

**Berjaya Sports Toto Berhad**  
Company Registration No. : 196901000688 (9109-K)

Date: 20 May 2021

Subject: **UNAUDITED (Q3) INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 MARCH 2021**

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**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Group</b>	
	<b>31-3-2021</b>	<b>(Audited) 30-6-2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	240,004	183,111
Right-of-use assets	334,766	335,466
Other investments	116,520	118,977
Investment properties	119,154	113,238
Investment in associated companies	108,649	119,269
Deferred tax assets	20,209	22,827
Intangible assets	701,649	691,292
	1,640,951	1,584,180
<b>Current assets</b>		
Inventories	338,536	438,681
Receivables	589,569	559,398
Contract assets	7,472	6,631
Tax recoverable	891	12,309
Deposits, cash and bank balances	344,906	307,768
	1,281,374	1,324,787
<b>TOTAL ASSETS</b>	2,922,325	2,908,967
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	135,103	135,103
Reserves	311,045	289,300
Retained earnings	375,497	345,596
Equity funds	821,645	769,999
Less : Treasury shares	(15,407)	(32,165)
Net equity funds	806,238	737,834
Non-controlling interests	61,901	51,458
<b>Total equity</b>	868,139	789,292
<b>Non-current liabilities</b>		
Retirement benefit obligations	2,576	2,267
Borrowings	749,801	772,851
Deferred tax liabilities	18,348	18,159
Lease liabilities	241,697	242,691
Contract liabilities	162	248
Other long term liabilities	2,253	1,966
	1,014,837	1,038,182
<b>Current liabilities</b>		
Provisions	2,203	2,696
Borrowings	317,804	434,702
Payables	475,429	434,457
Contract liabilities	160,219	178,370
Lease liabilities	35,584	30,745
Tax payable	48,110	523
	1,039,349	1,081,493
<b>Total liabilities</b>	2,054,186	2,119,675
<b>TOTAL EQUITY AND LIABILITIES</b>	2,922,325	2,908,967
Net assets per share (RM)	0.60	0.55

**Note:**

The net assets per share is calculated based on the following:

Net equity funds divided by the number of shares in issue with voting rights.

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

**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Current Interim Period			Cumulative Period		
	3-Month 1-1-2021 to 31-3-2021 RM'000	3-Month 1-1-2020 to 31-3-2020 RM'000	+/<-> %	9-Month 1-7-2020 to 31-3-2021 RM'000	9-Month 1-7-2019 to 31-3-2020 RM'000	+/<-> %
<b>Revenue</b>	1,122,346	1,333,491	(15.8)	3,702,150	4,178,406	(11.4)
<b>Profit from operations</b>	45,661	86,112	(47.0)	273,078	294,216	(7.2)
Investment related income	6,058	4,105	47.6	15,789	24,310	(35.1)
Investment related expenses	-	(465)	(100.0)	-	(737)	(100.0)
Finance costs	(14,843)	(16,650)	(10.9)	(45,740)	(47,814)	(4.3)
Share of results of associated companies	(1,460)	1,239	N/A	(10,852)	2,634	N/A
<b>Profit before tax</b>	35,416	74,341	(52.4)	232,275	272,609	(14.8)
<b>Income tax expenses</b>	(14,573)	(24,739)	(41.1)	(76,251)	(92,234)	(17.3)
<b>Profit for the period</b>	20,843	49,602	(58.0)	156,024	180,375	(13.5)
<b>Profit attributable to:</b>						
Owners of the parent	18,678	48,611	(61.6)	151,594	177,504	(14.6)
Non-controlling interests	2,165	991	118.5	4,430	2,871	54.3
	20,843	49,602	(58.0)	156,024	180,375	(13.5)
<b>Earnings per share (sen)</b>						
Attributable to owners of the parent						
- <b>Basic</b>	1.39	3.61		11.30	13.18	
<b>Dividend per share (sen)</b>						
- First interim	-	-		4.0	4.0	
- Second interim	-	-		2.5	4.0	
- Third interim	1.5	-		1.5	-	

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**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Current Interim Period			Cumulative Period		
	3-Month 1-1-2021 to 31-3-2021 RM'000	3-Month 1-1-2020 to 31-3-2020 RM'000	+/-<-> %	9-Month 1-7-2020 to 31-3-2021 RM'000	9-Month 1-7-2019 to 31-3-2020 RM'000	+/-<-> %
<b>Profit for the period</b>	20,843	49,602	(58.0)	156,024	180,375	(13.5)
<b>Other comprehensive income:</b>						
<u>Items that may be subsequently reclassified to profit or loss</u>						
Effects of foreign exchange differences	29,572	36,256	(18.4)	11,798	36,326	(67.5)
Share of other comprehensive income item of an associated company	(185)	-	100.0	155	-	100.0
<u>Items that will not be subsequently reclassified to profit or loss</u>						
Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")	3,792	(21,805)	N/A	13,476	(17,048)	N/A
Share of other comprehensive income items of associated companies	(5)	-	100.0	(273)	-	100.0
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>54,017</b>	<b>64,053</b>	<b>(15.7)</b>	<b>181,180</b>	<b>199,653</b>	<b>(9.3)</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>						
Owners of the parent	50,964	67,433	(24.4)	170,737	199,794	(14.5)
Non-controlling interests	3,053	(3,380)	N/A	10,443	(141)	N/A
	<b>54,017</b>	<b>64,053</b>	<b>(15.7)</b>	<b>181,180</b>	<b>199,653</b>	<b>(9.3)</b>

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

**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the parent							Distributable	Total to owners of parent	Non-controlling interests	Total equity
	Share capital	Treasury shares	Exchange reserve	FVTOCI reserve	Reserve of non-current asset held for sale	Capital reserve	Consolidation reserve				
<b>At 1 July 2020</b>	135,103	(32,165)	115,834	(52,443)	-	285,306	(59,397)	345,596	737,834	51,458	789,292
Profit for the period	-	-	-	-	-	-	-	151,594	151,594	4,430	156,024
Other comprehensive income for the period	-	-	7,071	12,313	-	-	-	(241)	19,143	6,013	25,156
Effects arising from disposal of investments at FVTOCI	-	-	-	2,361	-	-	-	(2,361)	-	-	-
	-	-	7,071	14,674	-	-	-	148,992	170,737	10,443	181,180
<b>Transactions with owners:</b>											
Share dividend	-	31,764	-	-	-	-	-	(31,764)	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	(87,327)	(87,327)	-	(87,327)
Purchase of treasury shares	-	(15,006)	-	-	-	-	-	-	(15,006)	-	(15,006)
	-	16,758	-	-	-	-	-	(119,091)	(102,333)	-	(102,333)
<b>At 31 March 2021</b>	135,103	(15,407)	122,905	(37,769)	-	285,306	(59,397)	375,497	806,238	61,901	868,139
<b>At 1 July 2019</b>	135,103	(12,320)	80,140	(31,205)	2,147	285,306	(59,397)	321,658	721,432	53,531	774,963
Profit for the period	-	-	-	-	-	-	-	177,504	177,504	2,871	180,375
Other comprehensive income for the period	-	-	37,509	(15,219)	-	-	-	-	22,290	(3,012)	19,278
Effects arising from disposal											
- asset classified as held for sale	-	-	-	-	(2,147)	-	-	2,147	-	-	-
- investments at FVTOCI	-	-	-	(597)	-	-	-	597	-	-	-
	-	-	37,509	(15,816)	(2,147)	-	-	180,248	199,794	(141)	199,653
<b>Transactions with owners:</b>											
Distribution of dividends	-	-	-	-	-	-	-	(107,760)	(107,760)	-	(107,760)
Treasury shares acquired	-	(19,845)	-	-	-	-	-	-	(19,845)	-	(19,845)
	-	(19,845)	-	-	-	-	-	(107,760)	(127,605)	-	(127,605)
<b>At 31 March 2020</b>	135,103	(32,165)	117,649	(47,021)	-	285,306	(59,397)	394,146	793,621	53,390	847,011

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

**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9-Month Financial period ended 31-3-2021 RM'000</b>	<b>9-Month Financial period ended 31-3-2020 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	3,861,262	4,488,764
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(3,454,109)	(4,350,917)
Other receipts	5,268	213
<b>Net cash generated from operating activities</b>	<b>412,421</b>	<b>138,060</b>
<b>INVESTING ACTIVITIES</b>		
Sales of property, plant and equipment	229	275
Sales of investment property	-	29,917
Sales of long term investments	18,500	16,370
Acquisition of investment in associated companies	(1,014)	(924)
Acquisition of property, plant and equipment	(13,335)	(61,623)
Acquisition of investment properties	(4,644)	-
Acquisition of long term investments	(1,365)	(3,007)
Acquisition of right-of-use assets	(9,450)	-
Dividend received	1,234	998
Interest received	5,521	7,522
Net advances from/(to) associated companies by a foreign subsidiary company	549	(3,759)
Other receipts arising from investments	439	416
Other payments arising from investments	(5,479)	(66,501)
Placements with fund managers	(64,027)	-
<b>Net cash used in investing activities</b>	<b>(72,842)</b>	<b>(80,316)</b>
<b>FINANCING ACTIVITIES</b>		
Drawdown of borrowings	11,161	524,675
Repayment of borrowings	(179,816)	(410,510)
Payment of hire purchase liabilities	(290)	(373)
Payment of lease liabilities	(26,635)	(21,301)
Dividends paid to shareholders of the Company	(53,745)	(114,484)
Treasury shares acquired	(15,006)	(19,845)
Interest paid	(47,178)	(48,384)
<b>Net cash used in financing activities</b>	<b>(311,509)</b>	<b>(90,222)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>28,070</b>	<b>(32,478)</b>
<b>CASH &amp; CASH EQUIVALENTS AT 1 JULY</b>	<b>304,996</b>	<b>429,506</b>
Effects of exchange rate changes	8,864	6,617
<b>CASH &amp; CASH EQUIVALENTS AT 31 MARCH</b>	<b>341,930</b>	<b>403,645</b>
	<b>Financial period ended 31-3-2021 RM'000</b>	<b>Financial period ended 31-3-2020 RM'000</b>
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	211,385	109,203
Deposits with financial institutions	133,521	297,329
	344,906	406,532
Excluding : Cash and cash equivalents restricted for use	(2,976)	(2,887)
	341,930	403,645

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

**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
NOTES TO THE INTERIM FINANCIAL REPORT**

- A1 The condensed consolidated interim financial report is not audited and has been prepared in compliance with MFRS 134, Interim Financial Reporting Standards in Malaysia, International Accounting Standards 34 - Interim Financial Reporting, the Companies Act 2016 in Malaysia and applicable disclosure provision of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions which are significant for understanding the changes in the financial position and performance of the Group since the financial year ended 30 June 2020.

**Changes in Accounting Policies**

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020. The Group has neither early adopted nor applied any new MFRSs, Amendments to MFRSs, IC Interpretations and Annual Improvements to MFRSs that are issued but not yet effective for the Group's accounting period beginning 1 July 2020 except for COVID-19 Related Rent Concessions (Amendments to MFRS 16 Leases) as disclosed in the audited financial statements of the Group for the financial year ended 30 June 2020.

The adoption of newly effective MFRSs, Amendments to MFRSs, IC Interpretations and Annual Improvements to MFRSs are expected to have no significant financial impacts to the financial statements of the Group upon their initial application except for changes in presentation and additional disclosures of financial information.

- A2 Our business operations are not significantly affected by seasonal or cyclical factors except for our toto betting operations that may be positively impacted by the festive seasons.
- A3 There were no other unusual items as a result of their nature, size or incidence that had affected assets, liabilities, equity, net income or cash flows for the financial period ended 31 March 2021 except for the financial impact arising from the Coronavirus ("Covid-19") pandemic and multiple phases of lockdown or restrictive measures implemented by the Malaysian Government as well as the governments of the respective countries where the Group has business operations as disclosed in Notes B1 and B2.

There were no changes in estimates reported in the prior financial year that had a material effect in the current financial period ended 31 March 2021.

- A4 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial period ended 31 March 2021.

The details of the share buy-back are as follows:

Month	Price per share (RM)			Number of shares	Total consideration RM'000
	Lowest	Highest	Average		
September 2020	2.00	2.05	2.04	1,317,800	2,689
October 2020	2.00	2.05	2.04	6,043,366	12,317
<b>TOTAL</b>			2.04	7,361,166	15,006

**BERJAYA SPORTS TOTO BERHAD**

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**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
NOTES TO THE INTERIM FINANCIAL REPORT**

A4 The number of treasury shares held in hand as at 31 March 2021 were as follows:

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares as at 1 July 2020	2.38	13,530,072	32,165
Distribution of treasury shares as share dividend	2.38	(13,361,166)	(31,764)
Increase in treasury shares	2.04	7,361,166	15,006
Total treasury shares as at 31 March 2021	2.05	7,530,072	15,407

As at 31 March 2021, the number of outstanding shares in issue with voting rights was 1,343,500,000 ordinary shares (31 March 2020 : 1,337,500,000 ordinary shares).

A5 During the current period ended 31 March 2021 and up to the date of this report, the Company distributed and paid the following dividends:

- (a) third interim dividend on 8 October 2020, in respect of financial year ended 30 June 2020, via distribution of 13,361,166 treasury shares on the basis of 1 treasury share for every 100 ordinary shares held. This is equivalent to a dividend of approximately 2.4 sen per share and the shares were credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd. The book cost of the share dividend was RM31,764,000;
- (b) first interim dividend on 19 January 2021, in respect of financial year ending 30 June 2021, of 4.0 sen per share on 1,343,500,000 ordinary shares with voting rights amounting to RM53,740,000; and
- (c) second interim dividend on 23 April 2021, in respect of financial year ending 30 June 2021, of 2.5 sen per share on 1,343,500,000 ordinary shares with voting rights amounting to RM33,587,500.

A6 Segmental revenue and results for the current period ended 31 March 2021 were as follows:

**REVENUE**

	External RM'000	Inter- segment RM'000	Total RM'000
Toto betting	1,813,796	-	1,813,796
Motor dealership	1,840,594	207	1,840,801
Others	47,760	4,910	52,670
Elimination : Intersegment Revenue	-	(5,117)	(5,117)
	<u>3,702,150</u>	<u>-</u>	<u>3,702,150</u>

**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021****NOTES TO THE INTERIM FINANCIAL REPORT**A6 RESULTS

	Total RM'000
Toto betting	230,700
Motor dealership	60,786
Others	(6,496)
	<u>284,990</u>
Unallocated corporate expenses	(11,912)
Profit from operations	273,078
Interest income	11,764
Investment related income (other than interest income)	4,025
Finance costs	(45,740)
Share of results of associated companies	(10,852)
Profit before tax	<u>232,275</u>
Income tax expenses	(76,251)
Profit for the period	<u><u>156,024</u></u>

A7 There were no significant events since the end of the financial period up to the date of this announcement.

A8 There were no changes in the composition of the Group for the current period ended 31 March 2021 up to the date of this report including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for the following:

- (a) Following the application to strike off the companies by the Board of directors of the following dormant wholly-owned subsidiary companies of Berjaya Sports Toto Berhad, the de-registration process was completed as follows:
- (i) On 8 September 2020, FEAB Realty Sdn Bhd had been de-registered by the Registrar of Companies Commission of Malaysia and dissolved accordingly; and
  - (ii) On 9 October 2020, Berjaya-ILTS Limited had been de-registered by the Registrar of Companies, Hong Kong and dissolved accordingly.
- (b) On 16 October 2020, VideoDoc Limited, an associated company of the Group with equity interest owned of 20.15%, had been de-registered by the Companies House, United Kingdom and dissolved accordingly following the application for voluntary liquidation.

A9 There were no significant changes in contingent liabilities or financial guarantee since the last annual reporting date as at 30 June 2020.

A10 There were no material changes in capital commitments since the last annual reporting date as at 30 June 2020 except for capital expenditure of RM16.6 million approved during the current financial period.

**BERJAYA SPORTS TOTO BERHAD**

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**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

B1 The Group's core business is in the number forecast operation ("NFO") which includes toto betting and other related ancillary businesses. The Group also has strategic investments in auto retailing and provision of aftersales services and hospitality sector. The key factors (other than general economic conditions) affecting the performance of the operations of the core business in the Group are disposable income of the general public, Jackpot cycles, luck factor, illegal gaming operations and the number of draws in the current period whilst auto retailing business is affected by the trend in prestige and specialist cars predominantly in the London area of the United Kingdom ("UK"). The various restrictive measures or certain periodic lockdown, imposed by the governments of the countries that the Group has business operations, to curb the Covid-19 pandemic that continues to evolve, have affected the economic recovery of these countries and thus affected the Group's performance during the current period ended 31 March 2021.

Review of Results for the Current Quarter Vs Same Quarter of Preceding Year

The summary results of the Group are as follows:

	<b>3-Month</b>		<b>+/-&lt;-&gt; %</b>
	<b>1-1-2021 to 31-3-2021 RM'000</b>	<b>1-1-2020 to 31-3-2020 RM'000</b>	
Revenue	<u>1,122,346</u>	<u>1,333,491</u>	(15.8)
Profit from operations	<u>45,661</u>	<u>86,112</u>	(47.0)
Profit before tax	<u>35,416</u>	<u>74,341</u>	(52.4)

The Group reported a drop in revenue and pre-tax profit of 15.8% and 52.4%, respectively in the current quarter as compared to the previous year corresponding quarter mainly due to lower revenue and pre-tax profit reported by Sports Toto Malaysia Sdn Bhd ("Sports Toto") but it was mitigated by stronger results contributed by H.R. Owen Plc ("H.R. Owen").

Sports Toto, the principal subsidiary, registered a decrease in revenue and pre-tax profit of 36.1% and 65.1%, respectively. The lower revenue registered in the current quarter was mainly due to the implementation of the Second Movement Control Order ("MCO 2.0") by the Malaysian government in all states in Malaysia except for Sarawak from 13 January 2021 to 18 February 2021. Even though the outlets resumed operation on 19 February 2021, sales recovery was slower than expected due to weaker consumer sentiments and consumers being cautious in patronising sales outlets during the Conditional MCO period. In comparison, last year corresponding quarter achieved better performance with the full favourable impact of stronger sales during the Chinese Lunar New Year festive period. Its drop in pre-tax profit was in line with the lower sales coupled with higher prize payout during the current quarter.

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**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD****B1 Review of Results for the Current Quarter Vs Same Quarter of Preceding Year (Cont'd)**

H.R. Owen registered an increase in revenue of 12.8% to RM632.1 million from RM560.6 million as reported in the previous year corresponding quarter. The higher revenue achieved during the current quarter was contributed by higher sales from both new and used car sectors coupled with the favourable foreign exchange effect in conversion into Ringgit Malaysia (the reporting currency of the Berjaya Sports Toto Berhad's Group). Pre-tax profit for the current quarter was higher at RM22.1 million compared to RM8.4 million as reported in the previous year corresponding quarter. The increase in pre-tax profit was mainly attributed to lower operating expenses incurred, resulting from certain austerity measures undertaken by the company, coupled with support fee income received from franchises as well as certain business relief and grants from the UK government during the current quarter under review.

**For the 9-month Period ended 31 March 2021**

The summary results of the Group are as follows:

	<b>9-Month</b>		<b>+/&lt;-&gt; %</b>
	<b>1-7-2020 to 31-3-2021 RM'000</b>	<b>1-7-2019 to 31-3-2020 RM'000</b>	
Revenue	<u>3,702,150</u>	<u>4,178,406</u>	(11.4)
Profit from operations	<u>273,078</u>	<u>294,216</u>	(7.2)
Profit before tax	<u>232,275</u>	<u>272,609</u>	(14.8)

The Group's revenue and pre-tax profit decreased by 11.4% and 14.8%, respectively in the current period as compared to the previous year corresponding period. The drop was mainly because of Sports Toto reported lower revenue and pre-tax profit, but it was mitigated by improved results attained by H.R. Owen. The higher share of losses in the Group's associated companies in the current period also resulted in the Group's drop in pre-tax profit. In addition, the pre-tax profit in the previous year 9-month period included the exceptional gains from disposal of an investment property and disposal of a former subsidiary company. The drop in Group's pre-tax profit would have been lower at 11.4% had the said exceptional gains recognised in the previous year corresponding period been excluded.

For the current period under review, Sports Toto registered a drop in revenue of 24.4% mainly due to the implementation of the MCO 2.0 from 13 January 2021 to 18 February 2021 which entailed business closure of its outlets in all states in Malaysia except for Sarawak. The prolonged MCO in various phases to combat Covid-19 clusters continue to hamper economic recovery, consumer sentiments and spending behaviour. It reported a decrease in pre-tax profit of 19.1% mainly due to lower revenue but mitigated by lower operating expenses incurred during the current period under review.

**BERJAYA SPORTS TOTO BERHAD**

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q3) INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2021  
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD****B1 For the 9-month Period ended 31 March 2021 (Cont'd)**

H.R. Owen registered revenue growth of 8.3% to RM1.84 billion from RM1.70 billion as reported in the previous year corresponding period. Its revenue growth attained was mainly attributed to higher sales generated from new car sector primarily due to sale of new model cars during the current period coupled with backlog order fulfilment from the earlier Covid-19 pandemic lockdown in the UK, which ended on 31 May 2020. The increase in revenue was also attributed to the favourable foreign exchange effect in conversion into Ringgit Malaysia in the current period under review.

Its pre-tax profit increased to RM51.6 million from RM15.1 million (excluding RM8.6 million exceptional gain from disposal of investment property as reported in the previous year corresponding period). The improved result was mainly attributed to lower operating expenses incurred because of certain austerity measures undertaken by the company coupled with support fee income received from franchises as well as certain governmental grants and business reliefs obtained arising from the lockdown order imposed by the UK Government.

**B2 Review of 3rd Quarter's Results Vs 2nd Quarter Results of financial year ending 30 June 2021**

	<b>3-month</b>		+/-<-> %
	<b>1-1-2021 to 31-3-2021 RM'000</b>	<b>1-10-2020 to 31-12-2020 RM'000</b>	
Revenue	<u>1,122,346</u>	<u>1,233,940</u>	(9.0)
Profit from operations	<u>45,661</u>	<u>107,919</u>	(57.7)
Profit before tax	<u>35,416</u>	<u>95,412</u>	(62.9)

As compared to the preceding quarter, the Group's revenue and pre-tax profit decreased by 9.0% and 62.9% respectively. The drop in revenue and pre-tax profit was mainly due to lower results reported by Sports Toto during the current quarter. However, the aforesaid drop in revenue and pre-tax profit was mitigated by better financial performance achieved by H.R. Owen.

Sports Toto's revenue and pre-tax profit decreased by 29.7% and 73.3% respectively as compared to the preceding quarter. Its drop in revenue was mainly due to only the state of Sarawak was allowed to operate throughout the MCO 2.0 period from 13 January 2021 to 18 February 2021 whilst the drop in pre-tax profit was in line with lower revenue coupled with the higher prize payout during the current quarter under review.

H.R. Owen reported an increase in revenue of 16.8% to RM632.1 million from RM541.4 million as reported in the preceding quarter whilst its pre-tax profit increased to RM22.1 million as compared to RM11.2 million reported in the preceding quarter. The improved results in the current quarter was mainly due to higher sales from new car sector as well as the favourable foreign exchange effect in conversion into Ringgit Malaysia in the current quarter under review.

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OF BURSA MALAYSIA SECURITIES BERHAD****B3 Future Prospects**

The Covid-19 pandemic remains fluid and uncertain with it continuing to evolve locally and globally. With that, the Group faces challenges and is affected by the re-imposition of different stages of Movement Control Order ("MCO") / lockdown by the respective governments where the Group's subsidiary companies operate. The operation of Sports Toto, the principal subsidiary of the Group, is expected to be affected by the reimplementation of nationwide MCO by the Malaysian Government effective 12 May 2021 until 7 June 2021 ("MCO 3.0").

The business environment is expected to recover at a slower pace and customer sentiment remains weak until the vaccination programmes are well underway and reach the herd immunity in countries where the Group's subsidiary companies operate. Thus, it is extremely challenging to ascertain the full extent and duration of the impact to the Group's operations and financial performance.

In spite of that, the Directors are cautiously optimistic that the Group's businesses will gradually recover with the resilient nature of the NFO business as noted in the past economic crises and turbulent periods, provided that all sales outlets are not disallowed to operate under any MCO imposed by the Malaysian government during the fourth quarter. The Directors are also confident that it will continue to maintain its market share in the NFO business for the remaining quarter of the financial year ending 30 June 2021.

B4 There was no profit forecast or profit guarantee given by the Group for the financial period under review.

**B5 Income Tax Expenses**

	Current quarter RM'000	Period ended 31 March 2021 RM'000
<u>Based on the results for the current quarter and period</u>		
- Malaysian income tax	27	60,200
- Under provision in prior year	253	448
- Foreign country income tax	4,968	14,028
Deferred tax		
- Origination and reversal of temporary differences	9,325	1,575
	<u>14,573</u>	<u>76,251</u>

The disproportionate tax charge of the Group for the current quarter and period ended 31 March 2021 was mainly due to certain expenses are being disallowed for taxation purposes and profits in certain subsidiary companies are separately assessed for tax and not relieved by losses in other companies within the Group.

B6 There were no corporate proposals announced but not completed as at the date of this announcement.

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OF BURSA MALAYSIA SECURITIES BERHAD**

B7 The Group's borrowings as at 31 March 2021 were as follows:

	Foreign currency amount '000	At end of current period RM'000
<u>Long term borrowings (Secured)</u>		
Medium Term Notes - Denominated in Ringgit Malaysia		743,186
Term loan - Denominated in Ringgit Malaysia		6,615
		<u>749,801</u>
<u>Short term borrowings (Secured)</u>		
Medium Term Notes - Denominated in Ringgit Malaysia		54,994
Term loan - Denominated in Ringgit Malaysia		1,890
Term loans - Denominated in Philippine Peso	367,000 *	31,396
Vehicle stocking loans - Denominated in Great Britain Pound	40,293 *	229,524
		<u>317,804</u>
Total bank borrowings		<u>1,067,605</u>

\* Converted at the respective exchange rates prevailing as at 31 March 2021.

B8 There is no pending material litigation since the last annual reporting date up to the date of this announcement.

B9 The Board has declared a third interim dividend of 1.5 sen per share (previous year third quarter ended 31 March 2020 : Nil) in respect of financial year ending 30 June 2021 and payable on 16 July 2021. The entitlement date has been fixed on 30 June 2021.

Based on the number of ordinary shares in issue and with voting rights as at 18 May 2021 of 1.343 billion, the third interim dividend distribution for the financial year ending 30 June 2021 will amount to RM20.15 million. The total dividend distribution for the financial period ended 31 March 2021 is approximately RM107.45 million, **representing about 70.9% of the attributable profit of the Group for the 9-month period ended 31 March 2021.**

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OF BURSA MALAYSIA SECURITIES BERHAD**

B10 The earnings per share is calculated by dividing profit attributable to owners of the parent by the weighted average number of ordinary shares with voting rights as follows:

	Group	
	<u>3-month period</u> 1-1-2021 to 31-3-2021	<u>3-month period</u> 1-1-2020 to 31-3-2020
Profit attributable to owners of the parent (RM'000)	18,678	48,611
Weighted average number of shares with voting rights ('000)	1,343,351	1,345,495
Basic earnings per share (sen)	1.39	3.61
	<u>9-month period</u> 1-7-2020 to 31-3-2021	<u>9-month period</u> 1-7-2019 to 31-3-2020
Profit attributable to owners of the parent (RM'000)	151,594	177,504
Weighted average number of shares with voting rights ('000)	1,341,377	1,346,502
Basic earnings per share (sen)	11.30	13.18

Diluted earnings per share is the same as basic earnings per share as there were no potentially dilutive ordinary shares during the current quarter and period.

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

	Current quarter RM'000	Financial period ended 31 March 2021 RM'000
Interest income	(4,080)	(11,764)
Other income excluding dividend and interest income	(7,266)	(19,784)
Depreciation of property, plant and equipment	6,114	19,814
Depreciation of right-of-use assets	9,947	29,497
Amortisation of intangible assets	129	364
Impairment in value of quoted and unquoted investments	-	-
Foreign exchange (gain)/loss (net)	369	623
(Reversal)/provision for and write off of receivables	104	(2,343)
(Reversal)/provision for and write off of inventories	6,367	21,241
(Gain)/loss on disposal of properties	-	-
(Gain)/loss on derivatives	-	-