



**FOR IMMEDIATE RELEASE**

**30 November 2021**

**BCORP REGISTERS RM1.39 BILLION IN REVENUE FOR Q1 2022**

**For the 1<sup>st</sup> Quarter Ended 30 September 2021**

**Berjaya Corporation Berhad ("BCorp")** registered a revenue of RM1.39 billion in the current quarter under review as compared to a revenue of RM1.94 billion in the corresponding quarter of the previous year. The quarter saw the Group feeling the brunt of the lockdown measures which affected most of its business operations, particularly, its gaming operations. Nevertheless, as a result of the Group's geographical diversity in its businesses, this was mitigated by the higher sales performance achieved by the motor distribution business operated by H.R. Owen PLC ("HR Owen") in the United Kingdom ("UK") and the hotels and resorts business in Iceland.

HR Owen recorded a higher sales volume and an improved profit margin generated from the used car sector as a result of its change in marketing strategy and additional resources invested to capitalise on the stronger used car market due to a supply shortage.

The higher revenue from the hotels and resorts segment was due to the higher overall occupancy rate reported by the overseas hotels and resorts, especially from the hotels in Iceland, after the easing of travel and social restrictions during the current quarter under review.

The Group's food and beverage business reported higher revenue in the current quarter under review as dine-in business resumed with the gradual easing of restrictions for the fully vaccinated general public. The Group also recorded higher same-store-sales growth particularly from its Starbucks outlets.

The property investment and development segment registered lower revenue in the current quarter mainly due to the lower number of units sold from a local high-end project.

The gaming operations operated by Sports Toto Malaysia Sdn Bhd ("Sports Toto") reported a significant drop in revenue mainly due to the cancellation of 37 draws in the current quarter. There were only 8 draws conducted in the current quarter as compared to 42 draws in the previous year's corresponding quarter as all Sports Toto sales outlets were temporarily closed from 1 June 2021 to 13 September 2021 due to the nationwide lockdown. The sales outlets were only allowed to resume business operations on 14 September 2021 in accordance with the National Recovery Plan.

The Group reported a pre-tax loss of RM83.17 million for the current quarter under review as compared to a pre-tax profit of RM10.88 million reported in the corresponding quarter of the previous year. The pre-tax loss was mainly due to the losses incurred by the gaming operations as a result of the significant drop in revenue due to the cancellation of 37 draws during the nationwide lockdown. The pre-tax loss was mitigated by the share of better results from the Group's associates

and joint ventures. In the previous year's corresponding quarter, the Group had recognised the gain on disposal of Berjaya Jeju Resort Limited, amounting to about RM67.10 million, following the completion of the JDC Lawsuit settlement.

HR Owen was the main contributor of the pre-tax profit recorded by the consumer marketing segment, in line with its higher revenue. The improved result was attributed to lower operating expenses incurred as a result of certain austerity measures undertaken by the company, coupled with the support fee income received from its franchises and certain business reliefs granted by the UK government during the lockdown. The higher pre-tax profit was also due to the favourable foreign exchange effect of converting Pound Sterling into Ringgit Malaysia.

The higher pre-tax profit registered by the food and beverage business was in tandem with the higher revenue recorded in the current quarter.

The property development business recorded a lower pre-tax loss mainly due to higher progress billings from a local project. In addition, the higher pre-tax loss in the previous year's quarter was mainly due to the increase in quit rent as a result of the change in the gazetted rates in Pahang, Malaysia that took effect from 1 January 2020.

The Group's hotels and resorts segment recorded a lower pre-tax loss mainly due to the higher overall occupancy rate, especially from the overseas hotels in Iceland.

The loss reported by the gaming operations during the current quarter as compared to a profit in the previous year's corresponding quarter was mainly due to the loss of revenue from the cancelled draws due to the prolonged lockdown as well as the fixed operating expenses incurred by Sports Toto during the current quarter under review.

### **Future Prospects**

Q1 2022 saw BCorp face the brunt of the COVID-19 fallout with lockdowns and other preventive measures which in turn affected both the local and global economy. In Malaysia, the Full Movement Control Order imposed beginning 1 June 2021 severely impacted the recovery rate of the Group's business operations. Almost the entire quarter was under lockdown with some business sectors only starting to open in the middle of September. From October, the Malaysian Government began the National Recovery Plan allowing for the opening of businesses in phases. Since then, the economy is showing signs of a recovery.

Barring any unforeseen circumstances, the Directors are cautiously optimistic that with the easing of travel and social restrictions, the performance of the business operations of the Group for the remaining quarters of the financial year ending 30 June 2022 is expected to recover expeditiously as more business sectors have resumed full operations.

BCorp CEO, Jalil Rasheed said, "While our hotel business was badly hit due to travel restrictions, we are optimistic that there can be recovery if our borders open. Iceland opened up without quarantine and this doubled occupancy and increased Average Room Rate for our 14 hotels there. We look forward to Malaysia opening up so that tourism can start recuperating, and with that, our hotels and resorts business".

- End -

---

For media inquiries, please contact :

Ms. Lydia Lye, Assistant General Manager, Group Corporate Communications at email :  
[media@berjaya.com.my](mailto:media@berjaya.com.my)

---