

Sports Toto Berhad

Company Registration No. : 196901000688 (9109-K)

Date: 23 August 2024

Subject: **UNAUDITED (Q4) INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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SPORTS TOTO BERHAD

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Group	
	30-6-2024	30-6-2023
	RM'000	RM'000
		(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	613,807	622,911
Rights-of-use assets	226,983	223,168
Other investments	139,248	124,230
Investment properties	115,063	117,419
Investment in associated companies	132,562	125,723
Deferred tax assets	34,641	33,030
Retirement benefit assets	37,218	38,082
Intangible assets	730,209	729,284
	<u>2,029,731</u>	<u>2,013,847</u>
Current assets		
Inventories	530,789	652,067
Receivables	583,977	613,386
Contract assets	8,493	15,789
Tax recoverable	4,964	8,231
Deposits, cash and bank balances	742,764	632,827
	<u>1,870,987</u>	<u>1,922,300</u>
TOTAL ASSETS	<u>3,900,718</u>	<u>3,936,147</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	135,103	135,103
Reserves	360,012	364,773
Retained earnings	665,818	588,097
Equity funds	<u>1,160,933</u>	<u>1,087,973</u>
Less : Treasury shares	(2,568)	(15,864)
Net equity funds	<u>1,158,365</u>	<u>1,072,109</u>
Non-controlling interests	70,613	70,925
Total equity	<u>1,228,978</u>	<u>1,143,034</u>
Non-current liabilities		
Retirement benefit obligations	351	439
Borrowings	787,884	959,002
Deferred tax liabilities	39,639	39,738
Lease liabilities	187,586	184,833
Other long term liabilities	49,466	55,182
	<u>1,064,926</u>	<u>1,239,194</u>
Current liabilities		
Provisions	2,137	12,130
Borrowings	653,611	560,128
Payables	582,096	575,775
Contract liabilities	299,299	357,182
Lease liabilities	30,803	30,609
Tax payable	38,868	18,095
	<u>1,606,814</u>	<u>1,553,919</u>
Total liabilities	<u>2,671,740</u>	<u>2,793,113</u>
TOTAL EQUITY AND LIABILITIES	<u>3,900,718</u>	<u>3,936,147</u>
Net assets per share (RM)	0.86	0.80

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.

SPORTS TOTO BERHAD

Company Registration No. : 196901000688 (9109-K)

UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Current Interim Period			Cumulative Period		
	3-Month 1-4-2024 to 30-6-2024 RM'000	3-Month 1-4-2023 to 30-6-2023 RM'000	+/<-> %	12-Month 1-7-2023 to 30-6-2024 RM'000	12-Month 1-7-2022 to 30-6-2023 RM'000 (Audited)	+/<-> %
Revenue	1,650,554	1,617,181	2.1	6,307,752	6,099,660	3.4
Profit from operations	118,071	106,701	10.7	400,599	362,291	10.6
Investment related income	10,312	6,460	59.6	33,229	37,558	(11.5)
Investment related expenses	(6,571)	(2,056)	219.6	(6,571)	(2,538)	158.9
Finance costs	(22,157)	(22,915)	(3.3)	(96,673)	(79,814)	21.1
Share of results of associated companies	4,522	6,829	(33.8)	12,737	21,772	(41.5)
Profit before tax	104,177	95,019	9.6	343,321	339,269	1.2
Income tax expenses	(34,804)	(29,903)	16.4	(120,129)	(107,951)	11.3
Profit for the period/year	69,373	65,116	6.5	223,192	231,318	(3.5)
Profit attributable to:						
Owners of the parent	67,593	62,348	8.4	220,426	225,326	(2.2)
Non-controlling interests	1,780	2,768	(35.7)	2,766	5,992	(53.8)
	69,373	65,116	6.5	223,192	231,318	(3.5)
Earnings per share (sen)						
Attributable to owners of the parent						
- Basic	5.01	4.63		16.49	16.75	
Dividend per share (sen)						
- First interim - cash dividend	-	-		-	2.0	
- First interim - share dividend	-	-		3.0	-	
- Second interim - cash dividend	-	-		2.0	2.5	
- Third interim - cash dividend	-	-		3.0	2.0	
- Fourth interim - cash dividend	2.0	2.5		2.0	2.5	

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

SPORTS TOTO BERHAD

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Current Interim Period			Cumulative Period		
	3-Month 1-4-2024 to 30-6-2024 RM'000	3-Month 1-4-2023 to 30-6-2023 RM'000	+/<-> %	12-Month 1-7-2023 to 30-6-2024 RM'000	12-Month 1-7-2022 to 30-6-2023 RM'000 (Audited)	+/<-> %
Profit for the period/year	69,373	65,116	6.5	223,192	231,318	(3.5)
Other comprehensive items:						
<u>Items that may be reclassified subsequently to profit or loss</u>						
Foreign currency translation	(23,003)	69,664	N/A	(14,673)	87,284	N/A
Share of an associated company's currency translation differences	226	(505)	N/A	1,201	(445)	N/A
<u>Items that will not be reclassified subsequently to profit or loss</u>						
Net changes in fair value of investments classified as fair value through other comprehensive income ("FVTOCI")	(1,627)	(4,280)	(62.0)	4,890	3,853	26.9
Share of associated companies' changes in fair values of FVTOCI investments	-	19	(100.0)	-	19	(100.0)
Actuarial (loss)/gain recognised in defined benefit pension scheme	(2,453)	8,741	N/A	(2,453)	8,742	N/A
Tax effect relating to defined benefit pension scheme	613	(2,185)	N/A	613	(2,186)	N/A
Share of other comprehensive items of associated companies	9	25	(64.0)	9	58	(84.5)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	43,138	136,595	(68.4)	212,779	328,643	(35.3)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	43,769	133,549	(67.2)	213,091	319,644	(33.3)
Non-controlling interests	(631)	3,046	N/A	(312)	8,999	N/A
	43,138	136,595	(68.4)	212,779	328,643	(35.3)

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

SPORTS TOTO BERHAD

Company Registration No. : 196901000688 (9109-K)

**UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the parent										
	Share capital RM'000	Treasury shares RM'000	Non-distributable				Distributable		Total to owners of parent company RM'000	Non-controlling interests RM'000	Total equity RM'000
			Foreign currency translation reserve RM'000	FVTOCI reserve RM'000	Capital reserve RM'000	Consolidation reserve RM'000	Retained earnings RM'000				
As at 1 July 2023	135,103	(15,864)	177,710	(33,687)	285,306	(64,556)	588,097	1,072,109	70,925	1,143,034	
Profit for the year	-	-	-	-	-	-	220,426	220,426	2,766	223,192	
Other comprehensive income for the year	-	-	(10,391)	4,673	-	-	(1,617)	(7,335)	(3,078)	(10,413)	
Total comprehensive income for the year	-	-	(10,391)	4,673	-	-	218,809	213,091	(312)	212,779	
Effects arising from disposal of investments at FVTOCI	-	-	-	957	-	-	(957)	-	-	-	
Transactions with owners:											
Dividends	-	-	-	-	-	-	(100,583)	(100,583)	-	(100,583)	
Purchase of treasury shares	-	(26,252)	-	-	-	-	-	(26,252)	-	(26,252)	
Distribution of share dividend	-	39,548	-	-	-	-	(39,548)	-	-	-	
	-	13,296	-	-	-	-	(140,131)	(126,835)	-	(126,835)	
As at 30 June 2024	135,103	(2,568)	167,319	(28,057)	285,306	(64,556)	665,818	1,158,365	70,613	1,228,978	
As at 1 July 2022	135,103	(23,626)	92,516	(37,362)	285,306	(64,556)	507,585	894,966	61,926	956,892	
Profit for the year	-	-	-	-	-	-	225,326	225,326	5,992	231,318	
Other comprehensive income for the year	-	-	85,194	3,286	-	-	5,838	94,318	3,007	97,325	
Total comprehensive income for the year	-	-	85,194	3,286	-	-	231,164	319,644	8,999	328,643	
Effects arising from disposal of investments at FVTOCI	-	-	-	389	-	-	(389)	-	-	-	
Transactions with owners:											
Dividends	-	-	-	-	-	-	(127,691)	(127,691)	-	(127,691)	
Distribution of share dividend	-	22,572	-	-	-	-	(22,572)	-	-	-	
Purchase of treasury shares	-	(14,810)	-	-	-	-	-	(14,810)	-	(14,810)	
	-	7,762	-	-	-	-	(150,263)	(142,501)	-	(142,501)	
As at 30 June 2023 (Audited)	135,103	(15,864)	177,710	(33,687)	285,306	(64,556)	588,097	1,072,109	70,925	1,143,034	

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

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**UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	12-Month Financial year ended 30-6-2024 RM'000	12-Month Financial year ended 30-6-2023 RM'000 (Audited)
OPERATING ACTIVITIES		
Receipts from customers	6,592,005	6,431,798
Payments to prize winners, suppliers, duties, taxes and other operating expenses	(6,111,084)	(6,208,353)
Other receipts	813	8,726
Net cash from operating activities	481,734	232,171
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	273	596
Proceeds from disposal of non-current asset held for sale	-	7,635
Proceeds from disposal of long term investments	15,478	5,064
Proceeds from disposal of short term investments	-	54,133
Partial payment for acquisition of subsidiary companies	(3,722)	(3,968)
Acquisition of property, plant and equipment	(37,309)	(185,189)
Acquisition of long term investments	(30,491)	(39,128)
Acquisition of short term investments	-	(40,000)
Payment for other intangible assets	(783)	-
Dividends received	2,213	6,809
Interest received	12,281	23,592
Net repayment from associated companies of a foreign subsidiary company	563	1,244
Other receipts arising from investments	658	617
Net cash used in investing activities	(40,839)	(168,595)
FINANCING ACTIVITIES		
Treasury shares acquired	(26,252)	(14,810)
Drawdown of borrowings	68,218	265,547
Repayment of borrowings	(153,319)	(23,937)
Payment of hire purchase liabilities	(306)	(377)
Payment of lease liabilities	(39,661)	(45,422)
Net (repayment to)/advances from an associated company of a foreign subsidiary company	(345)	9,039
Dividends paid to shareholders of the Company	(86,916)	(127,668)
Interest paid	(98,091)	(79,848)
Net cash used in financing activities	(336,672)	(17,476)
NET CHANGE IN CASH AND CASH EQUIVALENTS	104,223	46,100
CASH & CASH EQUIVALENTS AT 1 JULY	632,691	558,697
Effects of exchange rate changes	5,774	27,894
CASH & CASH EQUIVALENTS AT 30 JUNE	742,688	632,691
Cash and cash equivalents carried forward comprise the following:		
Cash and bank balances	248,483	402,125
Deposits with financial institutions	494,281	230,702
	742,764	632,827
Excluding : Cash and cash equivalents restricted for use	(76)	(136)
	742,688	632,691

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

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UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

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 2023. 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 2023.

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 2023 except for the adoption of the new or revised standards and amendments to standards.

The Group has not early adopted new or revised standards or amendments to standards that have been issued but not yet effective for the accounting year beginning 1 July 2023.

The initial application of the MFRSs, Amendments to MFRSs and Annual Improvements to MFRSs, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption other than the disclosures of accounting policies in the financial statements.

A2 The principal business operations of the Group are generally affected by overall seasonal business cycles of the countries where the Group operates.

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 year ended 30 June 2024.

There were no changes in estimates reported in the prior financial year that had a material effect in the current financial year ended 30 June 2024.

A4 The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial year ended 30 June 2024.

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		
July 2023	1.42	1.55	1.51	8,430,000	12,751
September 2023	1.47	1.58	1.54	7,160,000	11,024
October 2023	1.42	1.50	1.47	1,685,500	2,477
TOTAL			1.52	17,275,500	26,252

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UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024
NOTES TO THE INTERIM FINANCIAL REPORT

A4 The number of treasury shares held in hand as at 30 June 2024 were as follows:

	Average price per share (RM)	Number of shares	Amount RM'000
Total treasury shares as at 1 July 2023	1.46	10,875,202	15,864
Increase in treasury shares	1.52	17,275,500	26,252
Distribution of treasury shares as share dividend	1.50	(26,434,030)	(39,548)
Total treasury shares as at 30 June 2024	1.50	1,716,672	2,568

As at 30 June 2024, the number of outstanding shares in issue with voting rights was 1,349,313,400 ordinary shares (30 June 2023 : 1,340,154,870 ordinary shares).

A5 During the current year ended 30 June 2024 and up to the date of this report, the Company paid and distributed the following dividends:

- (a) third interim dividend on 21 July 2023, in respect of financial year ended 30 June 2023, of 2.0 sen per share on 1,340,924,870 ordinary shares with voting rights amounting to RM26.82 million;
- (b) fourth interim dividend on 20 October 2023, in respect of financial year ended 30 June 2023, of 2.5 sen per share on 1,324,714,870 ordinary shares with voting rights amounting to RM33.12 million;
- (c) first interim dividend on 19 January 2024, in respect of financial year ended 30 June 2024, of share dividend equivalent to approximately 3.0 sen per share, via distribution of 26,434,030 treasury shares on the basis of 1 treasury share for every 50 ordinary shares held, credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd. The book cost of the share dividend was RM39.55 million;
- (d) second interim dividend on 19 April 2024, in respect of financial year ended 30 June 2024, of 2.0 sen per share on 1,349,313,400 ordinary shares with voting rights amounting to RM26.99 million; and
- (e) third interim dividend on 19 July 2024, in respect of financial year ended 30 June 2024, of 3.0 sen per share on 1,349,313,400 ordinary shares with voting rights amounting to RM40.48 million.

A6 Segmental revenue and results for the current financial year ended 30 June 2024 were as follows:

REVENUE

	External RM'000	Inter- segment RM'000	Total RM'000
Toto betting	2,952,467	-	2,952,467
Motor dealership	3,245,902	1,044	3,246,946
Others	109,383	4,336	113,719
Elimination : Intersegment Revenue	-	(5,380)	(5,380)
	<u>6,307,752</u>	<u>-</u>	<u>6,307,752</u>

SPORTS TOTO BERHAD

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UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024**NOTES TO THE INTERIM FINANCIAL REPORT****A6 RESULTS**

	Total RM'000
Toto betting	382,478
Motor dealership	44,101
Others	(10,726)
	<hr/> 415,853
Unallocated corporate expenses	(15,254)
Profit from operations	<hr/> 400,599
Interest income	31,646
Investment related income (other than interest income)	1,583
Investment related expenses	(6,571)
Finance costs	(96,673)
Share of results of associated companies	12,737
Profit before tax	<hr/> 343,321
Income tax expenses	(120,129)
Profit for the year	<hr/> <hr/> 223,192

A7 There were no significant events since the end of this current period under review that have not been reflected in the financial statements for this current financial year under review.

A8 There were no changes in the composition of the Group for the current year ended 30 June 2024 up to the date of this report including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations other than as disclosed below:

- (a) On 17 July 2023, the Company announced the voluntary winding-up of its wholly-owned subsidiary companies namely Sports Toto Apparel Sdn Bhd and Sports Toto Products Sdn Bhd were completed.
- (b) The following dormant subsidiary companies of the Group were dissolved accordingly:
- Heathrow Limited dissolved on 29 August 2023;
 - H.R. Owen Investments Limited dissolved on 29 August 2023;
 - Malaya Dealerships Limited dissolved on 29 August 2023; and
 - Shepperton 6939 Limited dissolved on 16 April 2024.
- (c) On 18 December 2023, the Company announced that Berjaya Philippines Inc., a 88.26% owned subsidiary company of the Group had on 14 December 2023 disposed of a total of 15,000,000 ordinary shares in REDtone Digital Berhad ("REDtone") representing 1.94% equity interest in REDtone for a total cash consideration of Peso115.8 million (equivalent to RM9.3 million). Following the disposal, the Group retains a total of 0.83 million REDtone shares, representing approximately 0.11% equity interests in REDtone.

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NOTES TO THE INTERIM FINANCIAL REPORT

A8 (d) On 27 March 2024, the Company announced that Magna Mahsuri Sdn Bhd, a subsidiary company of the Group had on 25 to 27 March 2024 acquired a total of 23,791,000 ordinary shares representing about 1.34% equity interest in Berjaya Food Berhad ("BFood"), for a total cash consideration of approximately RM13.24 million. Subsequently, the subsidiary company acquired further 660,000 ordinary shares of BFood for cash consideration of RM1.75 million. For the financial year ended 30 June 2024, the Group acquired a total of 24,451,000 ordinary shares in BFood with total cash consideration of approximately RM14.99 million, representing about 1.50% equity interest in BFood.

Following the acquisition as mentioned above, the Group holds a total of about 34.24 million ordinary shares in BFood, representing approximately 1.93% equity interest in BFood.

A9 There were no significant changes in contingent liabilities since the last annual reporting date as at 30 June 2023, except for the below:

HM Revenue & Customs ("HMRC") reassessment of customs duty and import value added tax ("VAT")

In August 2023, H.R. Owen Plc ("H.R. Owen"), an 88.26% owned subsidiary of the Group received a letter from HMRC in the United Kingdom indicating the intention to raise reassessment of customs duty and import VAT amounting to GBP2.06 million (equivalent to approximately RM12.3 million). This reassessment stemmed from HMRC's view that H.R. Owen has incorrectly applied the returned goods relief ("RGR") pertaining to the transport and re-entry of 2 vehicles shipped to/from the manufacturer's plant outside of UK for warranty-based repairs. In relation to this, HMRC raised a post clearance demand note for the sum of GBP2.06 million in November 2023.

H.R. Owen requested for a review of HMRC's reassessment in December 2023. However, HMRC maintained its decision that RGR did not apply in the relevant case. H.R. Owen has further applied for a stay on the reassessment sum and tribunal appeal with the intention to challenge and defend its tax position as well as to seek resolution on this matter as soon as possible. HMRC had on 20 June 2024 granted a stay order on the payment for the customs duty and import VAT imposed until the completion of the appeal.

In view of the above appeal process and legal advice from its solicitors, the management is of the view that H.R. Owen does not have a present obligation to settle the reassessment sum imposed by HMRC as at 30 June 2024 and hereby treated this as a contingent liability.

A10 There were no material changes in capital commitments since the last annual reporting date as at 30 June 2023.

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UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024 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 automotive trend, supply chain in prestige and specialist cars in the United Kingdom ("UK").

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

The summary results of the Group are as follows:

	3-Month		+/-<-> %
	1-4-2024 to 30-6-2024 RM'000	1-4-2023 to 30-6-2023 RM'000	
Revenue	<u>1,650,554</u>	<u>1,617,181</u>	2.1
Profit from operations	<u>118,071</u>	<u>106,701</u>	10.7
Profit before tax	<u>104,177</u>	<u>95,019</u>	9.6

The Group reported an increase in revenue and pre-tax profit of 2.1% and 9.6% respectively as compared to the previous year corresponding quarter, mainly attributed to the improved results reported by the Group's principal subsidiary company, STM Lottery Sdn Bhd ("STM Lottery") as explained in the ensuing paragraph.

For the current quarter ended 30 June 2024, STM Lottery reported stronger revenue growth of 9.8% primarily due to higher sales per draw coupled with an additional draw conducted as compared to last year corresponding quarter (41 draws versus 40 draws). Its pre-tax profit increased by 47.6% on the back of higher revenue achieved, coupled with lower prize payout during the current quarter under review.

As compared to the previous year corresponding quarter, H.R. Owen Plc's ("H.R. Owen") revenue dropped by 5.1% in the current quarter mainly due to lower volume of car sold from new and used car sectors which stemmed from the phasing out of certain models which have come to the end of their product life cycle. However, with the favourable foreign exchange effect, its revenue dropped marginally by 0.1% when converted into Ringgit Malaysia, being the reporting currency of the Group. Its pre-tax profit was lower at RM17.6 million as compared to RM22.8 million in last year same quarter resulted from higher operating costs and depreciation incurred following the completion and full operation of the Hatfield Centre in May 2023.

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**UNAUDITED (Q4) INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024
ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD****B1 For the Year ended 30 June 2024**

The summary results of the Group are as follows:

	12-Month		+/<-> %
	1-7-2023 to 30-6-2024 RM'000	1-7-2022 to 30-6-2023 RM'000 (Audited)	
Revenue	<u>6,307,752</u>	<u>6,099,660</u>	3.4
Profit from operations	<u>400,599</u>	<u>362,291</u>	10.6
Profit before tax	<u>343,321</u>	<u>339,269</u>	1.2

For the financial year ended 30 June 2024, the Group reported revenue growth of 3.4% primarily driven by higher revenue contribution from both STM Lottery and H.R. Owen. The Group's pre-tax profit increased 1.2% mainly due to better performance from STM Lottery but partially offset by lower results reported by H.R. Owen as explained in the ensuing paragraphs.

Despite conducting fewer number of draws in the current year (167 draws versus 175 draws in the previous year), STM Lottery achieved a revenue and pre-tax profit growth of 4.3% and 29.6% respectively. The revenue growth was attributed to higher sales per draw driven by the higher accumulated jackpot prizes, whilst the increase in pre-tax profit was in line with its revenue growth coupled with lower prize payout during the current year under review.

As compared to the previous year, H.R. Owen's revenue declined 3.3% in the current year mainly due to lower volume of car sold from both new and used car sectors with the phasing out of certain current car models as well as the negative impact of challenging economic conditions in the UK. However, with the favourable foreign exchange effect, it reported an increase in revenue of 5.0% when converted into Ringgit Malaysia, being the reporting currency of the Group. H.R. Owen reported lower pre-tax profit of RM13.5 million as compared to RM41.2 million in last year. This was mainly attributed to higher operating costs incurred resulted from inflationary pressures coupled with higher depreciation following the completion and full operation of the Hatfield Centre, as well as the impact of UK interest rate hike in the current year under review.

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OF BURSA MALAYSIA SECURITIES BERHAD****B2 Review of 4th Quarter's Results Vs 3rd Quarter Results of financial year ended 30 June 2024**

	3-month		+/<-> %
	1-4-2024 to 30-6-2024 RM'000	1-1-2024 31-3-2024 RM'000	
Revenue	<u>1,650,554</u>	<u>1,694,263</u>	(2.6)
Profit from operations	<u>118,071</u>	<u>115,438</u>	2.3
Profit before tax	<u>104,177</u>	<u>101,225</u>	2.9

Despite the drop in Group's revenue of 2.6% due to lower revenue reported by STM Lottery, the Group registered higher pre-tax profit of 2.9% primarily attributed to higher results from H.R. Owen.

STM Lottery recorded a decrease in revenue of 8.6% during the current quarter mainly due to lower number of draws conducted (41 draws Versus 42 draws in preceding quarter) and also the previous quarter benefitted from the higher accumulated jackpot prizes. Its pre-tax profit recorded a marginal decrease of 0.7%, in line with the drop in revenue but largely mitigated by lower prize payout in the current quarter under review.

With an increase of 3.3% in revenue, HRO reported higher pre-tax profit of RM17.6 million during the current quarter as compared to RM11.3 million in the preceding quarter. The improved results attained was in line with higher new car sales achieved which benefitted from the delivery of certain high demand new models in the current quarter.

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The management is cautiously optimistic that the Group's business will remain stable. The closure of legal NFO outlets in the two Northern states (Kedah and Perlis) will result in the proliferation of illegal operators in these underserved areas. The management will endeavour to develop sustainable business models within legislative guidelines to meet the Group's economic, environmental and sustainable goals in serving the community and the nation.

The Directors are of the view that despite the subdued growth of the global economy, the Group's business outlook will remain positive and stable for the financial year ending 30 June 2025.

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

B5 Taxation

	Current quarter RM'000	Year ended 30 June 2024 RM'000
<u>Based on the results for the current quarter/year</u>		
- Malaysian income tax	28,515	113,369
- Foreign country income tax	4,544	8,713
Deferred tax		
- Origination and reversal of temporary differences	1,745	(1,953)
	<u>34,804</u>	<u>120,129</u>

The disproportionate tax charge of the Group for the current year ended 30 June 2024 was mainly due to certain expenses 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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B7 The Group's borrowings as at 30 June 2024 were as follows:

	Foreign currency amount '000	At end of current year RM'000
<u>Secured</u>		
<u>Long term borrowings</u>		
Medium Term Notes - Denominated in Ringgit Malaysia		569,269
Term loans - Denominated in Great Britain Pound	26,016 *	155,764
Revolving credit - Denominated in Ringgit Malaysia		62,500
Hire purchase payable - Denominated in Ringgit Malaysia		351
Total long term borrowings		<u>787,884</u>
<u>Short term borrowings</u>		
Medium Term Notes - Denominated in Ringgit Malaysia		230,000
Revolving credit - Denominated in Ringgit Malaysia		20,000
Term loans - Denominated in Philippine Peso	76,031 *	6,116
Term loans - Denominated in Great Britain Pound	1,841 *	11,022
Vehicle stocking loans - Denominated in Great Britain Pound	64,505 *	386,211
Hire purchase payable - Denominated in Ringgit Malaysia		262
Total short term borrowings		<u>653,611</u>
Total borrowings		<u><u>1,441,495</u></u>

* Converted at the respective exchange rates prevailing as at 30 June 2024.

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 fourth interim dividend of 2.0 sen per share (Financial year 2023 : fourth interim dividend of 2.5 sen per share) in respect of financial year ended 30 June 2024 and payable on 18 October 2024. The entitlement date has been fixed on 2 October 2024.

The total dividend distribution per share in respect of the financial year end 30 June 2024 is 10.0 sen per share (Financial year 2023 : 9.0 sen per share). Based on 1.35 billion fully paid ordinary shares in issue and with voting rights as at 22 August 2024, the fourth interim dividend distribution for the financial year ended 30 June 2024 will amount to RM27.0 million. With this, the total dividend distribution for the financial year ended 30 June 2024 is approximately RM134.0 million.

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

	Group	
	<u>3-month period</u> 1-4-2024 to 30-6-2024	<u>3-month period</u> 1-4-2023 to 30-6-2023
Profit attributable to owners of the parent (RM'000)	<u>67,593</u>	<u>62,348</u>
Weighted average number of shares with voting rights ('000)	<u>1,349,313</u>	<u>1,346,207</u>
Basic earnings per share (sen)	<u>5.01</u>	<u>4.63</u>

	Group	
	<u>12-month period</u> 1-7-2023 to 30-6-2024	<u>12-month period</u> 1-7-2022 to 30-6-2023 (Audited)
Profit attributable to owners of the parent (RM'000)	<u>220,426</u>	<u>225,326</u>
Weighted average number of shares with voting rights ('000)	<u>1,337,083</u>	<u>1,345,529</u>
Basic earnings per share (sen)	<u>16.49</u>	<u>16.75</u>

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 financial year.

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

	Current quarter RM'000	Financial year ended 30 June 2024 RM'000
Interest income	(9,623)	(31,646)
Other income excluding dividend and interest income	(3,236)	(9,401)
Depreciation of property, plant and equipment	11,976	46,419
Depreciation of right-of-use assets	10,179	38,298
Amortisation of intangible assets	573	2,171
Foreign exchange (gain)/loss (net)	(126)	27
Allowance for impairment on receivables (net)	4,164	2,758
Provision for write down of inventories (net)	<u>2,264</u>	<u>6,794</u>