisation of intangible assets	34,896	11,363
Depreciation of property, plant and equipment	804,146	881,934
Depreciation of right-of-use assets	89,200	75,115
Dividend income	(13,682)	(5,489)
Fair value changes of derivatives	-	(311)
Fair value changes of investments	(8,965)	(39,194)
Gain on disposal of investments	(24,740)	-
(Write back of impairment)/impairment loss	(22,938)	35,500
Interest expense	777,310	976,561
Interest income	(78,294)	(154,073)
Net gain on disposal of property, plant and equipment	(5,506)	(7,568)
Property, plant and equipment written off	1,483	6,759
Provision for post-employment benefits	23,805	27,167
Provision for liabilities and charges	1,536	1,481
Share option expenses	2,460	2,645
Share of results of associated companies and joint ventures	(176,505)	(207,855)
Unrealised gain on foreign exchange	73,196	(18,533)
Other non cash items	7,939	(6,838)
Operating profit before changes in working capital	1,809,436	1,944,379

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020 - continued

	6 Months Ended	
	31.12.2020	31.12.2019
	RM'000	RM'000
Changes in working capital:-		
Inventories	53,208	663,664
Property development costs	(25,269)	(40,196)
Receivables, deposits and prepayments	(547,791)	(47,969)
Payables and accrued expenses	1,009,797	(232,872)
Related parties balances	14,830	(9,993)
Cash generated from operations	2,314,211	2,277,013
Dividend received	228,642	199,920
Interest paid	(703,473)	(990,481)
Interest received	80,525	162,601
Payment to a retirement benefits scheme	(107,049)	(24,843)
Income tax paid	(74,607)	(142,010)
Net cash from operating activities	1,738,249	1,482,200
Cash flows from investing activities		
Acquisition of subsidiaries	(142)	(114,395)
Additional investment in associated company	(23,200)	-
Development expenditure incurred	(9,807)	(62,568)
Grants received in respect of infrastructure assets	32,811	37,033
Maturities of deposits maturing more than 90 days	97,637	-
Net placement of income funds	(371,958)	-
Proceeds from disposal of property, plant & equipment	17,311	21,366
Proceeds from disposal of investments	27,241	3,978
Proceeds from finance lease receivables	2,401	-
Purchase of property, plant & equipment	(985,405)	(829,005)
Purchase of right-of-use assets	(10,621)	-
Purchase of investment properties	(43,140)	(74,873)
Purchase of intangible assets	(97)	(69,760)
Purchase of investments	(340,060)	(105,268)
Shareholder loans	(45,842)	(46,880)
Net cash used in investing activities	(1,652,871)	(1,240,372)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020 - continued

	6 Months Ended	
	31.12.2020	31.12.2019
	RM'000	RM'000
Cash flows from financing activities		
Dividend paid	-	(426,770)
Dividend paid to non-controlling interests by subsidiaries	(113,256)	(299,037)
Repurchase of own shares by the company (at net)	(18,226)	(22,860)
Repurchase of subsidiaries' shares by subsidiaries	(33,212)	(1)
Proceeds from bonds	740,000	-
Proceeds from borrowings	1,265,119	1,877,611
Proceeds from issue of shares	-	114,623
Repayment of bonds	-	(10,000)
Repayment of borrowings	(1,963,905)	(1,297,521)
Repayment of lease liabilities	(180,109)	(181,094)
Net cash used in financing activities	<u>(303,589)</u>	<u>(245,049)</u>
Net changes in cash and cash equivalents	(218,211)	(3,221)
Effects of exchange rate changes	(6,479)	42,214
Cash and cash equivalents at beginning of the financial year	<u>11,100,066</u>	<u>11,763,827</u>
Cash and cash equivalents at end of the financial period	<u><u>10,875,376</u></u>	<u><u>11,802,820</u></u>
Cash and cash equivalent comprise :-		
Fixed deposit with licensed bank	9,545,944	10,560,252
Cash and bank balances	1,766,749	1,287,997
Deposits with maturity 90 days and more	(437,224)	-
Bank overdraft	(93)	(45,429)
	<u><u>10,875,376</u></u>	<u><u>11,802,820</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

Notes:-

Disclosure requirements pursuant to MFRS 134

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 2020.

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 2020.

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 2020.

The adoption of MFRSs, amendments to MFRSs and IC interpretation which were effective for financial year beginning on or after 1 July 2020 do not have significant financial impact to the Group.

A2. Seasonality or Cyclicity of Operations

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

A3. Disaggregation of revenue

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020 RM'000	Preceding Year Corresponding Quarter 31.12.2019 RM'000	6 Months Ended	
			31.12.2020 RM'000	31.12.2019 RM'000
Utilities				
Sale of electricity	1,461,997	1,601,727	2,850,418	3,282,188
Sale of clean water, treatment and disposal of waste water	934,877	890,125	1,808,631	1,745,943
Sale of steam	41,595	38,124	87,522	92,633
Broadband and telecommunications revenue	93,894	96,032	193,236	191,350
Others	43,980	75,058	88,126	240,937
	<u>2,576,343</u>	<u>2,701,066</u>	<u>5,027,933</u>	<u>5,553,051</u>

YTL CORPORATION BERHAD (Company No. 198201012898 (92647-H))
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INTERIM FINANCIAL REPORT

Notes: - continued

A3. Disaggregation of revenue - continued

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020 RM'000	Preceding Year Corresponding Quarter 31.12.2019 RM'000	6 Months Ended	
			31.12.2020 RM'000	31.12.2019 RM'000
Cement and building materials industry				
Sale of cement and related products	1,149,948	1,391,075	2,203,439	2,546,777
Others	3,734	4,127	9,691	9,671
	<u>1,153,682</u>	<u>1,395,202</u>	<u>2,213,130</u>	<u>2,556,448</u>
Construction				
Construction contracts revenue	<u>573,630</u>	<u>570,190</u>	<u>1,003,560</u>	<u>1,011,140</u>
Hotel operations				
Hotel room and food and beverages	98,838	429,529	207,906	745,342
Others	1,579	5,612	4,646	10,646
	<u>100,417</u>	<u>435,141</u>	<u>212,552</u>	<u>755,988</u>
Property				
Property development projects	43,953	169,627	49,047	387,115
Sale of land held for property development	26,501	-	26,501	-
Others	3,524	4,495	7,381	9,352
	<u>73,978</u>	<u>174,122</u>	<u>82,929</u>	<u>396,467</u>
Information technology & e-commerce related business				
Media and advertising services	922	1,037	1,699	2,144
Others	7	-	30	32
	<u>929</u>	<u>1,037</u>	<u>1,729</u>	<u>2,176</u>
Management services & others				
Operation and maintenance services	21,710	18,952	43,556	63,738
Food and beverages operations	962	5,597	2,518	11,189
Others	24,924	32,957	52,569	54,210
	<u>47,596</u>	<u>57,506</u>	<u>98,643</u>	<u>129,137</u>
Other sources				
Rental income	34,148	155,222	67,684	312,250
Interest income	24,336	50,058	48,866	106,505
Dividend income	6,640	4,261	13,501	5,307
	<u>65,124</u>	<u>209,541</u>	<u>130,051</u>	<u>424,062</u>
Total revenue	<u><u>4,591,699</u></u>	<u><u>5,543,805</u></u>	<u><u>8,770,527</u></u>	<u><u>10,828,469</u></u>

INTERIM FINANCIAL REPORT

Notes: - continued

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual in 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.

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 quarter and financial period to date, the Company repurchased 23,699,100 ordinary shares from the open market for a total consideration of RM18,225,622. The share buyback transactions were financed by internally generated funds. The shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

During the current financial quarter and period to date, a total of 354,982,768 treasury shares amounting RM477,700,310.90 were distributed on 12 November 2020 to the shareholders on the basis of one (1) treasury shares for every 30 ordinary shares held as at 28 October 2020.

As at 31 December 2020, the number of treasury shares held was 41,622,950 ordinary shares.

A7. Dividend paid

There was no dividend paid during the current financial quarter.

A8. Segmental Information

The Group has seven reportable segments as described below:

- (a) Construction
- (b) Information technology & e-commerce related business
- (c) Cement and building materials industry
- (d) Property investment & development
- (e) Management services & others
- (f) Hotel operations
- (g) Utilities

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

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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 period ended 31 December 2020 is as follows:-

	Construction RM'000	Information technology & e-commerce related business RM'000	Cement and building materials industry 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	1,003,560	1,729	2,213,994	152,692	158,067	212,552	5,027,933	-	8,770,527
Inter-segment revenue	17,928	1,499	15,665	59,712	33,387	2,958	6,346	(137,495)	-
Total revenue	<u>1,021,488</u>	<u>3,228</u>	<u>2,229,659</u>	<u>212,404</u>	<u>191,454</u>	<u>215,510</u>	<u>5,034,279</u>	<u>(137,495)</u>	<u>8,770,527</u>
Segment results									
Profit/(loss) from operations	106,106	(707)	315,870	(62,334)	210,574	(73,183)	438,177	-	934,503
Finance costs									(777,310)
									157,193
Share of profit of associated companies & joint ventures									176,505
Profit before taxation									<u>333,698</u>
Finance costs									777,310
Depreciation and amortisation									918,639
EBITDA *									<u><u>2,029,647</u></u>

* Included a fair value gain of RM9.0 million and write back of impairment of RM22.9 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 period ended 31 December 2019 is as follows:-

	Construction RM'000	Information technology & e-commerce related business RM'000	Cement and building materials industry 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	1,011,140	2,175	2,557,882	723,409	224,697	756,115	5,553,051	-	10,828,469
Inter-segment revenue	11,165	2,868	10,782	106,977	157,314	7,862	8,134	(305,102)	-
Total revenue	<u>1,022,305</u>	<u>5,043</u>	<u>2,568,664</u>	<u>830,386</u>	<u>382,011</u>	<u>763,977</u>	<u>5,561,185</u>	<u>(305,102)</u>	<u>10,828,469</u>
Segment results									
Profit from operations	<u>117,401</u>	<u>2,389</u>	<u>164,502</u>	<u>136,202</u>	<u>328,872</u>	<u>104,944</u>	<u>285,311</u>	<u>-</u>	<u>1,139,621</u>
Finance costs									<u>(976,561)</u>
									<u>163,060</u>
Share of profit of associated companies & joint ventures									<u>207,855</u>
Profit before taxation									<u><u>370,915</u></u>
Finance costs									<u>976,561</u>
Depreciation and amortisation									<u>963,212</u>
EBITDA *									<u><u>2,310,688</u></u>

* Included a fair value gain of RM39.5 million and impairment loss of RM35.5 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 period ended 31 December 2020, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations except for the following:-

- On 10 September 2020, P.T. YTL Harta Indonesia (“YTL Harta Indonesia”) was incorporated by YTL Jawa O & M Holdings B.V. and P.T. YTL Jawa Timur (the indirect subsidiaries of YTL Power International Berhad (“YTL Power”)) with the shareholdings of 95% and 5%, respectively. As a result, YTL Harta Indonesia became an indirect subsidiary of YTL Power and the Company.

YTL Harta Indonesia was incorporated in Indonesia with an issued share capital of Rp2,500,000,000 comprising 2,500 ordinary shares to undertake industrial estate business activities.

- On 19 October 2020, Ben Tre Fico-YTL Cement Limited (“Ben Tre Fico”) was incorporated as a wholly-owned subsidiary of FICO Tay Ninh Cement Joint Stock Company, an indirect subsidiary of YTL Cement Berhad. Ben Tre Fico will be principally involved in manufacture and sale of ordinary portland cement and blended cement.
- On 27 November 2020, Dials At Brabazon Management Company Limited (“Dials At Brabazon”) and Navigator At Brabazon Management Company Limited (“Navigator At Brabazon”) were incorporated as wholly-owned subsidiaries of YTL Homes Limited (an indirect wholly-owned subsidiary of the Company). As a result, Dials At Brabazon and Navigator At Brabazon became indirect wholly-owned subsidiaries of the Company.

Dials At Brabazon and Navigator At Brabazon were incorporated in England and Wales as a company limited by guarantee without share capital and will be principally involved in the management of real estate.

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 2020.

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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Notes: - continued

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
	31.12.2020	31.12.2019	%	31.12.2020	31.12.2019	%
	RM'000	RM'000	+/-	RM'000	RM'000	+/-
Revenue						
Construction	573,630	570,190	1%	1,003,560	1,011,140	-1%
Information technology & e-commerce related business	929	1,036	-10%	1,729	2,175	-21%
Cement and building materials industry	1,154,219	1,396,436	-17%	2,213,994	2,557,882	-13%
Property investment & development	108,540	335,251	-68%	152,692	723,409	-79%
Management services & others	77,654	104,610	-26%	158,067	224,697	-30%
Hotels	100,384	435,216	-77%	212,552	756,115	-72%
Utilities	2,576,343	2,701,066	-5%	5,027,933	5,553,051	-9%
	<u>4,591,699</u>	<u>5,543,805</u>		<u>8,770,527</u>	<u>10,828,469</u>	
Profit/(loss) before taxation						
Construction	54,881	49,645	11%	100,919	116,427	-13%
Information technology & e-commerce related business	(507)	762	-167%	(707)	2,389	-130%
Cement and building materials industry	131,493	49,543	165%	222,951	40,023	457%
Property investment & development	(89,869)	(20,150)	-346%	(106,528)	(8,622)	-1136%
Management services & others	(65,491)	15,392	-525%	(108,777)	5,738	-1996%
Hotels	(53,998)	60,085	-190%	(88,259)	96,284	-192%
Utilities	220,343	31,540	599%	314,099	118,676	165%
	<u>196,852</u>	<u>186,817</u>		<u>333,698</u>	<u>370,915</u>	

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INTERIM FINANCIAL REPORT

Notes – continued

For the current financial quarter under review, the Group revenue was RM4,591.7 million as compared to RM5,543.8 million, recorded in the preceding year corresponding quarter. The Group recorded a profit before tax of RM196.9 million for the current financial quarter. This represents an increase of RM10.0 million or 5.4% as compared to a profit of RM186.8 million recorded in the preceding year corresponding quarter.

For the current financial period under review, the Group revenue was at RM8,770.5 million as compared to RM10,828.5 million, recorded in the preceding financial period ended 31 December 2019. The Group profit before taxation for the current financial period stood at RM333.7 million. This represents a decrease of RM37.2 million or 10.0% as compared to a profit of RM370.9 million recorded in the preceding year corresponding period.

Since the outbreak of Covid-19, the countries which the Group has operations have imposed different level of restrictions to contain the spread of the virus and Malaysia are currently extended its movement control order until 4 March 2021. The direct impact of the Covid-19 pandemic is reflected in the performance of the respective operating business segments for the financial quarter/period ended 31 December 2020 as compared to the preceding year corresponding quarter/period are analysed as follows:

Construction

For the current financial quarter under review, the revenue was consistent to the comparative quarter. However, the increase in profit before tax was principally due to progress in construction works.

For the current financial period under review, the decrease in revenue and profit before tax was principally due to the decrease in construction works and higher finance costs incurred.

Information technology & e-commerce related business

For the current financial quarter/period 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 lower revenue and interest income earned from cash deposits.

Cement and building materials industry

For the current financial quarter/period under review, the revenue of the Cement division decreased mainly attributable to lower demand in the Concrete and Quarry division. However, the improvement in profit before tax was mainly due to the significant measures taken to reduce cost of production and improved efficiency in our sales and distribution operations.

Property investment & development

For the current financial quarter/period under review, the decrease in revenue was mainly due to the deconsolidation of the results of Starhill Global Real Investment Trust (“SGREIT”) 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. However, the loss before tax was mainly due to lower unrealised foreign exchange gain on borrowings denominated in foreign currencies recorded by YTL Hospitality REIT and lower share of profits from SGREIT following the Covid-19 pandemic and rental variations mainly for its Singapore and Australian properties.

INTERIM FINANCIAL REPORT

Notes – continued

Management services & others

For the current financial quarter/period under review, decrease in revenue was mainly due to lower interest income and an absence of technical services income recorded by YTL Power. However, the loss before tax was principally attributable to an absence of fair value gain on investments recorded by an offshore subsidiary, higher share of losses of an associated company and lower revenue as mentioned above.

Hotels

For the current financial quarter/period under review, this segment was significantly impacted by the lower operating results amidst 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 travellers. 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:

- The Power Generation (Contracted) division recorded a lower revenue mainly due to the lower energy payment recorded. The profit before taxation was consistent to the comparative quarter.
- Multi utilities business (Merchant) division, revenue was consistent to the comparative quarter. However, the improvement in profit before tax was mainly due to the higher retail and vesting gross margins, higher fuel oil tank leasing rates, lower finance costs and a recovery of impairment of receivables arising from an appeal against High Court's decision.
- Water & sewerage division recorded higher revenue primarily due to an increase in unregulated project income. However, the lower profit before taxation was mainly due to the price reset as determined by the regulator and depreciation charges following additional investment in capital expenditures.
- For Telecommunications division, revenue was consistent to the comparative quarter. The improvement in loss before taxation was mainly due to lower depreciation charges. However, its EBITDA continues to remain positive.

For the current financial period under review, performance of the respective operating business divisions was consistent with the notes mentioned above with the exception of the Power generation (Contracted) and Water & sewerage divisions:

- The Power Generation (Contracted) division recorded a lower revenue mainly due to the lower energy payment recorded. The lower profit before taxation was mainly due to a one-off write-down of inventories.
- Water & sewerage division recorded a higher revenue primarily attributable to an increase in unregulated project income and the strengthening of Great Britain Pound against Ringgit Malaysia. However, the lower profit before taxation was mainly due to the price reset as determined by the regulator and depreciation charges following additional investment in capital expenditures.

INTERIM FINANCIAL REPORT

Notes – continued

B2. Comparison with Preceding Quarter

	Current Quarter 31.12.2020 RM'000	Preceding Quarter 30.09.2020 RM'000	Variance % +/-
Revenue	4,591,699	4,178,828	10%
Profit before taxation	196,852	136,846	44%
Profit after taxation	85,448	48,700	75%

The higher profit before taxation as compared to preceding quarter was primarily attributable to the better performance in Multi utilities business (Merchant) segment following a recovery of impairment of receivables arising from an appeal against High Court's decision as well as improved performance of the Construction and Cement and Building Materials segments.

B3. Audit Report of the preceding financial year ended 30 June 2020

The Auditors' Report on the financial statements of the financial year ended 30 June 2020 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 continued with 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.

Furthermore, the ongoing progress in vaccine development and recent commencement of vaccination programmes in most countries where the Group operates, including the roll-out of Malaysia's programme this week, are vital developments, providing the pathway for a return to normalcy and economic recovery.

Construction

Construction operations have since re-commenced but under strict standard operating procedures. Management has been proactive in taking actions to ensure construction work in progress is on track 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.

INTERIM FINANCIAL REPORT

Notes – continued

Cement and building materials industry

Whilst the short-term outlook may remain challenging due to the impact of the Covid-19 pandemic on public and private plans for new investments, the solid dynamics of the Group's main markets remain intact. 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 Covid-19 pandemic will impact 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 travellers is expected to remain subdued until containment of the Covid-19 pandemic, after which management expect pent-up demand to fuel recovery. The roll-out of vaccination programmes in many countries in the past few months bodes well for the recovery of the global tourism and hospitality industry. 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.

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 the calendar year 2020 and the second unit in the last quarter of the calendar year 2020. 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 with commercial operations for both units now expected to be in the middle of the calendar year 2021. 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.

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Notes – continued

YTL Power Generation Sdn. Bhd. (“YTLPG”) commenced operations on 1 September 2017 for the supply of 585MW of capacity from the existing facility in Paka for a term of 3 years 10 months, which will be expiring on 30 June 2021.

As for the Multi utilities business (Merchant) division, electricity demand has gradually improved as Singapore eases into Phase 3. A phase which allows social, cultural, religious and business gatherings or events to resume with limited crowd sizes as part of the control measures of Covid-19 pandemic.

The proposed acquisition of Tuaspring announced on 12 March 2020 which is currently pending completion 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, upon completion, be integrated into existing businesses and expected to contribute positively to the future earnings of the Group. The proposed acquisition was approved by the Energy Market Authority of Singapore (EMA) in May 2020; completion is now conditional on the approval from the Public Utilities Board of Singapore and completion of financing.

This segment will continue to focus on customer service and diversification beyond the core business into integrated multi-utilities supply.

As for the Water & Sewerage division, Wessex Water continues to work towards the 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.

With the existing network in place, this segment will continue to expand its telecommunications infrastructure business and subscriber base. In August 2020, Jalanan Digital Negara (“JENDELA”), a plan to upgrade Malaysia’s digital communications infrastructure formulated by the Government and the Malaysian Communications and Multimedia Commission, was launched. Initial phases of the plan focus on expanding 4G mobile broadband coverage and increasing broadband speeds, with the aim of shutting down 3G by 2021. As such, YTL Communications’ pure-4G YES network is well positioned to continue to attract subscribers and meet the country’s digital infrastructure needs.

In response to the Covid-19 pandemic, YTL Communications and FrogAsia collaborated with YTL Foundation, a not-for-profit foundation funded principally by the YTL Group, launched the Learn from Home Initiative in March 2020 to enable students to learn from home. 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. This initiative has been extended to 30 June 2021 as schools have again closed due to the third wave of the pandemic.

INTERIM FINANCIAL REPORT

Notes – continued

YTL Communications has recently launched its YES Kasi Up programme offering the most affordable data plans in the market. The programme includes a referral scheme that gives cash rewards to subscribers for being referral ambassadors for YES. A partnership with Shopee, the country’s largest e-commerce platform, rewards Shopee customers who are YES subscribers with free data for money spent on Shopee, making data even more affordable and accessible. By offering affordable data plans this segment is looking to increase its subscriber base bolstered by partnerships and collaborations.

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.

B6. Profit for the period

	Current Quarter 31.12.2020 RM’000	Period To Date 31.12.2020 RM’000
Profit for the period is stated after charging/(crediting):		
Amortisation of grants and contributions	(5,633)	(11,530)
Amortisation of intangible assets	17,462	34,896
Depreciation of property, plant and equipment	401,768	804,146
Depreciation of right-of-use assets	45,108	89,200
Dividend income	(6,785)	(13,682)
Fair value changes of investments	(1,216)	(8,965)
Interest expense	398,163	777,310
Interest income	(15,637)	(29,428)
Loss on foreign exchange	39,412	44,605
Net gain on disposal of property, plant and equipment	(3,588)	(5,506)
Property, plant and equipment written off	248	1,483
Provision for liabilities and charges	888	1,536
(Write back of)/Allowance for impairment of inventories	(1,004)	14,696
(Write back of)/Amortisation of contract costs	(129)	1,927
Write back of impairment of receivables - net of reversal	<u>(54,750)</u>	<u>(37,883)</u>

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 period to date.

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Notes – continued

B7. Taxation

Taxation comprise the following:-

	Current Quarter 31.12.2020 RM'000	Period To Date 31.12.2020 RM'000
In respect of current period		
- Income tax	98,070	187,422
- Deferred tax	13,334	12,128
	<u>111,404</u>	<u>199,550</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 period to date was mainly due to losses from certain subsidiary companies, non-deductibility of certain expenses for tax purposes and partially offset by income subjected to different tax jurisdictions.

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 331,452,000 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 which are currently pending.

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Notes – continued

B9. Group Borrowings and Debt Securities

The Group's borrowings and debts securities as at 31 December 2020 are as follows:-

	Secured	Unsecured	Total
	RM'000	RM'000	RM'000
Current			
Bankers' acceptances	-	47,708	47,708
Bank overdrafts	-	93	93
ICULS *	-	2,184	2,184
Revolving credit	53,000	3,092,972	3,145,972
Term loans	102,531	6,341,372	6,443,903
Bonds	-	300,000	300,000
	<u>155,531</u>	<u>9,784,329</u>	<u>9,939,860</u>
Non-current			
ICULS *	-	2,417	2,417
Revolving credit	208,654	1,502,672	1,711,326
Term loans	2,258,823	9,230,984	11,489,807
Bonds	328,196	20,415,601	20,743,797
	<u>2,795,673</u>	<u>31,151,674</u>	<u>33,947,347</u>
Total borrowings	<u>2,951,204</u>	<u>40,936,003</u>	<u>43,887,207</u>

* Irredeemable Convertible Unsecured Loan Stock ("ICULS")

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

	Foreign	RM
	Currency	Equivalents
	'000	'000
US Dollar	666,626	2,675,170
Singapore Dollar	2,286,147	6,939,371
Sterling Pound	2,529,968	13,827,034
Japanese Yen	17,562,501	683,023
Thai Baht	1,990,000	266,640
Australia Dollar	486,519	1,503,149
Euro	422	2,081
		<u>25,896,468</u>

Save for the borrowings of RM212.0 million, US Dollar 220.0 million, Sterling Pound 89.1 million, Yen 7.25 billion and Euro 0.42 million 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 31 December 2020, the Group's outstanding derivatives are as follows:

Type of Derivatives	Contract/Notional Value RM'000	Fair Value RM'000
<u>Fuel oil swaps</u>		
- Less than 1 year	967,006	95,280
- 1 year to 3 years	78,254	4,193
- More than 3 years	-	-
<u>Currency forwards</u>		
- Less than 1 year	1,089,621	(41,135)
- 1 year to 3 years	151,182	(5,259)
- 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 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/(losses) arising from fair value changes of financial liabilities for the current financial period ended 31 December 2020 are as follows:

Type of financial liabilities	Basis of fair value measurement	Reason for the gains	Fair value gain	
			Current quarter 31.12.2020 RM'000	Period to date 31.12.2020 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	-	48
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	(720)	4,002
Total			(720)	4,050

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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
31 December 2020				
Assets				
Financial assets at fair value through profit and loss				
- Income/equity funds	-	3,053,782	-	3,053,782
- Equity investments	10,880	3,671	-	14,551
Derivative used for hedging	-	127,083	-	127,083
Financial assets at fair value through other comprehensive income	22,920	44	277,421	300,385
	<u>33,800</u>	<u>3,184,580</u>	<u>277,421</u>	<u>3,495,801</u>
Liabilities				
Financial liabilities at fair value through profit and loss				
- Trading derivatives	-	4,043	-	4,043
Derivative used for hedging	-	69,961	-	69,961
	<u>-</u>	<u>74,004</u>	<u>-</u>	<u>74,004</u>

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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/period by the weighted average number of ordinary shares in issue during the financial quarter/period as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020	Preceding Year Corresponding Quarter 31.12.2019	6 Months Ended	
			31.12.2020	31.12.2019
Profit attributable to owners of the parent (RM'000)	16,094	17,540	17,387	32,847
<i>Weighted average number of ordinary shares ('000)</i>				
<i>Weighted average number of ordinary shares ('000)</i>	11,022,762	10,910,559	11,022,762	10,983,734
Less: Shares repurchased	(380,807)	(350,110)	(376,857)	(345,986)
	10,641,955	10,560,449	10,645,905	10,637,748
Basic earnings per share (sen)	0.15	0.17	0.16	0.31

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INTERIM FINANCIAL REPORT

Notes: - continued

B13. Earnings Per Share - continued

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/period by the weighted average number of ordinary shares in issue during the financial quarter/period as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2020	Preceding Year Corresponding Quarter 31.12.2019	6 Months Ended	
			31.12.2020	31.12.2019
Profit attributable to owners of the parent (RM'000)	16,094	17,540	17,387	32,847
<i>Weighted average number of ordinary shares - diluted ('000)</i>				
Weighted average number of ordinary shares-basic	10,641,956	10,560,450	10,645,906	10,637,748
Effect of unexercised employees share option scheme ("ESOS")	-	-	-	-
	<u>10,641,956</u>	<u>10,560,450</u>	<u>10,645,906</u>	<u>10,637,748</u>
Diluted earnings per share (sen)	<u>0.15</u>	<u>0.17</u>	<u>0.16</u>	<u>0.31</u>

Total cash expected to be received in the event of an exercise of all outstanding ESOS options is RM517.186 million (2020: RM525.312 million). Accordingly, the Net Asset ("NA") on a proforma basis will increase by RM517.186 million (2020: RM525.312 million) resulting in an increase in NA per share of RM0.05 (2020: 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: 25 February 2021