



BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 288)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 31ST OCTOBER 2006

The Board of Directors (the “Directors”) of Berjaya Holdings (HK) Limited (the “Company”) announces the unaudited results of the Company and its subsidiaries (the “Group”) for the six months ended 31st October 2006.

Consolidated profit and loss account (unaudited) For the six months ended 31st October 2006

	<i>Note</i>	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Turnover	2	762	4,938
Cost of sales		(36)	(4,383)
Gross profit		726	555
Other gains		1,119	–
Administrative expenses		(1,615)	(1,753)
Changes in fair value of investment properties		2,100	2,425
Operating profit	3	2,330	1,227
Share of profit/(loss) of an associated company		157	(110)
Financial expenses		(3,193)	(2,814)
Loss before taxation		(706)	(1,697)
Taxation	4	(368)	(423)
Loss for the period		(1,074)	(2,120)
Attributable to:			
Equity holders		(1,034)	(2,089)
Minority interests		(40)	(31)
		(1,074)	(2,120)
Loss per share	5	(0.17 cents)	(0.35 cents)

Consolidated balance sheet (unaudited)

	<i>Note</i>	31st October 2006 <i>HK\$'000</i>	30th April 2006 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		116	112
Investment properties		47,895	45,795
Associated company		5,755	5,633
Available-for-sale financial assets		295	295
Amounts due from a shareholder		559	559
Other receivable		7,393	8,210
		62,013	60,604
Current assets			
Debtors and prepayments	6	32,348	31,495
Cash and bank balances		147	762
		32,495	32,257
Total assets		94,508	92,861
EQUITY			
Share capital		118,210	118,210
Reserves		(91,376)	(90,307)
Total equity		26,834	27,903
LIABILITIES			
Non-current liabilities			
Long-term liabilities		64,149	60,724
Deferred taxation liabilities		1,782	1,414
		65,931	62,138
Current liabilities			
Creditors and accruals	7	1,197	2,345
Current portion of long-term liabilities		546	475
		1,743	2,820
Total liabilities		67,674	64,958
Total equity and liabilities		94,508	92,861

Notes:

1 Basis of preparation

The interim financial information has been prepared under the historical cost convention, as modified by the revaluation of investment properties and available-for-sale financial assets which are carried at fair values, and in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used and as disclosed in the annual financial statements for the year ended 30th April 2006.

The Group has adopted the new standards, amendments to standards and interpretation of Hong Kong Financial Reporting Standards which become effective for the financial year ending 30th April 2007. However, the adoption of these new standards does not have any effect to the accounting policies of the Group.

2 Segment information

(a) Business segment

Six months ended 31st October 2006

	Property investment <i>HK\$'000</i>	Property development <i>HK\$'000</i>	Investment holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover	762	–	–	762
Segment results	2,330	–	–	2,330
Share of profit of an associated company	–	–	157	157
Financial expenses	–	–	–	(3,193)
Loss before taxation	–	–	–	(706)
Taxation	–	–	–	(368)
Loss for the period	–	–	–	(1,074)
Equity holders	–	(40)	–	(1,034)
Minority interests	–	–	–	(40)
Capital expenditure	–	–	14	14
Depreciation	–	–	10	10
Six months ended 31st October 2005				
Turnover	776	4,162	–	4,938
Segment results	1,227	–	–	1,227
Share of loss of an associated company	–	–	(110)	(110)
Financial expenses	–	–	–	(2,814)
Loss before taxation	–	–	–	(1,697)
Taxation	–	–	–	(423)
Loss for the period	–	–	–	(2,120)
Equity holders	–	(31)	–	(2,089)
Minority interests	–	–	–	(31)
Capital expenditure	–	–	2	2
Amortisation of leasehold land for development	–	–	698	698
Depreciation	–	–	10	10

31st October 2006

Segment assets	48,619	–	39,164	87,783
Associated company	–	–	5,755	5,755
Unallocated assets	–	–	–	970
Total assets	–	–	–	94,508
Segment liabilities	453	–	–	453
Unallocated liabilities	–	–	–	67,221
Total liabilities	–	–	–	67,674
30th April 2006				
Segment assets	47,098	–	39,164	86,262
Associated company	–	–	5,633	5,633
Unallocated assets	–	–	–	966
Total assets	–	–	–	92,861
Segment liabilities	526	–	–	526
Unallocated liabilities	–	–	–	64,432
Total liabilities	–	–	–	64,958

(b) Geographical segment

Six months ended 31st October 2006

	Turnover <i>HK\$'000</i>	Operating profit/(loss) <i>HK\$'000</i>	Capital expenditure <i>HK\$'000</i>
Hong Kong	762	2,330	14
Six months ended 31st October 2005			
Hong Kong	671	2,128	2
Malaysia/Singapore	4,267	(51)	–
Mainland China	–	(850)	–
	4,938	1,227	2
		31st October 2006 <i>HK\$'000</i>	30th April 2006 <i>HK\$'000</i>
Total assets			
Hong Kong		48,961	47,445
Malaysia/Singapore		5,757	5,677
Mainland China		39,790	39,739
		94,508	92,861

3 Operating profit

Operating profit is stated after charging:

Depreciation	10	10
Amortisation of leasehold land for development	–	698
Operating lease rental for buildings	130	77

4 Taxation

	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Current	–	–
Deferred	368	423
	368	423

Hong Kong profits tax has been provided for at the rate of 17.5% on the estimated assessable profit for the period (2005: 17.5%).

5 Loss per share

The calculation of loss per share is based on the loss attributable to equity holders for the six months ended 31st October 2006 of HK\$1,034,000 (2005: HK\$2,089,000) and on the 591,047,975 (2005: 591,047,975) shares in issue during the period.

6 Debtors and prepayments

	31st October 2006 HK\$'000	30th April 2006 HK\$'000
Trade debtors (note a)	20	17
Amount due from a related company (note b)	31,790	30,954
Other debtors and prepayments	538	524
	<u>32,348</u>	<u>31,495</u>
(a) The credit terms granted to the trade debtors are usually 15 days. The aging analysis of the trade debtors, based on the due date of the invoices, is as follows:		

	31st October 2006 HK\$'000	30th April 2006 HK\$'000
31 to 90 days	<u>20</u>	<u>17</u>

- (b) In January 2006, the Group disposed of its entire 82% equity interest in Shanghai Berjaya-Huitong Real Estate Development Company Limited to third parties. In view of the foreign exchange control in Mainland China, part of the consideration amounting to RMB32,219,000 has therefore been received by a related company in Mainland China on behalf of the Group since the Group does not have a Renminbi bank account in Mainland China. The Group is in the process of applying to the State Administration of Foreign Exchange, Shanghai Branch for the approval to remit the said consideration out of Mainland China.

7 Creditors and accruals

	31st October 2006 HK\$'000	30th April 2006 HK\$'000
Other creditors	441	1,441
Accrued expenses	756	904
	<u>1,197</u>	<u>2,345</u>

MANAGEMENT DISCUSSION AND ANALYSIS

During the six months ended 31st October 2006, the Group incurred a loss of HK\$1,074,000, compared to a loss of HK\$2,120,000 for the six months ended 31st October 2005. This is primarily due to exchange gain of HK\$1,070,000 arising from the appreciation of Renminbi and the share of profit of an associated company amounting to HK\$157,000 whereas a loss of HK\$110,000 was shared by the Group in the last period. The Group continued to generate stable rental income from its investment properties.

There had been no significant changes in the financial position of the Group since the latest annual report for the year ended 30th April 2006. There were also no acquisitions and disposals of significant assets by the Group during the six months ended 31st October 2006.

The management believes that the Group will continue to have adequate working capital for its operations. Other than normal operating cash flow, there is no significant cash requirement in the year to 30th April 2007. As of 31st October 2006, the Group had outstanding bank loan of approximately HK\$7,003,000 (30th April 2006: HK\$7,250,000), which was secured by the investment properties of the Group located in Hong Kong with a carrying value of HK\$45,570,000 (30th April 2006: HK\$43,620,000). In addition to the bank loan, the Group also had outstanding loan from a shareholder of HK\$55,773,000 (30th April 2006: HK\$51,990,000), which is unsecured and not repayable within the next twelve months.

The gearing ratio for the Group as at 31st October 2006 is 27% (30th April 2006: 26%) which is calculated based on the total bank loan to the total equity of the Group.

The Group will continue to seek new investment opportunities to improve profitability and to provide growth for the Group.

INTERIM DIVIDEND

The Directors have resolved not to declare any interim dividend for the six months ended 31st October 2006 (2005: Nil).

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the six months ended 31st October 2006. Neither the Company nor any of its subsidiaries has purchased or sold any of the shares of the Company during the period.

CORPORATE GOVERNANCE

During the six months ended 31 October 2006, the Company has complied with the code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") save and except certain deviations described below:

Code Provision A.1.1

Full board meetings have not been held regularly as the Directors consider meetings by circulation are sufficient.

Code Provision A.2

Mr. Chan Kien Sing is the Chairman of the Board. The Company has not appointed a chief executive officer and the daily operation and management of the Company is monitored by the executive directors as well as the senior management.

Code Provision A.4.1

Although the Directors are not appointed for a specific term, they are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association of the Company.

Code Provision E.1.2

The Chairman of the Board was unable to attend the 2006 Annual General Meeting of the Company because of other business commitment.

On 30th August 2006, a special resolution was passed at the 2006 Annual General Meeting of the Company to amend the Company's Articles of Association in order to comply with the Code, especially the director retirement requirements under the Code.

SECURITIES TRANSACTIONS OF THE DIRECTORS

The Company has adopted the code of conduct regarding securities transactions of the Directors as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules. Having made specific enquiry of all Directors, they all have confirmed that they have complied with the required standard as set out in the Model Code throughout the period.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters with management, including a review of the unaudited interim financial statements for the six months ended 31st October 2006.

2006 INTERIM REPORT

The interim report of the Company for the six months ended 31st October 2006 containing all the information required by the Listing Rules will be published on the website of the Stock Exchange and dispatched to shareholders in due course.

On behalf of the Board
Chan Kien Sing
Chairman

Hong Kong, 14th December 2006

As at the date of this announcement, the Board of Directors of the Company comprises four Executive Directors, namely Mr. Chan Kien Sing, Mr. Chin Chee Seng, Derek, Ms. Tan Ee Ling and Mr. Wong Man Hong and three Independent Non-executive Directors, namely Dato' Lee Ah Hoe, Mr. Tan Tee Yong and Mr. Leou Thiam Lai.