

**BERJAYA ASSETS BERHAD
(COMPANY NO: 3907-W)**

21 May 2018

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018**

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BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Group</u>	
	As at 31/03/18	As at 30/06/17
	RM'000	(Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	294,661	303,657
Investment properties	2,496,883	2,508,166
Land held for development	72,487	99,197
Prepaid lease payments	5,210	5,291
Associated companies	1,020	-
Joint ventures	8,911	14,882
Investments	255,719	187,641
Deferred tax assets	15,169	15,169
Intangible assets	56,864	57,811
	<u>3,206,924</u>	<u>3,191,814</u>
CURRENT ASSETS		
Inventories	196,646	196,948
Receivables	94,407	41,028
Tax recoverable	151	249
Deposits with licensed banks	89,283	58,436
Cash and bank balances	30,307	30,776
	<u>410,794</u>	<u>327,437</u>
TOTAL ASSETS	<u><u>3,617,718</u></u>	<u><u>3,519,251</u></u>
EQUITY		
Share capital	1,538,120	1,447,277
Reserves :		
Foreign currency translation reserve	2,904	10,068
Available-for-sale ("AFS") reserve	8,660	15,949
Retained earnings	766,599	769,361
	<u>778,163</u>	<u>795,378</u>
Equity attributable to owners of the parent	2,316,283	2,242,655
Non-controlling interests	6,897	8,672
Total equity	<u><u>2,323,180</u></u>	<u><u>2,251,327</u></u>
NON-CURRENT LIABILITIES		
Long term bank borrowings	560,186	612,924
Senior bonds	119,700	119,514
Hire purchase liabilities	1,054	1,215
Other long term liabilities	184,001	187,060
Deferred tax liabilities	111,002	111,126
	<u>975,943</u>	<u>1,031,839</u>

BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	Group	
	As at 31/03/18	As at 30/06/17
	RM'000	(Audited) RM'000
CURRENT LIABILITIES		
Payables	135,193	126,875
Short term bank borrowings	141,423	64,035
Senior bonds	39,978	39,911
Hire purchase liabilities	576	496
Tax payable	1,425	4,768
	<u>318,595</u>	<u>236,085</u>
Total liabilities	<u>1,294,538</u>	<u>1,267,924</u>
TOTAL EQUITY AND LIABILITIES	<u>3,617,718</u>	<u>3,519,251</u>
<i>Net assets per share attributable to ordinary owners of the parent (sen)</i>	93	94

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2017.

BERJAYA ASSETS BERHAD

(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Note	CURRENT QUARTER ENDED		FINANCIAL PERIOD ENDED	
		31/03/18	31/03/17	31/03/18	31/03/17
		RM'000	RM'000	RM'000	RM'000
Revenue		76,553	87,162	264,201	270,533
Operating expenses		(74,177)	(67,473)	(244,583)	(206,167)
Profit from operations		2,376	19,689	19,618	64,366
Other income	A4	12,633	29,552	20,899	34,884
Other expenses	A4	(16,846)	(7,551)	(28,150)	(19,695)
Share of results from associated companies		(33)	-	(33)	-
Share of results from joint ventures		39,376	(162)	39,618	(220)
Finance costs		(17,354)	(17,345)	(48,787)	(48,987)
Profit before tax		20,152	24,183	3,165	30,348
Taxation	B5	(2,640)	155,571	(5,927)	(4,810)
Profit/(Loss) net of tax		17,512	179,754	(2,762)	25,538
Attributable to:					
- Owners of the Parent		16,620	179,871	(2,762)	25,550
- Non-controlling interests		892	(117)	-	(12)
		17,512	179,754	(2,762)	25,538
Earnings/(Loss) per share (sen):					
Basic	B10	0.66	8.08	(0.11)	1.15
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 2017.

BERJAYA ASSETS BERHAD

(COMPANY NO: 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	CURRENT QUARTER		FINANCIAL PERIOD	
	ENDED		ENDED	
	31/03/18	31/03/17	31/03/18	31/03/17
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) net of tax	17,512	179,754	(2,762)	25,538
<u>Other comprehensive income</u>				
<u>Items that may be subsequently reclassified to profit or loss</u>				
Net gain/(loss) on available-for-sale investments:				
- (Loss)/Gain on fair value changes	(4,803)	325	(7,289)	302
- Currency translation difference	(5,305)	859	(7,049)	3,096
Total comprehensive income	<u>7,404</u>	<u>180,938</u>	<u>(17,100)</u>	<u>28,936</u>
Attributable to:				
- Owners of the Parent	6,512	181,040	(17,215)	28,760
- Non-controlling interests	892	(102)	115	176
	<u>7,404</u>	<u>180,938</u>	<u>(17,100)</u>	<u>28,936</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 2017.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

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

	<----- Non - distributable ----->				Distributable			
	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	Non- controlling Interests RM'000	Total Equity RM'000
At 1 July 2017	1,447,277	-	15,949	10,068	769,361	2,242,655	8,672	2,251,327
Total comprehensive income	-	-	(7,289)	(7,164)	(2,762)	(17,215)	115	(17,100)
Transactions with owners:								
Issuance of ordinary shares pursuant to warrants exercised	90,843	-	-	-	-	90,843	-	90,843
Dividend paid to non-controlling interests	-	-	-	-	-	-	(1,890)	(1,890)
At 31 March 2018	<u>1,538,120</u>	<u>-</u>	<u>8,660</u>	<u>2,904</u>	<u>766,599</u>	<u>2,316,283</u>	<u>6,897</u>	<u>2,323,180</u>
At 1 July 2016	1,113,042	258,985	30,481	7,558	780,798	2,190,864	9,175	2,200,039
Total comprehensive income	-	-	302	2,908	25,550	28,760	176	28,936
Transfer pursuant to S618(2) of CA 2016	258,985	(258,985)	-	-	-	-	-	-
At 31 March 2017	<u>1,372,027</u>	<u>-</u>	<u>30,783</u>	<u>10,466</u>	<u>806,348</u>	<u>2,219,624</u>	<u>9,351</u>	<u>2,228,975</u>

* In accordance with the transitional provisions of the Companies Act 2016 (which came into effect on 31 January 2017), the amount standing to the credit of the Company's share premium account has formed part of the Company's share capital. These changes do not have an impact on the number of shares in issue or the relative entitlement of the shareholders.

BERJAYA ASSETS BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 31 MARCH 2018
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	FINANCIAL PERIOD ENDED	
	31/03/18 RM'000	31/03/17 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	248,395	279,349
Payments for operating expenses (including taxes)	(192,917)	(231,686)
Other payments	(17,900)	(6,584)
Net cash generated from operating activities	37,578	41,079
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of other investments	38,103	-
Sales of plant and machinery	76	11
Sales of properties	4,500	-
Acquisition of plant and machinery	(2,640)	(1,278)
Additions to land held for development	(555)	(213)
Additions to investment properties	(125)	(1,387)
Acquisition of investment in associates	(1,053)	-
Acquisition of investments	(125,750)	(800)
Interest received	2,458	1,160
Dividend received	32,400	183
Other payments arising on investing activities	(5,000)	(5,400)
Net cash used in investing activities	(57,586)	(7,724)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	90,843	-
Drawdown of bank and other borrowings	34,917	492,029
Repayment of borrowings and loans	(38,998)	(498,469)
Interest paid	(37,551)	(36,129)
Payment of hire purchase liabilities	(499)	(327)
Placements in bank as security pledged for borrowings	(20,993)	(22,918)
Other receipts	-	199
Net cash generated from/(used in) financing activities	27,719	(65,615)
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,711	(32,260)
EFFECTS OF EXCHANGE RATE CHANGES	34	42
OPENING CASH AND CASH EQUIVALENTS	41,608	42,130
CLOSING CASH AND CASH EQUIVALENTS	49,353	9,912
The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	89,283	23,229
Cash and bank balances	30,307	44,995
	119,590	68,224
Less:		
Bank overdrafts	(5,169)	(9,969)
Cash and cash equivalent restricted in usage	(65,068)	(48,343)
	49,353	9,912

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2017.

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 2017, 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 2017.

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 2017.

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 2017.

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 period ended 31 March 2018 except for the following:

	Current Quarter ended 31/03/18 RM'000	Financial Period ended 31/03/18 RM'000
Amortisation of intangible assets	(275)	(825)
Impairment in value of AFS quoted investments	(16,557)	(27,247)
Gain on compulsory acquisition of assets	2,037	2,037
Gain on disposal of property, plant and equipment	76	76
Gain on disposal of investment properties	-	840
Net fair value gain on available-for-sale equity investment transferred from equity upon disposal	2,407	2,407
Reversal of impairment loss of investment in joint venture	3,780	3,780
	<u>(8,532)</u>	<u>(18,932)</u>

- b) There were no material changes in estimates of amounts reported in the current financial quarter ended 31 March 2018.
- 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 period ended 31 March 2018 except for:
- a) the issuance of 90,843,800 new ordinary shares pursuant to the exercise of 90,843,800 Warrants 2008/2018 at an exercise price of RM 1.00 per new ordinary share;
 - b) the sub-division of 1,279,135,359 existing ordinary shares into 2,558,270,718 ordinary shares (Sub- Division of Shares); and
 - c) an additional 249,889,548 Warrants 2008/2018 were issued resulting from the Sub-Division of Shares.

At the beginning of the quarter, a total of 499,777,096 Warrants 2008/2018 were outstanding. Each of the said warrant entitles the holder to subscribe for one new ordinary share in the Company at an exercise price of RM0.50 per share. None of Warrants 2008/2018 were exercised during the quarter under review and these Warrants 2008/2018 expired on 16 March 2018.

NOTES (CONTINUED)

The movement in the paid up share capital during the financial period were as follows:

<u>Paid up share capital</u>	Number of ordinary shares	RM'000
As at 1 July 2017	1,188,292	1,447,277
Issued pursuant to warrants exercised	90,843	90,843
	<u>1,279,135</u>	<u>1,538,120</u>
Sub-division of Shares	1,279,135	-
As at 31 March 2018	<u><u>2,558,270</u></u>	<u><u>1,538,120</u></u>

A6 The Company did not pay any dividend in the financial period ended 31 March 2018.

A7 Segmental information for the financial period ended 31 March 2018:

<u>REVENUE</u>	External RM '000	Inter - segment RM '000	Total RM '000
Property development and investment	140,989	-	140,989
Gaming and related activities	88,968	1,719	90,687
Hotel and recreation	34,244	-	34,244
Elimination : Intersegment revenue	-	(1,719)	(1,719)
Total revenue	<u><u>264,201</u></u>	<u><u>-</u></u>	<u><u>264,201</u></u>

<u>RESULTS</u>	RM '000
Property development and investment	6,907
Gaming and related activities	37,917
Hotel and recreation	<u>(14,374)</u>
	30,450
Unallocated corporate expenses	<u>(10,832)</u>
Profit from operations	19,618
Other income	
- property development and investment	13,105
- gaming and related activities	4,345
- hotel and recreation	302
- unallocated	3,147
	<u>20,899</u>
Balance carried forward	<u>40,517</u>

NOTES (CONTINUED)

A7 Segmental information for the financial period ended 31 March 2018 (continued):

<u>RESULTS (CONTINUED)</u>	RM '000
Balance brought forward	40,517
Other expenses	
- property development and investment	(724)
- gaming and related activities	(27,419)
- hotel and recreation	(7)
	<u>(28,150)</u>
	12,367
Share of results after tax from associated companies	(33)
Share of results after tax from joint ventures	39,618
Finance costs	<u>(48,787)</u>
Profit before tax	3,165
Taxation	<u>(5,927)</u>
Loss for the period	<u><u>(2,762)</u></u>

A8 The valuation of land and buildings have been brought forward without amendment from the previous annual report.

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 period ended 31 March 2018 including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for:

- a) the incorporation of Berjaya Consulting Services Sdn Bhd ("BCSSB") which is a wholly-owned subsidiary of the Company. BCSSB is currently dormant and the intended principal activity is consulting services;
- b) the incorporation of Berjaya Assets Alliance Sdn Bhd ("BAASB") which is a wholly-owned subsidiary of the Company. BAASB is currently dormant and the intended principal activity is investment holding;

NOTES (CONTINUED)

- c) acquisition of 4,900 ordinary shares, representing 49% equity interest in Mantra Design Sdn Bhd ("MDSB") for RM1,023,000 by BAASB. The principal activity of MDSB is the provision of interior design and consulting services for land and building development plans; and
- d) acquisition of 30,000 ordinary shares, representing 30% equity interest in Jubli Mentari Sdn Bhd ("JMSB") for RM30,000 by BAASB. JMSB has not commenced its operation and its intended 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 2017.

A12 The changes in capital commitments since the last audited statement of financial position as at 30 June 2017 are as follows:

	At 31/03/18 RM'000	At 30/06/17 RM'000
Capital expenditure approved and contracted for	27,431	27,431
Proposed acquisition of remaining 50% equity interest in Megaquest Sdn Bhd	97,600	102,600
	<u>125,031</u>	<u>130,031</u>

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

B1 Review of group performance

The main operating businesses of the Group are number forecast operation ("NFO") in Sarawak, property development and Investment, the operations of a hotel and recreation business including the operations of Greyhound Café's restaurants. The key factors (other than general economic conditions) affecting the performance of the main operating businesses in the Group are as follows:

NFO in Sarawak

- disposable income of the general public, luck factor, illegal gaming and the number of draws in the financial period.

Property development and investment

- demographic of population, location of the properties, costs of building materials and related services, lending guidelines and interests rates of the financial institutions, rental rates, age and condition of investment properties and the quality of property management.

Hotel and recreation

- room rates, seasonal festive periods and school holidays, locations of the hotel and restaurants, tourism/currency exchange/dining out trends. energy/raw material/other supplies costs, quality of rooms/amenities/service and customer perception.

The summary results of the Group are as follows:

	3-Month Ended			9-Month Ended		
	31/03/2018	31/3/2017	+ /(-)	31/03/2018	31/03/2017	+ /(-)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	76,553	87,162	(12.17)	264,201	270,533	(2)
Profit from operations	2,376	19,689	(88)	19,618	64,366	(70)
Profit before tax	20,152	24,183	(17)	3,165	30,348	(90)

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

For the Quarter

The Group registered revenue of RM76.6 million and pre-tax profit of RM20.2 million in the current quarter ended 31 March 2018 as compared to revenue of RM87.2 million and pre-tax profit of RM24.2 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") which continued to be impacted by rampant illegal gaming activities that resulted in 19% drop in revenue. The property development and property investment business segment reported lower revenue due to lower occupancy rate and lower jetty income. The hotel and recreation business segment's revenue was slightly lower compared to the previous year corresponding quarter due to lower occupancy rate and lower average room rate charged.

Despite the lower revenue, NASB has reported higher profit contribution from lower prize payout. The profit contribution from the other business segments were correspondingly lower due to lower revenue and higher operating expenses incurred. The aforementioned drop in profit contribution was partly mitigated by the higher share of profit from a joint venture in the current quarter under review.

For the 9-month period

For the cumulative nine months ended 31 March 2018, the Group registered revenue of RM264.2 million and pre-tax profit of RM3.2 million as compared to revenue of RM270.5 million and pre-tax profit of RM30.3 million reported in the preceding year corresponding period. The drop in revenue and pre-tax profit were mainly due to the same factors mentioned in the aforesaid paragraphs under the commentary for the quarter's results.

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

B2 Third Quarter vs Preceding Second Quarter

	3-Month Ended		
	31/03/2018	31/12/2017	+ /(-)
	RM'000	RM'000	%
Revenue	76,553	107,715	(29)
Profit from operations	2,376	125	1,801
Profit/(Loss) before tax	20,152	(13,211)	(253)

For the current quarter under review, the Group registered a lower revenue of RM76.6 million as compared to the revenue of RM107.7 million in the preceding quarter ended 31 December 2017.

The lower group revenue for the quarter under review was mainly attributed to the lower revenue reported by hotel and recreation business segment arising from lower occupancy rates and lower theme park ticket sales. This business segment reported higher revenue in the preceding quarter due to school holidays and festive periods. The revenue of property development and investment business segment as well as NASB remained comparable to that recorded in the preceding quarter. Furthermore, the Group recorded revenue from the disposal of several parcels of land held for development in the preceding quarter.

Despite the lower revenue, the Group has reported a pre-tax profit of RM20.2 million mainly due to the higher share of profit of a joint venture equity accounted for in the current quarter. The profit contribution from NASB was comparable to that reported in the preceding quarter as a result of lower prize payout. The other business segments reported lower profit contribution from lower revenue and higher operating expenses incurred.

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

B3 Future Prospects

Given the prevailing economic conditions and financial outlook, 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 remaining quarter of financial year ending 30 June 2018 will be challenging.

B4 There is no profit forecast or profit guarantee for the financial quarter and period ended 31 March 2018.

B5 The taxation for the financial quarter and period ended 31 March 2018 are detailed as follows:

	Current Quarter ended 31/03/18 RM'000	Financial Period ended 31/03/18 RM'000
Malaysian taxation:		
Current period provision	1,302	4,387
Under provision of additional taxes in prior years	912	912
Deferred tax	(41)	(124)
Real property gains tax	360	499
Withholding tax	107	253
	<u>2,640</u>	<u>5,927</u>

The disproportionate taxation of the Group for the financial quarter and period ended 31 March 2018 was mainly due to certain expenses being disallowed for tax purposes, as well as non availability of the Group tax relief in respect of losses incurred by certain subsidiary companies.

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

B6 The corporate exercise 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, 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").

On 8 May 2018, BWSB has entered into a supplemental agreement with KMSB for the inclusion of the payment of the development returns of RM13.5 million as well as to extend the completion date of the KMSB SPA to 9 April 2019. Upon completion of the KMSB SPA, BWSB will hold a 99-year leasehold land instead of lease interest over the land.

- (b) On 12 July 2016, Tropicfair Sdn Bhd, a wholly-owned subsidiary company of the Company had entered into a Share Sale Agreement with Violet Circle Sdn Bhd to acquire the remaining 50% equity interest in Megaquest Sdn Bhd for a total cash consideration of RM108.0 million. The said acquisition is still pending.
- (c) On 13 July 2016, Berjaya Waterfront Sdn Bhd ("BWSB"), a wholly-owned subsidiary company of the Company and Foshan City Bureau of Commerce ("FCBC"), the agency responsible for the commerce development and management of the Government of Foshan City, Guangdong Province in China 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. Under the MOU, both BWSB and FCBC will establish a framework for collaboration with progressive discussions, exchange of information, and development and investment updates for the relevant commercial initiatives. FCBC will organise 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 above MOU has lapsed.

- (d) On 29 March 2018, the Company announced that it proposed to undertake a bonus issue of up to 1,279,135,359 warrants on the basis of one warrant for every two existing shares held on the entitlement date. On 19 April 2018, the proposal was approved by the Bursa Securities. The proposal was approved by the shareholders of the Company at an extraordinary general meeting held on 21 May 2018.

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

B7 The Group borrowings as at 31 March 2018 are as follows:

Secured:	RM'000
Short term bank borrowings	
- Denominated in Ringgit Malaysia	96,723
- Denominated in GBP (£8,250,000)	44,700
	141,423
Long term bank borrowings	
- Denominated in Ringgit Malaysia	448,436
- Denominated in GBP (£20,625,000) *	111,750
	560,186
Senior bonds	159,678
Total borrowings	861,287

* *Converted at the exchange rate prevailing as at 31 March 2018.*

B8 There is no pending material litigation since the date of the last audited statement of financial position to the date of this announcement, other than as disclosed below.

Reference is made to Note 41 of the financial statements of the Group for the year ended 30 June 2017.

The next mention date of the tax appeal case before the SCIT has been fixed on 8 June 2018.

The Court of Appeal had unanimously dismissed the IRB Appeal at the hearing held on 13 April 2018. IRB has filed an appeal against the Court of Appeal's decision to preserve the stay order granted by the High Court at the Federal Court on 8 May 2018.

The next High Court case management date has been fixed on 18 September 2018.

The above litigations are still on-going.

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

B9 The Board does not recommend any dividend in the current quarter (previous year's quarter ended 31 March 2017 : Nil).

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

	<u>Current Quarter Ended</u>			
	31/03/18 RM'000	31/03/17 RM'000	31/03/18 Sen	31/03/17 Sen
Profit for the quarter	<u>16,620</u>	<u>179,871</u>		
Weighted average number of ordinary shares ('000)	<u>2,502,656</u>	<u>2,226,084</u> *		
Basic earnings per share			<u>0.66</u>	<u>8.08</u> #
	<u>9-Month Ended</u>			
	31/03/18 RM'000	31/03/17 RM'000	31/03/18 Sen	31/03/17 Sen
(Loss)/Profit for the period	<u>(2,762)</u>	<u>25,550</u>		
Weighted average number of ordinary shares ('000)	<u>2,515,487</u>	<u>2,226,084</u> *		
Basic (loss)/earnings per share			<u>(0.11)</u>	<u>1.15</u> #

* Adjusted for Sub-division of Shares

No diluted earnings per share is presented for the financial quarter and period ended 31 March 2017 as the computation based on the outstanding warrants would have an anti-dilutive effect.

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

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

	Current Quarter ended 31/03/18 RM'000	Financial Period ended 31/03/18 RM'000
Interest income	(736)	(2,441)
Dividend income	(622)	(1,138)
Other income excluding dividend and interest income	(11,275)	(17,320)
Depreciation of property, plant and equipment	3,327	11,419
Amortisation of intangible assets	611	1,162
Impairment in value of AFS quoted investments	23,994	27,247
Gain on disposal of investment properties	(1,680)	(840)
Unrealised foreign exchange gain	(4,709)	(2,980)
Gain or loss on derivatives	N/A	N/A

N/A denotes Not Applicable