

BERJAYA ASSETS BERHAD
(COMPANY NO: 3907-W)

24 August 2016

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016

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BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Group</u>	
	As at 30/06/16	As at 30/06/15
	RM'000	(Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	286,150	292,401
Investment properties	2,465,298	2,475,216
Land held for development	97,772	95,071
Joint ventures	16,383	14,450
Investments	168,785	170,835
Intangible assets	95,264	156,002
	<u>3,129,652</u>	<u>3,203,975</u>
CURRENT ASSETS		
Inventories	196,292	196,603
Receivables	38,361	35,692
Tax recoverable	43	36
Deposits with licensed banks	40,564	64,066
Cash and bank balances	35,896	22,890
	<u>311,156</u>	<u>319,287</u>
TOTAL ASSETS	<u>3,440,808</u>	<u>3,523,262</u>
EQUITY		
Share capital	1,113,042	1,113,042
Share premium	258,985	258,985
Reserves :		
Foreign currency translation reserve	7,552	7,178
Available-for-sale ("AFS") reserve	30,481	25,416
Retained earnings	780,254	708,901
	<u>818,287</u>	<u>741,495</u>
Equity attributable to owners of the parent	2,190,314	2,113,522
Non-controlling interests	9,126	416,711
Total equity	<u>2,199,440</u>	<u>2,530,233</u>
NON-CURRENT LIABILITIES		
Long term bank borrowings	572,125	314,710
Senior bonds	159,234	158,891
Hire purchase liabilities	1,059	82
Other long term liabilities	175,396	77,530
Deferred tax liabilities	75,864	67,775
	<u>983,678</u>	<u>618,988</u>

BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	Group	
	As at 30/06/16	As at 30/06/15
	RM'000	(Audited) RM'000
CURRENT LIABILITIES		
Payables	126,755	126,409
Short term bank borrowings	118,993	231,658
Hire purchase liabilities	303	23
Tax payable	11,639	15,951
	<u>257,690</u>	<u>374,041</u>
Total liabilities	<u>1,241,368</u>	<u>993,029</u>
TOTAL EQUITY AND LIABILITIES	<u>3,440,808</u>	<u>3,523,262</u>
<i>Net assets per share attributable to ordinary owners of the parent (sen)</i>	<i>197</i>	<i>190</i>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	CURRENT QUARTER ENDED		FINANCIAL YEAR ENDED	
		30/06/16 RM'000	30/06/15 RM'000 Restated	30/06/16 RM'000	30/06/15 RM'000 Restated
Revenue		98,327	100,195	387,092	411,945
Operating expenses		(73,779)	(74,700)	(293,669)	(318,197)
Profit from operations		24,548	25,495	93,423	93,748
Other income	A4	4,343	14,520	20,909	82,912
Other expenses	A4	(66,134)	(4,049)	(88,133)	(25,657)
Share of results from joint ventures		(361)	(352)	(787)	(450)
Finance costs		(15,401)	(10,826)	(53,606)	(42,446)
(Loss)/Profit before tax		(53,005)	24,788	(28,194)	108,107
Taxation	B5	(11,785)	(16,664)	(19,139)	(24,130)
(Loss)/Profit net of tax		(64,790)	8,124	(47,333)	83,977
Attributable to:					
- Owners of the Parent		(65,751)	5,796	(54,666)	72,711
- Non-controlling interests		961	2,328	7,333	11,266
		(64,790)	8,124	(47,333)	83,977
(Loss)/Earnings per share (sen):					
Basic	B10	(5.91)	0.52	(4.91)	6.53
Diluted	B10	N/A	N/A	N/A	N/A

N/A denotes Not Applicable

The Condensed Consolidated Statement Of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

BERJAYA ASSETS BERHAD

(COMPANY NO: 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	CURRENT QUARTER ENDED		FINANCIAL YEAR ENDED	
	30/06/16 RM'000	30/06/15 RM'000	30/06/16 RM'000	30/06/15 RM'000
(Loss)/Profit net of tax	(64,790)	8,124	(47,333)	83,977
<u>Other comprehensive income</u> <u>Items that may be subsequently reclassified to</u> <u>profit or loss</u>				
Net (loss)/gain on available-for-sale investments:				
- (Loss)/Gain on fair value changes	(4,816)	(14,481)	7,750	(21,441)
- Transfer to profit or loss upon disposal	-	(2,511)	(790)	(1,804)
Currency translation difference	(501)	4,865	(615)	5,680
Total comprehensive income	<u>(70,107)</u>	<u>(4,003)</u>	<u>(40,988)</u>	<u>66,412</u>
Attributable to:				
- Owners of the Parent	(70,123)	(8,315)	(48,120)	56,177
- Non-controlling interests	16	4,312	7,132	10,235
	<u>(70,107)</u>	<u>(4,003)</u>	<u>(40,988)</u>	<u>66,412</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<----- Attributable to the owners of the Parent ----->

	<----- Non - distributable ----->				Distributable		Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	AFS Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity Funds RM'000		
At 1 July 2015	1,113,042	258,985	25,416	7,178	708,901	2,113,522	416,711	2,530,233
Total comprehensive income	-	-	6,254	292	(54,666)	(48,120)	7,132	(40,988)
Transactions with owners:								
Final dividend #	-	-	-	-	(11,130)	(11,130)	-	(11,130)
Non-controlling interests share of dividend	-	-	-	-	-	-	(28,675)	(28,675)
Acquisition of additional interest in a subsidiary company (Note A10)	-	-	(1,189)	82	137,149	136,042	(386,042)	(250,000)
At 30 June 2016	<u>1,113,042</u>	<u>258,985</u>	<u>30,481</u>	<u>7,552</u>	<u>780,254</u>	<u>2,190,314</u>	<u>9,126</u>	<u>2,199,440</u>
At 1 July 2014	1,113,042	258,985	46,799	2,329	658,491	2,079,646	418,681	2,498,327
Total comprehensive income	-	-	(21,383)	4,849	72,711	56,177	10,235	66,412
Transactions with owners:								
Final dividend *	-	-	-	-	(22,261)	(22,261)	-	(22,261)
Non-controlling interests share of dividend	-	-	-	-	-	-	(12,375)	(12,375)
Partial disposal of a subsidiary company	-	-	-	-	(40)	(40)	170	130
At 30 June 2015	<u>1,113,042</u>	<u>258,985</u>	<u>25,416</u>	<u>7,178</u>	<u>708,901</u>	<u>2,113,522</u>	<u>416,711</u>	<u>2,530,233</u>

In respect of financial year ended 30 June 2015

* In respect of financial year ended 30 June 2014

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 JUNE 2016
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	FINANCIAL YEAR ENDED	
	30/06/16	30/06/15
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	402,878	499,946
Payments for operating expenses (including taxes)	(327,756)	(382,572)
Other receipts/(payments)	4,820	(925)
Net cash generated from operating activities	<u>79,942</u>	<u>116,449</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of other investments	1,205	100,497
Sales of plant and machinery	1	-
Sales of properties	8,208	20,354
Proceeds from disposal of property, plant and equipment	-	114
Partial disposal of equity interest in a subsidiary company	-	130
Acquisition of plant and machinery	(4,165)	(5,278)
Additions to land held for development/acquisition of properties	(1,634)	(409,643)
Additions to investment properties	(16,482)	-
Subscription of ordinary shares in a joint venture	-	(75)
Subscription of RPS in a joint venture	(3,000)	(5,475)
Acquisition of additional equity interest in a subsidiary company	(250,000)	-
Acquisition of other investments	(4,948)	-
Interest received	2,865	3,932
Dividend received	1,666	3,465
Deposit paid in relation to proposed acquisition of investments	(5,186)	(2,000)
Net cash used in investing activities	<u>(271,470)</u>	<u>(293,979)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bank and other borrowings	453,000	273,471
Repayment of borrowings and loans	(186,211)	(62,566)
Dividend paid to shareholders of the Company	(11,130)	(22,261)
Dividend paid to non-controlling interests of a subsidiary company	(28,675)	(12,375)
Interest paid	(47,432)	(35,727)
Payment of hire purchase liabilities	(175)	(14)
Withdrawals from banks of security pledged for borrowings	39,170	10,856
Other payments	(20)	-
Net cash generated from financing activities	<u>218,527</u>	<u>151,384</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	26,999	(26,146)
EFFECTS OF EXCHANGE RATE CHANGES	(603)	378
OPENING CASH AND CASH EQUIVALENTS	<u>16,188</u>	<u>41,956</u>
CLOSING CASH AND CASH EQUIVALENTS	<u><u>42,584</u></u>	<u><u>16,188</u></u>
 The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	40,564	64,066
Cash and bank balances	35,896	22,890
	<u>76,460</u>	<u>86,956</u>
 Less:		
Bank overdrafts	(9,800)	(7,522)
Cash and cash equivalent restricted in usage	(24,076)	(63,246)
	<u><u>42,584</u></u>	<u><u>16,188</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2015.

NOTES:

- A1 The interim financial report is not audited and has been prepared in compliance with Malaysian Financial Reporting Standards (MFRS) 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 June 2015, which were prepared under Malaysian Financial Reporting Standards. 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 Company since the year ended 30 June 2015.

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 year ended 30 June 2015.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 July 2015.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, 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.

- A2 The audit report of the Company's most recent annual audited financial statements did not contain any qualification.
- A3 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for the gaming and recreation businesses that may be favourably impacted by the festive and school holiday seasons respectively.

NOTES (CONTINUED)

- A4 a) There were no other unusual items as a result of their nature, size or incidence that had affected the financial statements for the financial quarter and year ended 30 June 2016 except for the following:

	Current Quarter ended 30/06/16 RM'000	Financial Year ended 30/06/16 RM'000
Amortisation of intangible assets	(275)	(1,101)
Impairment in value of AFS quoted investments	(2,969)	(13,563)
Impairment of goodwill (Note)	(59,637)	(59,637)
Gain on disposal of investment properties	880	4,814
Gain on disposal of quoted investments	-	790
Fair value changes in investment properties	634	634
Reversal of impairment in value of land held for development	463	463
	<u>(60,904)</u>	<u>(67,600)</u>

Note:

A non-cash impairment loss amounting to RM59,637,000 relating to gaming cash generating unit ("CGU") of the gaming business segment was recognised due to the excess of this CGU's carrying value over its value-in-use as a consequence of annual impairment review. The gaming business segment was affected by the rampant illegal gaming activities.

- b) There were no material changes in estimates of amounts reported in the current financial year ended 30 June 2016.
- A5 There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial year ended 30 June 2016. In addition, none of the outstanding 415,982,348 Warrants 2008/2018 were exercised in the financial year ended 30 June 2016.
- A6 At the Company's Annual General Meeting held on 27 November 2015, the shareholders of the Company approved a single tier final dividend of 1 sen per ordinary share of RM1.00 each in respect of the financial year ended 30 June 2015. The said final dividend amounting to RM11.13 million was paid on 28 January 2016.

NOTES (CONTINUED)

A7 Segmental information for the financial year ended 30 June 2016:

	External	Inter - segment	Total
<u>REVENUE</u>	RM '000	RM '000	RM '000
Property development and investment	170,642	-	170,642
Gaming and related activities	190,239	3,676	193,915
Hotel and recreation	26,211	-	26,211
Elimination : Intersegment revenue	-	(3,676)	(3,676)
Total revenue	<u>387,092</u>	<u>-</u>	<u>387,092</u>
<u>RESULTS</u>			RM '000
Property development and investment			88,294
Gaming and related activities			21,382
Hotel and recreation			(12,966)
			<u>96,710</u>
Unallocated corporate expenses			(3,287)
Profit from operations			<u>93,423</u>
Other income			
- property development and investment			10,702
- gaming and related activities			2,812
- hotel and recreation			198
- unallocated			7,197
			<u>20,909</u>
			114,332
Other expenses			
- property development and investment			(2,336)
- gaming and related activities			(12,687)
- hotel and recreation			(251)
- unallocated			(72,859)
			<u>(88,133)</u>
			26,199
Share of results after tax from joint ventures			(787)
Finance costs			<u>(53,606)</u>
Loss before tax			(28,194)
Income tax expense			<u>(19,139)</u>
Loss for the year			<u>(47,333)</u>

NOTES (CONTINUED)

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report except for the valuation of certain investment properties which increased by RM634,000 to RM1.67 billion as valued by independent professional valuers on 30 June 2016.

A9 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this current financial quarter.

A10 There were no material changes in the composition of the Group for the financial year ended 30 June 2016 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:

- a) the acquisition of additional 20% equity interest in BTSSB for a total cash consideration of RM250.0 million or at RM1.67 per BTSSB share. Consequently, BTSSB is now a wholly owned subsidiary of the Company.
- b) the subscription of 3,000 redeemable preference shares ("RPS") of RM0.01 nominal value in TREC Holdings Sdn Bhd ("TREC") at an issue price of RM1,000 per RPS for a total consideration of RM3.0 million by Jernih Wiramas Sdn Bhd, a wholly owned subsidiary of the Company. The principal activity of TREC is property development and investment; and
- c) the acquisition of 100% equity interest comprising 2 ordinary shares of RM1.00 each in Aroma Kiara Sdn Bhd ("AKSB") for a total cash consideration of RM2.00. AKSB's principal activity is investment holding.

A11 There were no material changes in contingent liabilities or contingent assets since the last audited statement of financial position as at 30 June 2015.

A12 The changes in capital commitments since the last audited statement of financial position as at 30 June 2015 are as follows:

	At 30/06/16 RM'000	At 30/06/15 RM'000
Capital expenditure approved and contracted for	27,431	27,431
Proposed acquisition of investments in a subsidiary	29,250	-
Proposed RPS subscription in a joint venture	-	6,150
	56,681	33,581

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

B1 In the previous quarters, revenue from gaming business segment was recognised based on ticket sales net of gaming tax but inclusive of Malaysian Goods and Services Tax ("GST"). With effect from the previous quarter, revenue from gaming business segment has been adjusted to net of gaming tax as well as GST on gaming supply. The GST was previously classified under Cost of Sales.

For the Quarter

The Group registered a revenue of RM98.3 million and pre-tax loss of RM53.0 million in the current quarter ended 30 June 2016 as compared to a revenue of RM100.2 million and a pre-tax profit of RM24.8 million reported in the previous year corresponding quarter. The lower Group revenue was mainly due to the gaming business segment operated by Natural Avenue Sdn Bhd ("NASB") being impacted by rampant illegal gaming activities and lower number of draws. This was partly mitigated by the hotel and recreation business segment which reported an increase in revenue mainly contributed from the commencement of food and beverage business (Greyhound Cafe) by Berjaya Assets Food (BAF) Sdn Bhd and higher occupancy rates. The property development and property investment business segment for this quarter also reported higher revenue due to higher rental income.

The Group reported a pre-tax loss for the current quarter under review as compared to the previous year corresponding quarter mainly due to the non-cash impairment of goodwill as explained in Note A4(a), lower profit contribution by NASB from lower revenue, higher prize payout and the effect of GST, higher operating expenses incurred by the property development and property investment business segment and higher finance costs. In addition, the Group registered higher favourable fair value changes in investment properties amounting to about RM5.6 million in the previous year corresponding quarter.

For the Financial Year

For the financial year ended 30 June 2016, the Group registered a revenue of RM387.1 million and a pre-tax loss of RM28.2 million as compared to a revenue of RM412.0 million and a pre-tax profit of RM108.1 million reported in the previous year. The drop in revenue was mainly due to lower revenue generated from NASB which was impacted by rampant illegal gaming activities, lower number of draws and lower revenue from the hotel and recreation business segment with lower average room rates and lower theme park ticket sales reported. The aforementioned was partly mitigated by higher rental income from property development and property investment business segment and the food and beverage revenue from the opening of Greyhound Cafe since 1 March 2016.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

The Group reported a pre-tax loss in the current year under review primarily due to the impact of non-cash impairment of goodwill, higher operating expenses incurred by the property development and property investment business segment and hotel and recreation business segment and higher finance costs. Despite reporting lower revenue, the profit contribution from NASB was 2% higher than the previous financial year due to lower prize payout. Moreover, in the previous financial year, the Group benefitted from a higher gain on disposal of certain quoted shares and investment properties.

B2 Fourth Quarter vs Preceding Third Quarter

For the current quarter under review, the Group registered a marginally higher revenue at RM98.3 million compared to the revenue of RM97.8 million in the preceding quarter ended 31 March 2016. The Group recorded a higher pre-tax loss of RM53.0 million compared to the pre-tax loss of RM0.03 million reported for the preceding quarter.

NASB reported a lower revenue in the quarter under review as compared to the preceding quarter mainly due to the lower number of draws. Both the property development and property investment business segment and hotel and recreation business segment reported higher revenue from higher rental income and higher occupancy rates mainly due to the mid year school holidays.

The Group reported a higher pre-tax loss in the current quarter under review mainly due to the non-cash impairment of goodwill as explained in Note A4(a). This was partly mitigated by higher profit contribution from property development and property investment business segment from higher revenue and lower prize payout from NASB. The Group has also recognised both gain on disposal and favourable fair value changes of investment properties in the current quarter.

B3 Future Prospects

The implementation of the Goods and Services Tax in April 2015 and the continued poor crude oil prices as well as the lacklustre performance of the tourism industry and the weakening Ringgit Malaysia do have an impact on the Malaysian economy. Despite the aforesaid, the Directors expect the property investment and hotel and related businesses operated by BTSSB Group and the gaming business operated by NASB to maintain its occupancy rates and market share respectively going forward. The Directors envisage that the operating performance of the Group for the financial year ending 30 June 2017 will be challenging.

B4 There is no profit forecast or profit guarantee for the financial year ended 30 June 2016.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B5 The income tax expense for the financial quarter and year ended 30 June 2016 are detailed as follows:

	Current Quarter ended 30/06/16 RM'000	Financial Year ended 30/06/16 RM'000
Malaysian taxation:		
Current period provision	3,064	10,202
Under provision in prior years	16	173
Deferred tax	8,486	8,089
Real property gains tax	15	113
Withholding tax	204	562
	<u>11,785</u>	<u>19,139</u>

The disproportionate tax charge of the Group for the financial quarter and year ended 30 June 2016 was mainly due to higher deferred tax provided on temporary differences, certain expenses being disallowed for tax purposes and non-availability of the Group tax relief in respect of losses incurred by certain subsidiary companies.

B6 The corporate exercises announced by the Group but not completed as at the date of this announcement are listed below:

- a) As disclosed in Note 44 in the Company's audited financial statements for the financial year ended 30 June 2013, Berjaya Waterfront Sdn Bhd ("BWSB") had entered into a conditional sale and purchase agreement for the proposed acquisition by BWSB from Kelana Megah Sdn Bhd ("KMSB") of its intended lease interest in a parcel of vacant land measuring about 4.285 acres held under Lot No. PTB 20379, Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor for a cash consideration of RM27.99 million ("KMSB SPA").

The KMSB SPA has been mutually extended to 9 April 2017 by BWSB and KMSB as the conditions precedent stipulated in the KMSB SPA are still pending fulfilment.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B6 The corporate exercises announced by the Group but not completed as at the date of this announcement are listed below (Contd.):

- b) On 21 June 2016, the Company announced that its wholly owned subsidiary, AKSB has entered into a share purchase agreement ("OASB SPA") with Oriental Holdings Berhad, Oriental Rubber & Palm Oil Sdn Berhad, Dato' Syed Mohamad bin Syed Murtaza and Dato' Seri Haji Md Isahak bin Md Yusof for the proposed acquisition of 100% equity interest, comprising 36.0 million ordinary shares of RM1.00 each in Oriental Assemblers Sdn Bhd ("OASB"), for a total cash consideration of RM32.5 million ("Proposed OASB Acquisition"). The principal activities of OASB are vehicle assembly, manufacturing and sales of engines and transmissions.

The cash consideration of the Proposed OASB Acquisition are as follows:

- (i) RM3.25 million was paid upon execution of the OASB SPA; and
- (ii) the balance of RM29.25 million within one month after fulfilment of all conditions precedent.

The Proposed OASB Acquisition is subject to the approval from the Ministry of Trade and Industry, of which is still pending.

- c) On 12 July 2016, the Company announced that its wholly owned subsidiary, Tropicfair Sdn Bhd entered into a share sale agreement ("SSA") for the proposed acquisition of the remaining 50% equity interest in Megaquest Sdn Bhd ("MQSB") from Violet Circle Sdn Bhd for a total cash consideration of RM108.0 million ("Proposed MQSB Acquisition").

MQSB currently holds 70% equity interest in NASB, the operator of the gaming business segment in Sarawak, whilst the balance of 30% stake are held directly by 3 other wholly-owned subsidiaries of BAssets. Upon completion of the Proposed MQSB Acquisition, the effective equity interest of the Group in NASB will increase from 65% to 100%, thereby making NASB a 100% subsidiary company of the Group.

The cash consideration of the Proposed MQSB Acquisition are as follows:

- (i) RM5.4 million was paid upon execution of the SSA; and
- (ii) the balance of RM102.6 million within three months after the date of SSA.

The Proposed MQSB Acquisition is not subject to the approval of the Company's shareholders and any other authority.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B6 The corporate exercises announced by the Group but not completed as at the date of this announcement are listed below (Contd.):

- d) On 13 July 2016, the Company announced that BWSB and Foshan City Bureau of Commerce (“FCBC”), the agency responsible for commerce development and management of the Government of Foshan City, Guangdong Province in China, on even date entered into a Memorandum of Understanding (MOU) for Collaboration to foster trade and investment from Foshan City to the South East Asia Duty Free Trade City (“SEADFTC”) project at Berjaya Waterfront, Johor Bahru.

Under the MOU, both parties will establish a framework for collaboration with progressive discussions, exchange of information, and development and investment updates for the relevant commercial initiatives. FCBC will organize trade visits to SEADFTC to explore and conduct trading and investment activities with the intention of promoting this project as a strategic initiative for Foshan City investors in Malaysia.

The MOU is still pending implementation.

B7 The Group borrowings as at 30 June 2016 are as follows:

Secured:	RM'000
Short term bank borrowings	
- Denominated in Ringgit Malaysia	118,993
Long term bank borrowings	
- Denominated in Ringgit Malaysia	393,760
- Denominated in GBP (£33,000,000)	178,365
	572,125
Senior bonds	159,234
Total borrowings	<u>850,352</u>

B8 There was no pending material litigation since the date of the last audited statement of financial position to the date of this announcement.

B9 The Board does not recommend any dividend in the current quarter (previous year ended 30 June 2015 : final dividend of 1 sen).

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B10 The (loss)/earnings per share is calculated by dividing profit/(loss) attributable to owners of the Parent by the weighted average number of ordinary shares in issue:

	30/06/16 RM'000	<u>Current Quarter Ended</u>		30/06/15 Sen
		30/06/15 RM'000	30/06/16 Sen	
(Loss)/Profit for the quarter	<u>(65,751)</u>	<u>5,796</u>		
Weighted average number of ordinary shares ('000)	<u>1,113,042</u>	<u>1,113,042</u>		
Basic (loss)/earnings per share			<u>(5.91)</u>	<u>0.52</u>
	30/06/16 RM'000	<u>Financial Year Ended</u>		30/06/15 Sen
		30/06/15 RM'000	30/06/16 Sen	
(Loss)/Profit for the year	<u>(54,666)</u>	<u>72,711</u>		
Weighted average number of ordinary shares ('000)	<u>1,113,042</u>	<u>1,113,042</u>		
Basic (loss)/earnings per share			<u>(4.91)</u>	<u>6.53</u>

No diluted (loss)/earning per share is presented for the current financial quarter and year ended 30 June 2016 as the computation based on the outstanding warrants would have an antidilutive effect.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

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

	Current Quarter ended 30/06/16 RM'000	Financial Year ended 30/06/16 RM'000
Interest income	(858)	(3,065)
Dividend income	(40)	(1,690)
Other income excluding dividend and interest income	(1,436)	(3,012)
Fair value gain on investment properties	(634)	(634)
Gain on disposal of investment properties	(880)	(4,814)
Reversal of impairment in value of land held for development	(463)	(463)
Depreciation of property, plant and equipment	3,499	12,313
Amortisation of intangible assets	275	1,101
Impairment loss on receivables	937	3,987
Gain on disposal of AFS quoted investments	-	(790)
Impairment in value of AFS quoted investments	2,969	13,563
Impairment of goodwill	59,637	59,637
Provision for and write off of inventories	N/A	N/A
Net foreign exchange loss	3,237	7,391
Gain or loss on derivatives	N/A	N/A

N/A denotes Not Applicable

B12 Realised and unrealised earnings of the Group is analysed as follows:

	As at 30/06/16 RM'000	As at 30/06/2015 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	499,893	525,857
- unrealised	793,739	786,359
	<u>1,293,632</u>	<u>1,312,216</u>
Less: Consolidation adjustments	(513,378)	(603,315)
Total group retained earnings as per financial statements	<u>780,254</u>	<u>708,901</u>

cc: Securities Commission