

# **Bermaz Auto Berhad**

Company Registration No: 201001016854 (900557-M)

Date: 13 June 2022

Subject: **UNAUDITED QUARTERLY (Q4) INTERIM FINANCIAL REPORT FOR  
THE YEAR ENDED 30 APRIL 2022**

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**BERMAZ AUTO BERHAD****Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	3 months ended		Year to date ended	
	30/4/2022	30/4/2021	30/4/2022	30/4/2021
	RM'000	RM'000	RM'000	RM'000
				(Audited)
GROUP REVENUE	897,361	641,197	2,325,121	2,287,914
PROFIT FROM OPERATIONS	106,815	71,507	204,453	155,831
Investment related income	1,915	1,674	6,633	5,415
Finance costs	(2,788)	(3,073)	(10,567)	(12,816)
Share of results of associates	9,490	13,362	18,051	20,519
PROFIT BEFORE TAX	115,432	83,470	218,570	168,949
INCOME TAX EXPENSE	(34,587)	(17,600)	(59,741)	(39,969)
PROFIT AFTER TAX	80,845	65,870	158,829	128,980
OTHER COMPREHENSIVE ITEMS				
<u>Item that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation	1,254	1,196	(2,617)	(754)
<u>Item that may not be reclassified subsequently to profit or loss</u>				
Net changes in fair value reserve of equity investments classified as fair value through other comprehensive income ("FVTOCI")	-	-	-	(2,759)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	82,099	67,066	156,212	125,467
PROFIT ATTRIBUTABLE TO:				
- Equity holders of the Company	78,704	66,827	155,721	133,842
- Non-controlling interests	2,141	(957)	3,108	(4,862)
	80,845	65,870	158,829	128,980
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
- Equity holders of the Company	79,471	67,561	154,111	131,714
- Non-controlling interests	2,628	(495)	2,101	(6,247)
	82,099	67,066	156,212	125,467
EARNINGS PER SHARE (SEN)				
-Basic, for the period/year	6.77	5.75	13.40	11.52
-Diluted, for the period/year	6.76	5.74	13.38	11.49

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

**BERMAZ AUTO BERHAD**

Company Registration No: 201001016854 (900557-M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 30/4/2022 RM'000	Group As at 30/4/2021 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	41,613	37,243
Right-of-use assets	79,697	63,685
Other investment	-	139
Associated companies	275,700	233,306
Intangible asset	814	-
Deferred tax assets	82,193	74,726
Goodwill	500	500
	<u>480,517</u>	<u>409,599</u>
<b>Current Assets</b>		
Inventories	230,384	277,816
Trade and other receivables	142,546	148,451
Tax recoverable	365	2,539
Deposits with financial institutions	522,763	477,685
Cash and bank balances	171,163	85,671
	<u>1,067,221</u>	<u>992,162</u>
<b>TOTAL ASSETS</b>	<u><u>1,547,738</u></u>	<u><u>1,401,761</u></u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	609,443	609,341
Reserves	27,646	(39,990)
	<u>637,089</u>	<u>569,351</u>
Treasury shares	(2,781)	(3,934)
	<u>634,308</u>	<u>565,417</u>
Non-controlling interests	54,788	46,657
<b>Total Equity</b>	<u>689,096</u>	<u>612,074</u>
<b>Non-current Liabilities</b>		
Lease liabilities	76,288	59,662
Borrowings	99,837	99,769
Contract liability	164,817	130,020
Provisions	56,122	49,090
	<u>397,064</u>	<u>338,541</u>
<b>Current Liabilities</b>		
Lease liabilities	11,712	9,714
Borrowings	100,000	105,658
Trade and other payables	253,026	247,572
Contract liability	56,760	51,777
Provisions	26,656	27,270
Derivative liability	968	-
Tax payable	12,456	9,155
	<u>461,578</u>	<u>451,146</u>
<b>Total Liabilities</b>	<u>858,642</u>	<u>789,687</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,547,738</u></u>	<u><u>1,401,761</u></u>
Basic net assets per share (sen)	54.58	48.68
Dilutive net assets per share (sen)	55.36	49.49

## Note:

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

Basic : Total equity less non-controlling interests divided by the number of outstanding shares in issue with voting rights.

Dilutive : Total equity less non-controlling interests divided by the number of outstanding shares in issue with voting rights and the potential issue of new shares pursuant to the exercise of the Company's outstanding unexercised options granted under the Company's Employees' Share Scheme ("ESS").

**BERMAZ AUTO BERHAD**  
**Company Registration No: 201001016854 (900557-M)**  
**UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to the equity holders of the Company										
	Non-distributable					Distributable					
	Share capital RM'000	Employees' share plan reserve RM'000	Exchange reserve RM'000	Consolidation reserve RM'000	FVTOCI reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Treasury shares RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 May 2021	609,341	7,065	1,125	32,981	(1,666)	(424,000)	344,505	(3,934)	565,417	46,657	612,074
Total comprehensive income	-	-	(1,610)	-	-	-	155,721	-	154,111	2,101	156,212
<b>Transactions with owners:</b>											
Share-based payment under ESS	-	1,868	-	-	-	-	-	-	1,868	-	1,868
ESS options exercised	9	(9)	-	-	-	-	-	-	-	-	-
Issuance of new shares arising from ESS	46	-	-	-	-	-	-	-	46	-	46
ESS options forfeited	47	(47)	-	-	-	-	-	-	-	-	-
Reissued for ESS shares vested	-	(1,546)	-	-	-	-	393	1,153	-	-	-
Arising from acquisition of subsidiary company	-	-	-	-	-	-	-	-	-	6,030	6,030
Interim dividend #	-	-	-	-	-	-	(17,421)	-	(17,421)	-	(17,421)
Special dividend +	-	-	-	-	-	-	(20,325)	-	(20,325)	-	(20,325)
Interim dividend *	-	-	-	-	-	-	(5,807)	-	(5,807)	-	(5,807)
Interim dividend @	-	-	-	-	-	-	(17,432)	-	(17,432)	-	(17,432)
Interim dividend ~	-	-	-	-	-	-	(26,149)	-	(26,149)	-	(26,149)
	102	266	-	-	-	-	(86,741)	1,153	(85,220)	6,030	(79,190)
At 30 April 2022	609,443	7,331	(485)	32,981	(1,666)	(424,000)	413,485	(2,781)	634,308	54,788	689,096

	Attributable to the equity holders of the Company										
	Non-distributable					Distributable					
	Share capital RM'000	Employees' share plan reserve RM'000	Exchange reserve RM'000	Consolidation reserve RM'000	FVTOCI reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Treasury shares RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
As at 1 May 2020	608,823	5,172	1,587	32,981	-	(424,000)	248,094	(2,602)	470,055	51,153	521,208
Total comprehensive income	-	-	(462)	-	(1,666)	-	133,842	-	131,714	(6,247)	125,467
<b>Transactions with owners:</b>											
Share-based payment under ESS	-	2,729	-	-	-	-	-	-	2,729	-	2,729
Issuance of shares pursuant to ESS shares vested	480	(798)	-	-	-	-	318	-	-	-	-
Treasury shares acquired	-	-	-	-	-	-	-	(1,332)	(1,332)	-	(1,332)
ESS options forfeited	38	(38)	-	-	-	-	-	-	-	-	-
Issuance of shares capital to non-controlling interests of subsidiary	-	-	-	-	-	-	-	-	-	1,751	1,751
Interim dividend ^	-	-	-	-	-	-	(5,809)	-	(5,809)	-	(5,809)
Interim dividend ^^	-	-	-	-	-	-	(14,518)	-	(14,518)	-	(14,518)
Interim dividend ^^	-	-	-	-	-	-	(17,422)	-	(17,422)	-	(17,422)
	518	1,893	-	-	-	-	(37,431)	(1,332)	(36,352)	1,751	(34,601)
At 30 April 2021	609,341	7,065	1,125	32,981	(1,666)	(424,000)	344,505	(3,934)	565,417	46,657	612,074

**Notes:**

- # Fourth interim dividend of 1.50 sen single-tier dividend per share in respect of financial year ended 30 April 2021.
- + Special dividend of 1.75 sen single-tier dividend per share in respect of financial year ended 30 April 2021.
- \* First interim dividend of 0.50 sen single-tier dividend per share in respect of financial year ended 30 April 2022.
- @ Second interim dividend of 1.50 sen single-tier dividend per share in respect of financial year ended 30 April 2022.
- ~ Third interim dividend of 2.25 sen single-tier dividend per share in respect of financial year ended 30 April 2022.
- ^ First interim dividend of 0.50 sen single-tier dividend per share in respect of financial year ended 30 April 2021.
- ^^ Second interim dividend of 1.25 sen single-tier dividend per share in respect of financial year ended 30 April 2021.
- ^^^ Third interim dividend of 1.50 sen single-tier dividend per share in respect of financial year ended 30 April 2021.

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

**BERMAZ AUTO BERHAD****Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended	
	30/4/2022	30/4/2021
	RM'000	RM'000
		(Audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from operations	2,394,892	2,302,397
Payment to suppliers and operating expenses	(2,042,102)	(1,807,305)
Payment of taxes (net)	(61,705)	(40,136)
Net cash flow generated from operating activities	<u>291,085</u>	<u>454,956</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	429	-
Acquisition of investments in subsidiaries (net of cash acquired)	3,351	-
Acquisition of investments in associates	(26,908)	(2,400)
Acquisition of property, plant and equipment	(10,623)	(3,594)
Acquisition of other investment	-	(136)
Interest received	6,616	5,362
Net cash flow used in investing activities	<u>(27,135)</u>	<u>(768)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance of share capital	46	-
Purchase of treasury shares	-	(1,332)
Issuance of share capital to non-controlling interests of a subsidiary company	-	1,751
Proceeds from issuance of ESS	-	798
Net movement in borrowings	(31,488)	67,718
Interest paid	(6,050)	(7,713)
Dividends paid	(78,407)	(37,179)
Payment of lease liabilities	(16,014)	(13,125)
Net cash flow (used in)/generated from financing activities	<u>(131,913)</u>	<u>10,918</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	132,037	465,106
<b>OPENING CASH AND CASH EQUIVALENTS</b>	563,296	100,220
Effect of exchange rate changes	(1,467)	(2,030)
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u>693,866</u>	<u>563,296</u>
Cash and cash equivalents carried forward comprise:		
Deposits with financial institutions	522,763	477,685
Cash and bank balances	171,163	85,671
	<u>693,926</u>	<u>563,356</u>
Less : Cash and cash equivalents restricted for use	(60)	(60)
	<u>693,866</u>	<u>563,296</u>

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

**BERMAZ AUTO BERHAD****Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

NOTES TO THE INTERIM FINANCIAL REPORT

- A1 The condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Accounting Standards Board ("MFRS") 134 - Interim Financial Reporting Standards in Malaysia and International Accounting Standards ("IAS") 34 - Interim Financial Reporting and applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2021. These explanatory notes, attached to the condensed consolidated interim financial report, provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2021.

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 April 2021 except the adoption of the new or revised standards, IC Interpretation and amendments to standards.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning 1 May 2021.

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 Group's operations are affected by the prevailing cyclical economic conditions and product life cycle of the car models. The Malaysia operations are affected by major festive seasons such as Chinese New Year and Hari Raya. These festive celebrations will normally have a positive impact to the Group's operations.
- A3 The COVID-19 pandemic had resulted in unprecedented preventive measures of varying degrees of global population lockdown to curb the outbreak. The lockdown had caused the temporary closure of almost all businesses in many countries. However, most countries are opening up their borders and economies and imposing less stringent preventive measures following the rollout of vaccination programmes.

In Malaysia, various measures were introduced by the Government since March 2020 to curb the COVID-19 pandemic namely, Movement Control Order ("MCO") 1.0, 2.0 and 3.0, Conditional Movement Control Order ("CMCO"), Recovery Movement Control Order ("RMCO"), Full Movement Control Order ("FMCO"), Enhanced Movement Control Order ("EMCO") and Phase 1-4 of the National Recovery Plan ("NRP"). The country entered into the "Transition to Endemic" Phase of COVID-19 in April 2022. The rules were further relaxed in May 2022 with the removal of all restrictions on business.

In the Philippines, the country has been ramping up its COVID-19 vaccination drive to achieve a vaccination rate of more than 70% of the population in order to lower the number of new COVID-19 cases and transit to Alert Level 1 of the Alert Level and Granular Lockdowns System ("ALGL System").

Other than as disclosed above, there were no unusual items during the financial year under review.

- A4 As at 30 April 2022, the issued and paid up ordinary share capital of the Company was RM609,442,494. The movements during the financial year were as follows:-

<b><u>Issued and paid up share capital</u></b>	<b>Number of ordinary shares</b>	<b>RM</b>
As at 1 May 2021	1,163,927,188	609,340,836
Transfer of reserve arising from forfeiture of ESS	-	47,079
Transfer of reserve arising from ESS exercised	-	8,533
Issuance of new shares arising from ESS	32,200	46,046
As at 30 April 2022	<u>1,163,959,388</u>	<u>609,442,494</u>

**ESS**

As at 30 April 2022, the total number of unexercised ESS options (with exercise price of RM1.85 and RM1.43 each) were 7,833,400 and 155,400 respectively. The total number of ESS shares that have not been vested was 2,260,200.

**BERMAZ AUTO BERHAD****Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

NOTES TO THE INTERIM FINANCIAL REPORT

A5 There was no share buyback during the financial year ended 30 April 2022.

The number of treasury shares held in hand as at 30 April 2022 was as follows:

	Average price per share RM	Number of shares	Amount RM'000
Balance as at 30 April 2021	1.57	2,499,200	3,934
Reissued for ESS shares vested on 16 November 2021	1.57	(732,600)	(1,153)
Total treasury shares as at 30 April 2022	1.57	1,766,600	2,781

As at 30 April 2022, the number of outstanding shares in issue with voting rights (rounded to nearest thousand) was 1,162,193,000 (30 April 2021: 1,161,428,000) ordinary shares.

A6 During the financial year ended 30 April 2022, the Company paid the following dividends:

- i) third interim dividend of 1.50 sen single-tier dividend per share amounting to a total of RM17.422 million in respect of the financial year ended 30 April 2021 on 6 May 2021.
- ii) fourth interim dividend of 1.50 sen single-tier dividend per share and a special dividend of 1.75 sen single-tier dividend per share on aggregate amounting to RM37.746 million in respect of the financial year ended 30 April 2021 on 5 August 2021.
- iii) first interim dividend of 0.50 sen single-tier dividend per share amounting to a total of RM5.807 million in respect of the financial year ended 30 April 2022 on 5 November 2021; and
- iv) second interim dividend of 1.50 sen single-tier dividend per share amounting to a total of RM17.432 million in respect of the financial year ended 30 April 2022 on 4 February 2022.

Subsequent to 30 April 2022, the Company paid a third interim dividend of 2.25 sen single-tier dividend per share amounting to a total of RM26.149 million in respect of the financial year ended 30 April 2022 on 5 May 2022.

A7 Segment information for the financial year ended 30 April 2022:-

<b>REVENUE</b>	<b>Consolidated RM'000</b>
Malaysia	2,140,736
Philippines	184,385
Total revenue	<u>2,325,121</u>
<b>RESULTS</b>	<b>RM'000</b>
Malaysia	200,578
Philippines	4,952
	<u>205,530</u>
Unallocated corporate items	(1,077)
Profit from operations	<u>204,453</u>
Investment related income	6,633
Finance costs	(10,567)
Share of results of associates	<u>18,051</u>
Profit before tax	<u>218,570</u>
Income tax expense	<u>(59,741)</u>
Profit after tax	<u>158,829</u>

**BERMAZ AUTO BERHAD****Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

NOTES TO THE INTERIM FINANCIAL REPORT

**DISAGGREGATION OF REVENUE**

	<b>12 months ended</b>	
	<b>30/4/2022</b>	<b>30/4/2021</b>
	<b>RM'000</b>	<b>RM'000</b> <b>(Audited)</b>
Sale of motor vehicles	2,122,009	2,113,143
Sale of spare parts	156,650	123,968
Maintenance and fitting of motor vehicle accessories services	46,462	50,803
Group revenue	<u>2,325,121</u>	<u>2,287,914</u>
Timing of revenue recognition:		
- at a point in time	2,275,157	2,235,664
- over time	49,964	52,250
Group revenue	<u>2,325,121</u>	<u>2,287,914</u>

A8 There were no other significant events since the end of this current quarter up to the date of this announcement.

A9 Capital expenditure of the Group not provided for as at 30 April 2022 in relation to property, plant and equipment were as follows:

	<b>RM'000</b>
Approved and contracted for	<u>3,125</u>

A10 Save for the event below, there was no material change in the composition of the Group for the current year ended 30 April 2022 including business combinations, acquisition or disposal of subsidiary companies and long term investments, restructuring and discontinuing operation.

On 8 June 2021, the Group acquired an additional 4,200,000 ordinary shares representing 35% equity interest in Bermaz Auto Alliance Sdn Bhd (formerly known as Berjaya Auto Alliance Sdn Bhd)("BAASB") from Berjaya Corporation Berhad for a cash consideration of RM4,578,000 or at RM1.09 per share. As a result, BAASB is now a 55% owned subsidiary of the Group. The principal activities of BAASB are distribution and retailing of Peugeot motor vehicles as well as retailing of parts and the provision of after-sales services for Peugeot, Citroen and DS marque vehicles in Malaysia.

A11 There were no material changes in the contingent liabilities or contingent assets since the last audited statement of financial position as at 30 April 2021.

A12 There were no audit qualifications in the annual financial statements for the year ended 30 April 2021.

A13 There were no material changes in estimates reported in the prior financial year that had a material effect in the current year ended 30 April 2022.

## **BERMAZ AUTO BERHAD**

**Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

B1 The Group is primarily engaged in the distribution of Mazda vehicles in Malaysia and the Philippines, and retailing of Mazda vehicles and provision of aftersales services for Mazda vehicles in Malaysia. The performance of the Group are affected by, among others, regulations and policies governing the importation of completely built-up (“CBU”) vehicles (for the domestic and the Philippine market) and completely knocked-down (“CKD”) parts (for the domestic market), foreign exchange fluctuations, changes in consumer preferences and spending trend, economic, social and political conditions in countries where the Group operates or obtains its supplies of vehicles and global market and credit market volatility.

During last financial year, the Group had ventured into the distributions and provisions of aftersales services and spare parts of two new vehicle marques namely, Peugeot and Kia, as well as in the wholesaling and retailing of automotive spare parts of these marques.

Bermaz Auto Alliance Sdn Bhd (formerly known as Berjaya Auto Alliance Sdn Bhd) (“BAASB”) was formed to undertake the distributorship of new vehicles under the Peugeot marque and the rights of aftersales and spare parts distribution for vehicles under the Peugeot, Citroen and DS marque vehicles in Malaysia. BAASB is currently a 55% owned subsidiary of the Group.

Kia Malaysia Sdn Bhd (“KMSB”) was formed to undertake the assembly of Kia CKD vehicles in Malaysia whilst Dinamikjaya Motors Sdn Bhd (“DJMSB”) was formed to undertake the distributorship and provision of parts and aftersales services of Kia marque vehicles in Malaysia. The Group currently holds a 33.33% stake and a 65% stake in KMSB and DJMSB respectively.

Bermaz Auto Parts Sdn Bhd was formed to undertake the distribution and retailing of automotive spare parts of various brands and provision of aftersales services in Malaysia, of which the Group currently holds a 51% stake.

The COVID-19 pandemic had resulted in unprecedented preventive measures of varying degrees of global population lockdown to curb the outbreak. The lockdown had caused the temporary closure of almost all businesses in many countries. However, most countries are opening up their borders and economies and imposing less stringent preventive measures following the rollout of vaccination programmes.

In Malaysia, various measures were introduced by the Government since March 2020 to curb the COVID-19 pandemic namely, MCO 1.0, 2.0 and 3.0, CMCO, RMCO, FMCO, EMCO and Phase 1-4 of the NRP. During these periods, restrictions were imposed on the economic activities in the relevant states or localities depending on the severity of the COVID-19 cases. The country subsequently moved into Phase 4 of the NRP, the least stringent among the phases, in January 2022 and entered into the “Transition to Endemic” Phase of COVID-19 in April 2022. The rules were further relaxed in May 2022 with the removal of all restrictions on business operating hours, face masks no longer a must when outdoors, MySejahtera app check-ins no longer required to enter premises and social distancing also no longer required.

In the Philippines, which has one of the longest lockdown periods in the world, the government had introduced several measures to curb the surge in COVID-19 cases since March 2020 such as the Enhanced Community Quarantine (“ECQ”), General Community Quarantine (“GCQ”), Modified Enhanced Community Quarantine (“MECQ”) and COVID-19 Alert Level and Granular Lockdowns System (“ALGL System”). Under the ALGL System, movement restrictions became stricter and more precise quarantine was enforced in areas that were tagged as “critical zones” or high-risk where Alert Level 1 is the least critical whilst Alert Level 5 is the most critical and the ECQ guidelines will apply. The country has been ramping up its COVID-19 vaccination drive to achieve a vaccination rate of more than 70% of the population in order to lower the number of new COVID-19 cases and transit to Alert Level 1. With effect from March 2022, Metro Manila, which was previously placed under Alert Level 2, is now being placed under Alert Level 1.

**BERMAZ AUTO BERHAD****Company Registration No: 201001016854 (900557-M)**

UNAUDITED INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 2022

ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

Review of results of current quarter vs preceding year same quarter

	<b>3-Month Ended</b>		
	<b>30/4/2022</b>	<b>30/4/2021</b>	<b>+ /(-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Group revenue	<u>897,361</u>	<u>641,197</u>	<u>40.0</u>
Profit from operations	<u>106,815</u>	<u>71,507</u>	<u>49.4</u>
Profit before tax	<u>115,432</u>	<u>83,470</u>	<u>38.3</u>

For the quarter ended 30 April 2022, the Group reported a higher revenue and higher pre-tax profit of RM897.4 million and RM115.4 million respectively as compared to the preceding year corresponding quarter which reported a revenue and pre-tax profit of RM641.2 million and RM83.5 million respectively. The increase in group revenue of RM256.2 million or 40.0% was achieved mainly due to the higher overall sales volume from the Group's Mazda, Peugeot and Kia operations as consumers rushed to register vehicles before the expiration of the sales tax exemption incentives in June 2022.

In line with the increase in revenue, the Group's pre-tax profit has improved by RM32.0 million or 38.3% largely due to the higher profit contribution from the Mazda's domestic operations, positive contribution from the Peugeot's operations and partly offset by lower profit contribution from its associated company, Mazda Malaysia Sdn Bhd. Improved margin from sales mix of CKD models, strengthening of the MYR against the JPY and reversal of provisions no longer required had also contributed to the increase in pre-tax profit.

The Group has also accounted for the expense relating to the Group's Employees' Share Scheme of about RM0.4 million in the current quarter under review as compared to RM0.6 million in the preceding year corresponding quarter.

Review of results for the financial year

	<b>12-Month Ended</b>		
	<b>30/4/2022</b>	<b>30/4/2021</b>	<b>+ /(-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
		<b>(Audited)</b>	
Group revenue	<u>2,325,121</u>	<u>2,287,914</u>	<u>1.6</u>
Profit from operations	<u>204,453</u>	<u>155,831</u>	<u>31.2</u>
Profit before tax	<u>218,570</u>	<u>168,949</u>	<u>29.4</u>

For the financial year ended 30 April 2022, the Group registered a marginally higher revenue and higher pre-tax profit of RM2.33 billion and RM218.6 million respectively as compared to the preceding year ended 30 April 2021 which reported a revenue and pre-tax profit of RM2.29 billion and RM168.9 million respectively.

The Group's revenue improved marginally by RM37.2 million or 1.6% largely due to sales contribution from its newly acquired Peugeot and Kia marques and partly offset by lower sales volume from its domestic Mazda operations, which was adversely impacted in the first financial quarter by the lockdown under Phase 1 of the NRP. Sales subsequently regained momentum in the ensuing financial quarters as the country moved from Phase 1 to Phase 4 of the NRP and thereafter into the "Transition to Endemic" Phase of COVID-19. In the last financial quarter, revenue improved further as consumers rushed to register vehicles before the expiration of the sales tax exemption incentives in June 2022.

Despite a marginal increase in revenue, the Group's pre-tax profit had improved by RM49.6 million or 29.4% mainly due to the higher profit contributions from its operations as a result of better margin from sales mix of CKD vehicles, the strengthening of the MYR against the JPY and reversal of provisions no longer required. In addition, Mazda operations in the Philippines contributed positively in the current financial year as compared to preceding financial year, which was adversely impacted by the COVID-19 pandemic.

The Group has also accounted for the expense relating to the Group's Employees' Share Scheme amounting to RM1.9 million in the current financial year under review as compared to RM2.7 million in the preceding financial year.

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**B2 Review of results of current quarter vs preceding quarter**

	<b>3-Month Ended</b>		
	<b>30/4/2022</b>	<b>31/1/2022</b>	<b>+ / (-)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Group revenue	<u>897,361</u>	<u>623,130</u>	<u>44.0</u>
Profit from operations	<u>106,815</u>	<u>49,643</u>	<u>115.2</u>
Profit before tax	<u>115,432</u>	<u>55,112</u>	<u>109.4</u>

For the quarter ended 30 April 2022, the Group reported higher revenue of RM897.4 million and higher pre-tax profit of RM115.4 million as compared to the Group revenue of RM623.1 million and pre-tax profit of RM55.1 million for the preceding quarter.

Group revenue has improved by RM274.2 million or 44.0% largely due to the surge in sales volume from its domestic operations as consumers rushed to register vehicles before the expiration of the sales tax exemption incentives in June 2022.

The Group pre-tax profit for the current quarter under review has also improved significantly by RM60.3 million or 109.4% mainly due to the higher profit contribution from the Mazda's domestic operations as explained above.

**B3 Future prospects**

The Economic and Financial Developments in Malaysia in the First Quarter of 2022 press release published by Bank Negara Malaysia in May 2022 reported that the country's economy registered a positive growth of 5.0% in the first quarter of 2022 (4Q 2021: 4.3%) mainly attributable to the improving domestic demand as economic activity continued to normalise with the easing of containment measures. The country's economy is expected to improve further this year with growth projected at 5.3% to 6.3%, underpinned by stronger domestic demand, continued expansion in external demand, and further improvement in the labour market as well as from the easing of restrictions, reopening of international borders and implementation of investment projects. Nevertheless, risks to Malaysia's growth momentum remain, which include a weaker-than-expected global growth, further escalation of geopolitical conflicts, worsening supply chain disruptions, adverse developments surrounding COVID-19 and heightened financial market volatility.

In May 2022, the Malaysian Automotive Association ("MAA") reported that the Total Industry Volume ("TIV") in April 2022 (56,213 units) was 23.2% lower compared to March 2022 (73,222 units) mainly due to shortage of chips and components and shipment delay, which affected some automotive companies. In addition, much of the sales has been fulfilled by automotive companies with financial year ending 31 March 2022. TIV for April 2022 was 3.6% lower compared to 58,329 units in April 2021 whilst year-to-year TIV for the first four months of 2022 was 215,965 units, an increase of 15,922 units (8.0%) compared to the same period last year of 200,043 units. MAA expects the ongoing shortage of chips and components and shipment delay will continue to affect some of the automotive companies. MAA had earlier on submitted an appeal to the Ministry of Finance to consider further extending the sales tax exemption incentives.

In the Philippines, the Philippine Statistics Authority had reported in May 2022 that the country's Gross Domestic Product ("GDP") posted a growth of 8.3% for the first quarter of calendar year 2022 as compared to the previous quarter growth of 7.8%. On a quarter-on-quarter basis, there was a marked improvement in GDP from a -3.8% in the first quarter of calendar year 2021 compared to a growth of 8.3% for the current first quarter of calendar year 2022. The growth in GDP was mainly due to the relaxation of the COVID-19 restrictions as the number of infection cases receded which leads to further reopening of the economy.

The Group has continued to register encouraging financial results for its current quarter mainly due to, inter-alia, the current sales tax exemption incentives on vehicles and the re-opening of the country's economy and relaxation of rules under the "Transition to Endemic" Phase, which had helped to improve consumer confidence, increased traffic in showrooms giving rise to better sales.

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Although Malaysia has entered the transition phase to endemic with the re-opening of its economy and borders, the Government has however advised the public not to be complacent as the country has yet to enter the endemic phase. Hence, certain SOPs are still required to be adhered to. The unpredictable outbreaks or resurgence of any COVID-19 variants of concern globally and/or domestically continues to be a major concern for all and will have an impact on the overall recovery of the economy.

The current ongoing shortage of chips and components and shipment delay and the continued lockdowns in China due to the COVID-19 pandemic will continue to pose challenges for the automotive sector and will impact the recovery of vehicle sales. Although, the current sales tax exemption incentives had kept vehicle prices relatively low in a period of rising input costs, it may however not be sufficient to boost sales as most automotive players are facing difficulties in fulfilling backorders due to the ongoing shortage of chips and components.

As such, the launching of new and/or new facelifts models of the Group's existing marques namely, Mazda, Peugeot and Kia, are still very much dependent on the market sentiments and economic conditions then.

Premised on the foregoing, the Board takes cognizance of the prevailing economic conditions and remains cautious on the performance of the Group and the automotive sector for the financial year ending 30 April 2023.

B4 There were no profit forecast or profit guarantee for the financial year ended 30 April 2022.

B5 The taxation charge for the current quarter/year ended 30 April 2022 are detailed as follows:

	Current Quarter RM'000	Financial Year to date RM'000
Based on the results for the current quarter/year:-		
Current period provision		
- In Malaysia	35,481	64,563
- Outside Malaysia	(390)	394
Deferred tax	(556)	(5,569)
Under provision in prior year	52	353
	<u>34,587</u>	<u>59,741</u>

The disproportionate tax charge of the Group for the current quarter and year ended 30 April 2022 was mainly due to additional provision for prosperity tax (cukai makmur) of 33% with chargeable income exceeding RM100 million in Year of Assessment 2022 for certain business operation, certain expenses or losses being disallowed for tax purposes, different foreign tax rate and the inclusion of the share of results of associates which is presented net of tax.

B6 Profit before tax is stated after charging/(crediting):

	Current Quarter RM'000	Financial Year to date RM'000
Interest income from financial institutions	(1,915)	(6,633)
Other income excluding dividend and interest income	(4,036)	(4,148)
Depreciation of property, plant and equipment	1,692	5,788
Depreciation of right-of-use assets	3,704	14,637
Amortisation of intangible assets	472	472
Reversal of impairment loss on receivables	(1,341)	(602)
Interest expense on borrowings	1,793	6,421
Interest expense on lease liabilities	952	3,969
Unwinding discount on provision for restoration costs (net)	43	177
(Write-back)/Provision for and write off of inventories	(18)	1,896
Foreign exchange loss/(gain) (net)	766	(86)
Fair value adjustment on derivatives	<u>751</u>	<u>968</u>

B7 There were no corporate proposals undertaken or announced but not completed at the date of this quarterly report.

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B8 Group borrowings and debt securities as at 30 April 2022 were as follows:

	At end of current year RM'000
Short term borrowings	
<u>Unsecured</u>	
Denominated in Ringgit Malaysia	# 100,000
Long term borrowings	
<u>Unsecured</u>	
Denominated in Ringgit Malaysia	## <u>99,837</u>
	<u><u>199,837</u></u>
#	Third tranche of Islamic Commercial Papers totalling RM100 million in nominal value with a tenure of six (6) months.
##	First tranche of Islamic Medium Term Notes totalling RM100 million in nominal value with a tenure of three (3) years.

B9 There were no material litigation for the current financial year.

B10 The Board has approved and declared a fourth interim dividend of 2.00 sen single-tier dividend per share and a special dividend of 2.50 sen single-tier dividend per share in respect of financial year ended 30 April 2022 (previous year's corresponding quarter ended 30 April 2021: 1.50 sen single-tier dividend per share and a special dividend of 1.75 sen single-tier dividend per share) to be payable on 4 August 2022. The entitlement date has been fixed on 15 July 2022. The first interim dividend of 0.50 sen per share was paid on 5 November 2021. The second interim dividend of 1.50 sen per share was paid on 4 February 2022. The third interim dividend of 2.25 sen per share was paid on 5 May 2022. This will bring the total dividend declared for the financial year ended 30 April 2022 to 8.75 sen single-tier dividend per share (previous financial year ended 30 April 2021: 6.50 sen single-tier dividend per share).

A Depositor shall qualify for the entitlement only in respect of:

- Shares transferred to the Depositor's Securities Account before 4.30 p.m. on 15 July 2022 in respect of ordinary transfers.
- Shares bought on the Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities.

B11 The basic and diluted earnings per share are calculated as follows:

	Group (3-month period)			
	30/4/2022	30/4/2021	30/4/2022	30/4/2021
	RM'000		sen	
Net profit for the quarter	<u>78,704</u>	<u>66,827</u>		
Weighted average number of ordinary shares in issue ('000)	<u>1,162,184</u>	<u>1,161,428</u>		
Basic earnings per share			<u>6.77</u>	<u>5.75</u>
Net profit for the quarter	<u>78,704</u>	<u>66,827</u>		
Number of shares used in the calculation of basic earnings per share ('000)	1,162,184	1,161,428		
Number of shares assuming vesting of ESS ('000)	<u>2,290</u>	<u>2,964</u>		
	<u>1,164,474</u>	<u>1,164,392</u>		
Diluted earnings per share			<u>6.76</u>	<u>5.74</u>

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	Group (12-month period)			
	30/4/2022	30/4/2021	30/4/2022	30/4/2021
	RM'000		sen	
Net profit for the year	<u>155,721</u>	<u>133,842</u>		
Weighted average number of ordinary shares in issue ('000)	<u>1,161,769</u>	<u>1,161,792</u>		
Basic earnings per share			<u>13.40</u>	<u>11.52</u>
Net profit for the year	<u>155,721</u>	<u>133,842</u>		
Number of shares used in the calculation of basic earnings per share ('000)	1,161,769	1,161,792		
Number of shares assuming vesting of ESS ('000)	<u>2,290</u>	<u>2,964</u>		
	<u>1,164,059</u>	<u>1,164,756</u>		
Diluted earnings per share			<u>13.38</u>	<u>11.49</u>

c.c. Securities Commission