

DUTY FREE INTERNATIONAL LIMITED

(Company Registration No. 200102393E)

(Incorporated in the Republic of Singapore)

**UNAUDITED FINANCIAL STATEMENTS FOR THE
FOURTH QUARTER AND FULL YEAR ENDED
28 FEBRUARY 2021**

DUTY FREE INTERNATIONAL LIMITED

(Company Registration No. 200102393E)

(Incorporated in the Republic of Singapore)

Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1 (a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Income Statement

Note	Group			Group		
	Fourth quarter ended			Full year ended		
	2021	2020	Increase/	2021	2020	Increase/
	(Unaudited)	(Unaudited)	(Decrease)	(Unaudited)	(Audited)	(Decrease)
	RM '000	RM '000	%	RM '000	RM '000	%
Revenue	75,076	169,710	-55.8%	223,399	617,238	-63.8%
Changes in inventories	(18,668)	(9,593)	94.6%	(57,776)	(28,477)	102.9%
Inventories purchased and material consumed	(47,856)	(120,871)	-60.4%	(133,371)	(435,531)	-69.4%
Other operating income	3,985	4,712	-15.4%	12,200	18,368	-33.6%
Employee benefits expenses	(3,626)	(6,726)	-46.1%	(21,928)	(36,250)	-39.5%
Rental of premises	(2,353)	(7,139)	-67.0%	(8,954)	(31,546)	-71.6%
Utilities and maintenance expenses	(522)	(1,082)	-51.8%	(2,260)	(5,208)	-56.6%
Depreciation and amortisation	(3,495)	(4,009)	-12.8%	(13,797)	(15,107)	-8.7%
Commission expenses	(61)	(424)	-85.6%	(173)	(1,816)	-90.5%
Professional fees	(542)	(510)	6.3%	(1,720)	(3,330)	-48.3%
Promotional expenses	(21)	(380)	-94.5%	(720)	(1,435)	-49.8%
Finance costs	(1,486)	(1,728)	-14.0%	(6,183)	(6,822)	-9.4%
Impairment of property, plant and equipment and right-of-use assets	(204)	(3,743)	-94.5%	(204)	(3,743)	-94.5%
Impairment of goodwill	(8,650)	(11,524)	-24.9%	(11,474)	(11,524)	-0.4%
Realised foreign exchange gain/(loss)	61	1,135	-94.6%	(572)	1,372	-141.7%
Unrealised foreign exchange (loss)/gain	(75)	96	-178.1%	1,229	2,838	-56.7%
Other operating expenses	(2,993)	(15,955)	-81.2%	(17,060)	(35,016)	-51.3%
(Loss)/profit before income tax	(11,430)	(8,031)	42.3%	(39,364)	24,011	-263.9%
Income tax expenses	(640)	(3,581)	-82.1%	(7,163)	(12,902)	-44.5%
(Loss)/profit for the period	(12,070)	(11,612)	3.9%	(46,527)	11,109	-518.8%
(Loss)/profit attributable to:						
Owners of the Company	(11,840)	(9,132)	29.7%	(41,778)	10,880	-484.0%
Non-controlling interests	(230)	(2,480)	-90.7%	(4,749)	229	-2173.8%
	(12,070)	(11,612)	3.9%	(46,527)	11,109	-518.8%

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1 (a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Consolidated Statement of Comprehensive Income

	Group			Group		
	Fourth quarter ended 28/29 February		Increase/ (Decrease) %	Full year ended 28/29 February		Increase/ (Decrease) %
2021 (Unaudited) RM '000	2020 (Unaudited) RM '000	2021 (Unaudited) RM '000		2020 (Audited) RM '000		
(Loss)/profit for the period	(12,070)	(11,612)	3.9%	(46,527)	11,109	-518.8%
Other comprehensive income:						
Foreign currency translation	(835)	922	-190.6%	(963)	1,079	-189.2%
Total comprehensive income for the period	(12,905)	(10,690)	20.7%	(47,490)	12,188	-489.6%
Total comprehensive income attributable to:						
Owners of the Company	(12,638)	(8,308)	52.1%	(42,770)	11,856	-460.7%
Non-controlling interests	(267)	(2,382)	-88.8%	(4,720)	332	-1521.7%
	(12,905)	(10,690)	20.7%	(47,490)	12,188	-489.6%

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1(a)(ii) Other operating income

Other operating income includes:-

	Group			Group		
	Fourth quarter ended 28/29 February			Full year ended 28/29 February		
	2021	2020	Increase/ (Decrease)	2021	2020	Increase/ (Decrease)
	(Unaudited)	(Unaudited)	(Decrease)	(Unaudited)	(Audited)	(Decrease)
	RM '000	RM '000	%	RM '000	RM '000	%
Rental income from:						
- advertisement space	932	725	28.6%	1,460	3,005	-51.4%
- property, plant and equipment	44	125	-64.8%	262	500	-47.6%
Commission income	53	124	-57.3%	64	161	-60.2%
Incentive income	14	49	-71.4%	196	174	12.6%
Interest income	1,140	2,390	-52.3%	5,370	10,762	-50.1%
Gain on disposal of property, plant and equipment	39	-	n.m	50	32	56.3%
Promotion income	130	445	-70.8%	483	1,623	-70.2%
Sundry income	906	158	473.4%	2,973	1,077	176.0%

1(a)(iii) Other operating expenses

Other operating expenses is arrived at after charging/(crediting) the following:-

	Group			Group		
	Fourth quarter ended 28/29 February			Full year ended 28/29 February		
	2021	2020	Increase/ (Decrease)	2021	2020	Increase/ (Decrease)
	(Unaudited)	(Unaudited)	(Decrease)	(Unaudited)	(Audited)	(Decrease)
	RM '000	RM '000	%	RM '000	RM '000	%
Assessment and quit rent	310	298	4.0%	1,051	1,056	-0.5%
Impairment loss on receivables	95	2,179	-95.6%	722	2,179	-67.0%
Auditors' remuneration	199	269	-26.0%	896	1,213	-26.1%
Bad debts written off	-	143	-100.0%	13	143	-90.9%
Bank charges	419	457	-8.3%	1,635	1,695	-3.5%
Donations	-	14	-100.0%	750	1,110	-32.4%
Insurance	203	400	-49.3%	946	1,532	-38.3%
Inventories written down	126	6,466	-98.1%	2,605	7,022	-62.9%
Inventory written off	221	419	-47.3%	334	1,063	-68.6%
(Gain)/loss arising from changes in fair value of biological assets	(52)	71	-173.2%	(74)	77	-196.1%
Management fee	730	1,081	-32.5%	2,347	3,188	-26.4%
Packing materials	17	248	-93.1%	120	814	-85.3%
Property, plant and equipment written off	-	-	0.0%	84	809	-89.6%
Transportation costs	202	524	-61.5%	1,037	2,556	-59.4%
Travelling expenses	57	340	-83.2%	308	1,569	-80.4%

n.m - denotes not meaningful

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1(a)(iv) Income tax expenses

	Group			Group		
	Fourth quarter ended		Increase/ (Decrease)	Full year ended		Increase/ (Decrease)
	28/29 February	2021		2021	2020	
	(Unaudited)	(Unaudited)	(Decrease)	(Unaudited)	(Audited)	(Decrease)
	RM '000	RM '000	%	RM '000	RM '000	%
Current income tax attributable to continuing operations						
- current income tax	1,324	5,732	-76.9%	2,790	14,395	-80.6%
- (over)/under provision in respect of previous years	(250)	(45)	455.6%	4,727	(1,776)	-366.2%
	1,074	5,687	-81.1%	7,517	12,619	-40.4%
Deferred income tax attributable to continuing operations	(434)	(2,106)	-79.4%	(354)	(577)	-38.6%
Real property gain tax	-	-	0.0%	-	860	-100.0%
Income tax expense recognised in profit or loss	640	3,581	-82.1%	7,163	12,902	-44.5%

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1(b)(i) A statement of financial position (for the issuer and group) together with a comparative statement as at the end of the immediate preceding financial year

	Note	Group		Company	
		28.02.2021 (Unaudited) RM '000	29.02.2020 (Audited) RM '000	28.02.2021 (Unaudited) RM '000	29.02.2020 (Audited) RM '000
Assets					
Non-current assets					
Property, plant and equipment		58,530	64,099	-	-
Goodwill		5,818	17,292	-	-
Investment in subsidiaries		-	-	510,340	839,666
Investment in associate		-	-	-	-
Intangible assets		162	339	-	-
Prepayments		3,000	-	-	-
Deferred tax assets		5,295	4,861	-	-
Right-of-use assets		119,426	128,630	-	-
		<u>192,231</u>	<u>215,221</u>	<u>510,340</u>	<u>839,666</u>
Current assets					
Biological assets	1(b)(iv)	100	26	-	-
Inventories		72,691	133,406	-	-
Tax recoverable		4,289	1,861	-	-
Trade and other receivables	1(b)(v)	58,869	81,966	9	262
Prepayments		2,699	2,754	-	-
Cash and bank balances		195,015	334,648	122,028	251,957
		<u>333,663</u>	<u>554,661</u>	<u>122,037</u>	<u>252,219</u>
Total assets		<u>525,894</u>	<u>769,882</u>	<u>632,377</u>	<u>1,091,885</u>
Equity and liabilities					
Current liabilities					
Trade and other payables	1(b)(vi)	38,444	73,201	1,319	726
Contract liabilities		210	8,876	-	-
Borrowings	1(b)(ii) & (iii)	6,346	34,685	-	-
Income tax payable		3,600	2,359	383	349
Lease liabilities		520	1,765	-	-
Provision for restoration costs		235	439	-	-
		<u>49,355</u>	<u>121,325</u>	<u>1,702</u>	<u>1,075</u>
Net current assets		284,308	433,336	120,335	251,144
Non-current liabilities					
Borrowings	1(b)(ii)	128	306	-	-
Deferred tax liabilities		6,266	6,188	1,655	1,613
Derivative liabilities		222	222	515	515
Lease liabilities		87,386	83,943	-	-
Provision for restoration costs		672	501	-	-
		<u>94,674</u>	<u>91,160</u>	<u>2,170</u>	<u>2,128</u>
Total liabilities		144,029	212,485	3,872	3,203
Net assets		<u>381,865</u>	<u>557,397</u>	<u>628,505</u>	<u>1,088,682</u>
Equity attributable to owners of the Company					
Share capital		487,902	616,752	978,724	1,107,574
Treasury shares		(22,017)	(22,017)	(22,017)	(22,017)
Other reserves		(145,204)	(144,647)	661	661
Retained earnings		49,245	91,023	(328,863)	2,464
		<u>369,926</u>	<u>541,111</u>	<u>628,505</u>	<u>1,088,682</u>
Non-controlling interests		11,939	16,286	-	-
Total equity		<u>381,865</u>	<u>557,397</u>	<u>628,505</u>	<u>1,088,682</u>
Total equity and liabilities		<u>525,894</u>	<u>769,882</u>	<u>632,377</u>	<u>1,091,885</u>

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1(b)(ii) Aggregate amount of the group's borrowings and debts securities

	28.02.2021		29.02.2020	
	Secured RM '000	Unsecured RM '000	Secured RM '000	Unsecured RM '000
Amount repayable in one year or less or on demand	6,346	-	34,685	-
Amount repayable after one year	128	-	306	-

Details of any collateral

The borrowings are secured by way of:

- deposits with licensed banks amounting to RM9,786,000 (29.02.2019: RM9,465,000); and
- corporate guarantees from the Company and the penultimate holding company.

1(b)(iii) Short term borrowings

	28.02.2021 RM'000	29.02.2020 RM'000
The Group's short term borrowings are for:		
- trade facilities	6,248	34,342
- hire purchases	98	343
	<u>6,346</u>	<u>34,685</u>

1(b)(iv) Biological assets

	28.02.2021 RM'000	29.02.2020 RM'000
At fair value:		
Balance b/f	26	103
Fair value changes	74	(77)
Balance c/f	<u>100</u>	<u>26</u>

1(b)(v) Trade and other receivables

	Group	
	28.02.2021 RM'000	29.02.2020 RM'000
Trade receivables, net	2,115	19,407
Deposits	5,648	5,933
Sundry receivables, net:		
- amount due from Berjaya Waterfront Sdn Bhd (refer to page 8 of this report)	40,434	40,443
- others	10,672	16,183
	<u>58,869</u>	<u>81,966</u>

Please refer to Paragraph 8 under the caption of "Statement of Financial Position - Assets" for further details.

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1(b)(v) Trade and other receivables (cont'd)

On 10 April 2012, the Company's subsidiaries entered into the following sale and purchase agreements with Berjaya Waterfront Sdn Bhd ("BWSB"), a subsidiary of Berjaya Assets Berhad, a corporation listed on the Bursa Malaysia Securities Berhad:

- i) The sale of Darul Metro Sdn Bhd's ("DMSB") legal and beneficial interests over the remaining lease period in six land parcels located in The Zon Johor Bahru at Stulang Laut, Johor Bahru (the "Duty Free Zone") to BWSB for a consideration of RM325,000,000 ("DMSB Agreement"); and
- ii) The sale of Kelana Megah Sdn Bhd's intended lease interests in the land parcel bearing lot number PTB 20379 to BWSB for a consideration of RM27,990,000 ("KMSB Agreement"),

(collectively, the "Disposals").

The DMSB Agreement was completed on 15 March 2013 ("DMSB Completion Date"). Pursuant to the terms of the DMSB Agreement, RM80.0 million being the balance of the aggregate sale consideration of RM325.0 million, was deferred and payable by BWSB within 12 months from the DMSB Completion Date, together with interest charged at 6% per annum from the DMSB Completion Date. There have been several extensions mutually agreed by the parties since the initial due date. After partial repayments of the consideration, the outstanding balance as at 28 February 2021 was RM40.0 million. Throughout the term that the balance was outstanding, BWSB has been paying interest at 6% per annum up to 15 July 2015 and 9% per annum from 16 July 2015 onwards.

On 15 April 2021, BWSB requested for a further deferment of the unpaid consideration of RM40.0 million to be paid on or before 15 April 2022 and BWSB will continue to pay interest at 9% per annum on the unpaid consideration on a quarterly basis. The Company had agreed to the request of BWSB.

For the KMSB Agreement, the conditions precedent as stipulated have not been fulfilled as at the date of this announcement. The Company will continue to keep its shareholders informed of any developments in due course.

1(b)(vi) Trade and other payables

	Group	
	28.02.2021 RM'000	29.02.2020 RM'000
Trade payables	22,133	48,720
Other payables	15,751	23,921
Deposit received for the KMSB Agreement	560	560
	<u>38,444</u>	<u>73,201</u>

	Company	
	28.02.2021 RM'000	29.02.2020 RM'000
Sundry payables, net:		
- others	1,319	726
	<u>1,319</u>	<u>726</u>

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		Group	
	Fourth quarter ended		Full year ended	
	28/29 February		28/29 February	
	2021	2020	2021	2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	RM '000	RM '000	RM '000	RM '000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before tax	(11,430)	(8,031)	(39,364)	24,011
Adjustments for:-				
Impairment loss on receivables	95	2,179	722	2,179
Bad debts written off	-	143	13	143
Depreciation and amortisation	3,495	4,009	13,797	15,107
Gain on disposal of property, plant and equipment	(39)	-	(50)	(32)
(Gain)/loss arising from changes in fair values of biological assets	(52)	71	(74)	77
Gain on lease modifications	(739)	-	(739)	-
Finance costs	1,486	1,728	6,183	6,822
Interest income	(1,140)	(2,390)	(5,370)	(10,762)
Inventories written down	126	6,466	2,605	7,022
Inventory written off	221	419	334	1,063
Impairment of goodwill	8,650	11,524	11,474	11,524
Impairment of property, plant and equipment and right-of use assets	204	3,743	204	3,743
Effect of lease concessions received	(206)	-	(206)	-
Property, plant and equipment written off	-	-	84	809
(Reversal)/provision of short term accumulating compensated absences	(73)	14	(73)	14
Net unrealised foreign exchange loss/(gain)	75	(96)	(1,229)	(2,838)
Operating cash flows before changes in working capital	673	19,779	(11,689)	58,882
Decrease/(increase) in receivables	2,232	2,522	22,627	(9,792)
(Increase)/decrease in prepayments	(2,559)	814	(2,945)	612
Decrease in inventories	23,657	10,430	57,776	29,314
Decrease in payables	(21,365)	(54,612)	(42,396)	(26,465)
Cash generated from/(used in) operations	2,638	(21,067)	23,373	52,551
Tax paid	(2,160)	(2,221)	(8,706)	(10,435)
Interest paid	76	(366)	(394)	(1,265)
Net cash generated from/(used in) operating activities	554	(23,654)	14,273	40,851
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,140	2,390	5,370	10,762
Proceeds from debt securities	-	-	-	30,000
Proceeds from disposal of property, plant and equipment	40	-	158	32
Purchase of property, plant and equipment and land use rights	(18)	618	(215)	(2,742)
Net cash generated from investing activities	1,162	3,008	5,313	38,052

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Group		Group	
	Fourth quarter ended		Full year ended	
	28/29 February		28/29 February	
	2021	2020	2021	2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	RM '000	RM '000	RM '000	RM '000
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in pledged fixed deposits	(105)	(54)	(321)	(272)
Payment of lease liability	11	(551)	(1,431)	(2,149)
Proceeds from/(repayment of) short term borrowings	262	4,645	(28,092)	13,518
Repayment of hire purchase and lease financing	(64)	(110)	(424)	(465)
Purchase of treasury shares	-	-	-	(5,514)
Dividends paid to the ordinary shareholders of the Company	-	-	-	(54,869)
Dividends paid to non-controlling interests of subsidiaries	-	-	-	(4,695)
Capital repayment	-	-	(128,850)	-
Net cash generated from/(used in) financing activities	104	3,930	(159,118)	(54,446)
Net increase/(decrease) in cash and cash equivalents	1,820	(16,716)	(139,532)	24,457
Effects of foreign exchange rate changes	(252)	688	(422)	4,302
Cash and cash equivalents at beginning of period/year	183,661	341,211	325,183	296,424
Cash and cash equivalents at end of period/year	185,229	325,183	185,229	325,183
Cash and cash equivalents carried forward consists of :-				
Deposits with licenced banks	133,517	210,747	133,517	210,747
Less : Pledged deposits	(9,786)	(9,465)	(9,786)	(9,465)
Cash and bank balances	123,731	201,282	123,731	201,282
	61,498	123,901	61,498	123,901
	185,229	325,183	185,229	325,183

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1(d)(i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	← ATTRIBUTABLE TO OWNERS OF THE COMPANY →										
				← Non-distributable →				Distributable →			
	Ordinary shares RM'000	Treasury shares RM'000	Total other reserves RM'000	Foreign exchange reserve RM'000	Net premium paid/ received on transactions with non-controlling interests RM'000	Gain on reissuance of treasury shares RM'000	Capital reserve RM'000	Retained earnings RM'000	Total equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
GROUP (Cont'd)											
At 1 March 2019	616,752	(16,503)	(144,433)	(123)	(142,413)	661	(2,558)	98,636	554,452	14,847	569,299
Profit, net of tax	-	-	-	-	-	-	-	10,880	10,880	229	11,109
Foreign currency translation	-	-	976	976	-	-	-	-	976	103	1,079
Total comprehensive income for the period	-	-	976	976	-	-	-	10,880	11,856	332	12,188
<u>Transactions with owners:</u>											
Purchase of treasury shares	-	(5,514)	-	-	-	-	-	-	(5,514)	-	(5,514)
Dividend on ordinary shares	-	-	-	-	-	-	-	(18,493)	(18,493)	-	(18,493)
Total transactions with owners	-	(5,514)	-	-	-	-	-	(18,493)	(24,007)	-	(24,007)
<u>Transactions with non-controlling interests:</u>											
Transfer to reserves	-	-	(1,190)	-	-	-	(1,190)	-	(1,190)	1,107	(83)
At 29 February 2020	616,752	(22,017)	(144,647)	853	(142,413)	661	(3,748)	91,023	541,111	16,286	557,397

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1(d)(i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	←← ATTRIBUTABLE TO OWNERS OF THE COMPANY →→										
	← Non-distributable →			Distributable							
	Ordinary shares	Treasury shares	Total other reserves	Foreign exchange reserve	Net premium paid/received on transactions with non-controlling interests	Gain on reissuance of treasury shares	Capital reserve	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
GROUP (Cont'd)											
At 1 March 2020	616,752	(22,017)	(144,647)	853	(142,413)	661	(3,748)	91,023	541,111	16,286	557,397
Loss, net of tax	-	-	-	-	-	-	-	(41,778)	(41,778)	(4,749)	(46,527)
Foreign currency translation	-	-	(992)	(992)	-	-	-	-	(992)	29	(963)
Total comprehensive income for the period	-	-	(992)	(992)	-	-	-	(41,778)	(42,770)	(4,720)	(47,490)
<u>Transactions with owners:</u>											
Capital reduction	(128,850)	-	-	-	-	-	-	-	(128,850)	-	(128,850)
Allotment of new ordinary shares	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	(128,850)	-	-	-	-	-	-	-	(128,850)	-	(128,850)
<u>Transactions with non-controlling interests:</u>											
Transfer to reserves	-	-	(1,114)	-	-	-	(1,114)	-	(1,114)	1,114	-
Changes in financial liability	-	-	2,029	-	-	-	2,029	-	2,029	-	2,029
Effect of changes in shareholdings	-	-	(480)	-	(480)	-	-	-	(480)	(741)	(1,221)
Total transactions with non-controlling interests	-	-	435	-	(480)	-	915	-	435	373	808
At 28 February 2021	487,902	(22,017)	(145,204)	(139)	(142,893)	661	(2,833)	49,245	369,926	11,939	381,865

DUTY FREE INTERNATIONAL LIMITED

(Company Registration No. 200102393E)

(Incorporated in the Republic of Singapore)

1(d)(i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Ordinary shares RM'000	Treasury shares RM'000	Gain on reissuance of treasury shares RM'000	(Accumulated losses)/ retained earnings RM'000	Total equity RM'000
<u>COMPANY (Cont'd)</u>					
Revenue	1,107,574	(16,503)	661	(640)	1,091,092
Profit, net of tax	-	-	-	21,597	21,597
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	21,597	21,597
Transactions with owners:					
Purchase of treasury shares	-	(5,514)	-	-	(5,514)
Dividend	-	-	-	(18,493)	(18,493)
	-	(5,514)	-	(18,493)	(24,007)
At 29 February 2020	1,107,574	(22,017)	661	2,464	1,088,682

DUTY FREE INTERNATIONAL LIMITED

(Company Registration No. 200102393E)

(Incorporated in the Republic of Singapore)

1(d)(i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Ordinary shares RM'000	Treasury shares RM'000	Gain on reissuance of treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
<u>COMPANY (Cont'd)</u>					
At 1 March 2020	1,107,574	(22,017)	661	2,464	1,088,682
Profit, net of tax	-	-	-	(331,327)	(331,327)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(331,327)	(331,327)
<u>Transactions with owners:</u>					
Purchase of treasury shares	-	-	-	-	-
Capital reduction	(128,850)	-	-	-	(128,850)
Dividend on ordinary shares	-	-	-	-	-
	(128,850)	-	-	-	(128,850)
At 28 February 2021	978,724	(22,017)	661	(328,863)	628,505

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buybacks, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period

Share Capital – Ordinary Shares

	Company	
	Number of Shares '000	Share Capital RM'000
As at 30 November 2020 and 28 February 2021	1,198,199	978,724

Outstanding Convertible Securities

	Company	
	As at 28 February 2021	As at 29 February 2020
Number of outstanding convertible securities ('000)	491,400	491,400
Number of ordinary shares upon conversion of convertibles ('000)	491,400	491,400
Total number of ordinary shares issued excluding treasury shares ('000)	1,198,199	1,198,199
As a percentage of total ordinary shares issued (%)	41.0	41.0

Total treasury shares as at 28 February 2021 was 30,999,300 (29 February 2020: 30,999,300).

As at the date of this announcement, the Company's issued and paid-up share capital comprises 1,198,199,093 ordinary shares, excluding treasury shares and Company has 491,400,042 outstanding convertible warrants each with exercise price of S\$0.33 expiring 13 May 2022.

Save as disclosed above, the Company did not have any subsidiary holdings or other convertibles as at 28 February 2021.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as the end of the immediately preceding year

Total number of issued shares excluding treasury shares as at 28 February 2021 was 1,198,199,093 (29 February 2020: 1,198,199,093). Total treasury shares as at 28 February 2021 was 30,999,300 (29 February 2020: 30,999,300).

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on

During the fourth quarter ended 28 February 2021 ("4Q FY2021"), there were no sales, transfers, disposals and cancellation and/or use of treasury shares.

1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard practice

These figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in Paragraph 5 below, the Group and the Company have applied the same accounting policies and methods of computation for the current reporting period, compared with the last audited financial statements as at 29 February 2020.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the changes

On 1 March 2020, the Group and the Company adopted the new or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations to FRS ("INT FRSs") that are mandatory for application from that date.

The application of these new or amended SFRS(I) and INT FRSs did not result in changes in the Group's accounting policies and has no material effect on the amounts reported for the current period or prior years.

6 Earnings per ordinary shares of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group		Group	
	Fourth quarter ended 28/29 February 2021		Full year ended 28/29 February 2021	
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period, net of tax attributable to owners of the Company	(11,840)	(9,132)	(41,778)	10,880
Weighted average number of ordinary shares for basic earnings per share computation ('000)	1,198,199	1,199,504	1,198,199	1,202,763
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	1,198,199	1,199,504	1,198,199	1,202,763
(Loss)/Earnings per ordinary share from continuing operations attributable to owners of the Company (RM sen):				
(a) Basic	(0.99)	(0.76)	(3.49)	0.91
(b) Fully diluted	(0.99)	(0.76)	(3.49)	0.91

For 4Q FY2021, 4Q FY2020, FY2021 and FY2020, as there were no potential dilutive ordinary shares, earnings per share on a fully diluted basis is the same as basic earnings per share based on weighted average number of shares in issue.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year

	Group		Company	
	As at 28 February 2021	As at 29 February 2020	As at 28 February 2021	As at 29 February 2020
Net asset value per ordinary share (RM sen)	30.87	45.16	52.45	90.86
Number of shares used in calculating net asset value per share ('000)	1,198,199	1,198,199	1,198,199	1,198,199

Net asset value per ordinary share is computed based on total equity less non-controlling interests divided by the number of shares.

- 8 A review of performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings for the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on**

Statement of Comprehensive Income

Fourth quarter ended 28 February 2021 ("4Q FY2021") vs Fourth quarter ended 29 February 2020 ("4Q FY2020")

Revenue

The Group recorded revenue of RM75.1 million in 4Q FY2021, representing a decrease of 55.8% or RM94.6 million, over the revenue of RM169.7 million in 4Q FY2020. The decrease was mainly due to the closure of the Group's retail outlets in Malaysia since 18 March 2020 following the imposition of the nationwide Movement Control Order ("MCO") and Conditional Movement Control Order ("CMCO") by Malaysian Government to curb the outbreak of Covid-19 in Malaysia. The CMCO was since followed by the Recovery Movement Control Order ("RMCO") which took effect from 10 June 2020. However, due to the rise of positive Covid-19 cases in certain localities in Malaysia since early October 2020, Malaysian Government had implemented CMCO followed by second MCO in January 2021 in certain states with high number of Covid-19 cases. As at the date of this announcement, CMCO, RMCO and restrictions on interstate travel have remained in-force throughout the nation. Similar to the previous quarter, in the current quarter under review, only certain outlets in the Group were in operations, with strict compliance to the Standard Operating Procedures ("SOPs"). The outlets that were in operations experienced an overall decline in sales due to subdued consumer demand. The Group's retail outlets at the Malaysia-Thailand border and airport outlets are still closed as at the date of this announcement. Consequently, the Group experienced a significant reduction in revenue in the current quarter.

Changes in inventories

Changes in inventories comprised the difference in the value of inventories at the beginning and at the end of the financial period reported on. In 4Q FY2021, the value of the closing inventories was lower than the value of the opening inventories by RM18.7 million. In 4Q FY2020, the value of the closing inventories was lower by RM9.6 million. This resulted in a variance of RM9.1 million for 4Q FY2021 vis-à-vis 4Q FY2020, which was mainly due to lower purchases as compared with the corresponding quarter of the previous financial year.

Inventories purchased and material consumed

Inventories purchased and material consumed decreased by 60.4% or RM73.0 million, from RM120.9 million in 4Q FY2020 to RM47.9 million in 4Q FY2021. This was mainly due to lower purchases and consumption of inventories in the current quarter due to subdued consumer demand following the nationwide controlled movements in Malaysia since 18 March 2020.

Other operating income

Other operating income decreased by RM0.7 million from RM4.7 million in 4Q FY2020 to RM4.0 million in 4Q FY2021 mainly due to a decrease in interest income of RM1.3 million. However, the decrease was partly offset by an increase in sundry income of RM0.7 million as compared to 4Q FY2020.

Employee benefits expenses

Employee benefits expenses decreased by 46.1% or RM3.1 million, from RM6.7 million in 4Q FY2020 to RM3.6 million in 4Q FY2021, the savings mainly arising from the cost cutting measures undertaken by the Group in the reduction of human resource costs, which included downsize of manpower and salary reduction of all employees across the Group.

Rental of premises

The rental of premises expenses showed a decrease of 67.0% or RM4.7 million from RM7.1 million in 4Q FY2020 to RM2.4 million in 4Q FY2021. The significant drop in rental expenses in the current period was mainly due to rental rebate received from landlords amounting to RM4.0 million, lower rental expenses incurred as a result of temporary closure of certain outlets during the MCO period, as well as no rental expenses incurred for certain retail outlets in Kuala Lumpur International Airport 2 and Penang International Airport as the respective tenancies had ended in the first quarter of FY2021.

Utilities and maintenance expenses

Utilities and maintenance expenses recorded a decrease of RM0.6 million or 51.8%, from RM1.1 million in 4Q FY2020 to RM0.5 million in 4Q FY2021 mainly due to a decrease in utilities expenses of RM0.5 million as a result of non-operations of the Group's certain retail outlets at Malaysia-Thailand border and airport outlets since 18 March 2020 following the imposition of the nationwide MCO, CMCO and RMCO by the Malaysian Government.

Impairment of property, plant and equipment and right-of-use ("ROU") assets

During 4Q FY2021, the Group carried out a review of the recoverable amount of its property, plant and equipment and right-of-use assets. An impairment loss of RM0.2 million was recorded in 4Q FY2021 as compared to RM3.7 million in 4Q FY2020.

Impairment of goodwill

The management of the Company had carried out a review of the recoverable amount of its goodwill. The review has led to the recognition of impairment loss on goodwill of RM8.7 million (4Q FY2020: RM11.5 million) in the current reporting quarter. The impairment of

goodwill was made based on probabilities-weighted cash flow projections for the respective acquisitions from financial forecasts and assumptions covering a five-year period. The financial forecasts included different scenarios of possible recovery of passenger traffics at outlets located at airports and land borders from COVID-19 pandemic related travel restrictions and borders controls and cost-cutting measures.

Other operating expenses

The Group incurred lower other operating expenses in 4Q FY2021 by RM13.0 million as compared to RM16.0 million in 4Q FY2020, mainly attributable to lower inventories written down by RM6.4 million and lower impairment loss on receivables by RM2.1 million, coupled with lower management fee and transportation expenses of RM0.3 million respectively during the period under review.

The rest of the expenses on the Group's income statement remained largely unchanged in 4Q FY2021 as compared to 4Q FY2020.

Loss before income tax

The Group reported a loss before income tax of RM11.4 million for 4Q FY2021, which was 42.3% or RM3.4 million higher than the loss before income tax of RM8.0 million recorded in 4Q FY2020. The increase in loss was mainly due to lower revenue recorded in current quarter under review as compared to last year corresponding quarter. However, the negative effect was partially offset by lower rental of premises of RM4.7 million, lower employee benefits expenses of RM3.1 million, lower impairment of property, plant and equipment of RM3.5 million and lower impairment of goodwill of RM2.8 million as mentioned above. Furthermore, the Group's retail outlets at the Malaysia-Thailand border and airport outlets which had remained closed since 18 March 2020 led to overall reduction in selling and marketing expenses and administrative expenses of RM2.1 million and RM4.9 million respectively.

Income tax expenses

The Malaysia statutory income tax rate is 24% for year of assessment 2021 (2020: 24%). The Group recorded a lower tax expenses during the 4Q FY2021, largely in line with the Group's higher loss before tax as compared to 4Q FY2020. The provision for taxation for the financial quarter was calculated based on the taxable profit attributable from certain profit-making subsidiaries.

Full year ended 28 February 2021 ("FY2021") vs Full year ended 29 February 2020 ("FY2020")

The Group recorded revenue for FY2021 of RM223.4 million, representing a decrease of 63.8% or RM393.8 million, over the revenue of RM617.2 million in FY2020.

The Group reported a loss before income tax of RM39.4 million for FY2021, representing a decrease of 263.9% or RM63.4 million as compared to profit before income tax of RM24.0 million recorded in FY2020. The Group's business operations and performance had been

adversely affected by the non-operations of outlets at affected locations and a decrease in revenue from outlets that remained open for reasons as mentioned above. Consequently, the Group incurred a pre-tax loss in current financial year as a result of significant reduction in gross profit which was insufficient to offset the operating expenses of the Group. In addition, other than the impairment of goodwill of RM11.5 million (non-cash item), the adverse impact was also affected by lower net gain in foreign currency of RM3.5 million and lower other operating income of RM6.2 million as compared to FY2020.

Statement of Financial Position

Assets

Non-current prepayments

Non-current prepayments of RM3.0 million as at 28 February 2021, which were related to development return paid to the State Government and City Council, being one of the conditions to be fulfilled under KMSB agreement as mentioned in note 1(b)(v)(ii).

Trade and other receivables

Trade receivables decreased by RM17.3 million, from RM19.4 million as at 29 February 2020 to RM2.1 million as at 28 February 2021, which was mainly due to timing differences in trade-related collections. There were also decreases in sundry receivables by RM5.5 million from RM16.2 million as at 29 February 2020 to RM10.7 million as at 28 February 2021 mainly due to settlement of amount due by certain debtors.

Inventories

Inventories decreased by RM60.7 million, from RM133.4 million as at 29 February 2020 to RM72.7 million as at 28 February 2021, mainly due to decrease of purchases during the period as a result of the non-operations of a majority of the Group's retail outlets since 18 March 2020 following the imposition of nation-wide movement controls by Malaysian government.

Cash and bank balances

Cash and bank balances decreased by RM139.6 million, from RM334.6 million as at 29 February 2020 to RM195.0 million as at 28 February 2021, mainly due to capital repayment of RM128.9 million to the shareholders of the Company on 13 May 2020.

Other than the assets mentioned above, the rest of the asset items on the Group's statement of financial position remained largely unchanged as at 28 February 2021 vis-à-vis 29 February 2020.

Liabilities

Trade and other payables

The decrease in trade and other payables was mainly due to a decrease in trade payables by RM26.6 million, from RM48.7 million as at 29 February 2020 to RM22.1 million as at 28 February 2021. The aforesaid decrease was due to timing differences in the payment of the payables. Other payables decreased by RM8.1 million from RM23.9 million as at 29 February 2020 to RM15.8 million as at 28 February 2021 mainly due to lower expenses payable such as rental expenses, commission expenses, logistics and warehouse expenses and insurance expenses following temporary closure of retail outlets. The decrease was also contributed by the reduction in put option liability of RM2.0 million as a result of the decrease in non-controlling interest shareholding in BCH group.

Borrowings

Total borrowings decreased by RM28.5 million, from RM35.0 million as at 29 February 2020 to RM6.5 million as at 28 February 2021, mainly due to decrease in trade facilities utilisation of RM28.1 million.

Non-current liabilities

Derivative liabilities – non-current

Derivative financial liabilities of RM0.2 million as at 28 February 2021 was mainly due to the fair value of call options and put options issued in relation to the remaining 22% stake in the Brand Connect Holding Pte. Ltd. (“BCH”).

As at 28 February 2021, the Group was in a positive working capital position of RM284.3 million.

Equity

Total equity decreased by RM175.5 million, from RM557.4 million as at 29 February 2020 to RM381.9 million as at 28 February 2021, mainly due to capital repayment of RM128.9 million, and the comprehensive income for the period of RM47.5 million, partially offset by the effect of changes in shareholdings of RM0.8 million arising from the increased shareholdings in BCH in May 2020.

Statement of Cash Flows

The Group net cash flow generated from operating activities was RM0.6 million in 4Q FY2021. Net cash generated from investing activities was RM1.2 million for 4Q FY2021, mainly due to interest received of RM1.1 million. Net cash generated from financing activities for 4Q FY2021 of RM0.1 million was mainly due to proceeds from short term borrowing of RM0.3 million, partially offset by increase in pledged fixed deposits of RM0.1 million. Overall, the cash and cash equivalents of the Group increased by RM1.8 million in 4Q FY2021, with cash and cash equivalents of RM185.2 million as at 28 February 2021.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and actual results

Not applicable.

10 A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and for the next 12 months

- (i) With the global outbreak of Covid-19 pandemic from the beginning of year 2020 coupled with the imposition of the MCO, CMCO and RMCO by the Malaysian Government since 18 March 2020, the business environment in which the Group operated in had been tough and challenging. Even though with the current gradual relaxation of the MCO in Malaysia and also commencement of vaccination across the nation since February 2021, the Group expects the business environment to remain challenging for the next twelve months of the financial year ending 28 February 2022 due to the uncertainties surrounding the timing of the re-opening of the borders and cautious and muted consumer spending even when Malaysia eases into economy recovery mode.

Since April 2020, the Group had taken immediate and pre-emptive measures to mitigate its impact by implementing an aggressive cost optimisation plan which has kept and will continue to keep the Group relatively stable. The cost containment measures involved recalibrating operational efficiencies i.e. rebasing cost and prioritising capital expenditure to conserve cash reserves and ensure that the Group is able to meet its financial and operational obligations. A series of cost cutting measures had been carried out on the Group's operating overheads and fixed costs which included downsize of manpower, closure of non-profitable outlets, deferral of all discretionary expenses and non-critical capital expenditures, whilst at the same time ensuring SOPs are being complied throughout the Group. The Group will continue to strategise, adapt and navigate through the challenging business environment and endeavor to take timely appropriate actions in order to minimise operating risks and maximise its resources.

- (ii) On 30 November 2017, the Company announced that the Company's subsidiary, Seruntun Maju Sdn. Bhd. ("SMSB") had received the bills of demand from the Royal Malaysian Customs ("Customs"), demanding payments of customs duties, excise duties, sales tax and Goods and Services Tax ("GST") all totalling RM41,594,986.86. The said bills of demand were raised by the Customs who alleged that SMSB did not comply with certain conditions of a duty-free shop located at the border.

On 29 June 2018, the High Court ruled against SMSB. On 2 July 2018, SMSB filed an appeal to the Court of Appeal against the High Court's decision of not granting an application for judicial review. Simultaneously, SMSB also filed a formal application to stay the effect and enforcement of the bills of demand raised on SMSB for import and excise duties.

On 6 March 2019, the Court of Appeal heard the appeal whereby both SMSB and the Customs submitted their respective legal arguments.

On 18 June 2020, the Court of Appeal unanimously ruled in favour of SMSB's appeal against the decision of the High Court and quashed the bills of demand issued by the Customs for customs duties and excise duties amounting to RM15,400,962.14 and RM23,560,972.94 respectively.

On 17 July 2020, the Customs applied to the Federal Court for leave to appeal against the Court of Appeal's decision. The Federal Court heard and dismissed the Customs' application on 11 January 2021 with costs.

Accordingly, the disputed bills of demand were set aside and SMSB has no obligation to pay the Customs the sum of RM41,594,986.86 as demanded by the Customs. In light of the Federal Court's ruling in favour of SMSB, an application was made to the Customs for the refund of the sales tax and GST paid amounting to RM2,326,451.78, which was previously paid by SMSB to the Customs.

On 25 February 2021, the Royal Malaysian Customs ("Customs") initiated criminal proceedings pursuant to Section 65D and Section 138 of the Customs Act 1967 ("Customs Act") towards SMSB and its officers before the Magistrate Court. The Company has engaged solicitors to represent SMSB and its officers.

The criminal charges were made on the basis that SMSB and its officers had breached the conditions of the duty-free license issued by Customs to SMSB under Section 65D of the Customs Act.

However, as previously announced, the legality of the conditions that were allegedly breached was challenged by SMSB through a judicial review application (civil proceeding) on 23 November 2017. On 18 June 2020, the conditions were unanimously held by the Court of Appeal to be ultra-vires of Section 65D of the Customs Act and that they ought to be quashed. On 11 January 2021, the Federal Court had dismissed Customs' appeal against the Court of Appeal's decision with costs. Customs had exhausted its rights to appeal and the conditions were conclusively quashed.

Thus, SMSB and its officers had pleaded not guilty and had claimed trial against these charges brought by Customs.

On 12 March 2021, a representation letter was sent to the Attorney General (“AG”), requesting the AG to discontinue criminal proceedings against SMSB and its officers. On 6 April 2021, the representation letter dated 12 March 2021 was rejected by the AG. The Deputy Public Prosecutor (“DPP”) then proposed to amend the charges against SMSB and its officers, jointly.

On 8 April 2021, the DPP withdrew the proposed amended charges as the proposed amended charges were defective since the proposed amended charges could not be read to all SMSB’s officers. One of SMSB’s officers was not present in Court to hear the proposed amended charges against him.

The Magistrate Court then fixed the next case management on 3 June 2021.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

12 If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared or recommended by the Board as the Group reported a loss for the financial period ended 28 February 2021.

13 Interested Person Transactions

Interested Persons	Aggregate value of interested person transactions entered into during the financial period under review (excluding transactions below S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a))	Aggregate value of interested person transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a) (excluding transactions below S\$100,000)
	RM'000	RM'000
Atlan Holdings Bhd	1,200	- (Note 1)

Note 1: The Company does not have any existing general mandate pursuant to Rule 920 of the Listing Rules.

14 Use of proceeds from placement exercises

The Company had, on 7 March 2016, 24 March 2016, 11 August 2016, 26 August 2016 and 23 March 2017 completed five placement exercises of (i) 39 million new ordinary shares in the capital of the Company; and (ii) 5.5 million treasury shares in the capital of the Company; (iii) 20 million new ordinary shares in the capital of the Company; (iv) 30 million new ordinary shares in the capital of the Company; and (v) 34.15 million new ordinary shares in the capital of the Company respectively, raising a total net proceeds of S\$43.6 million. As the use of the net proceeds (including the percentage allocation of the net proceeds) from the above mentioned placement exercises are identical to each other, the Company has aggregated the net proceeds raised from the abovementioned placement exercises together.

The Company intends to use the net proceeds from the abovementioned placement exercises as follows:

- 90% for general corporate requirements including but not limited to acquisition and funding of potential business opportunities, if any; and
- 10% for general working capital including but not limited to renovation and upgrading of business outlets, should the need arise.

The Company has utilised the net proceeds as follows:

- 1) US\$2.80 million (or approximately S\$3.82 million based on the exchange rate of S\$1.363 to US\$1.00) for the subscription for 2,800,000 new ordinary shares in Brand Connect Holding Pte. Ltd as disclosed in Note 10(iii) on 8 August 2018.
- 2) US\$0.85 million (or approximately S\$1.16 million based on the exchange rate of S\$1.37 to US\$1.00) for the purchase of inventories and payment of professional fees in relation to the acquisition of Brand Connect Holding Pte. Ltd. Group on 8 November 2018.

- 3) US\$0.80 million (or approximately S\$1.10 million based on the exchange rate of S\$1.37 to US\$1.00) for the purchase of inventories for Brand Connect Holding Pte. Ltd. Group on 5 December 2018.

As at the date of this announcement, following the abovementioned utilisation, approximately S\$37.52 million remains unutilised out of the net proceeds of S\$43.60 million from the abovementioned placement exercises.

The above utilisation of the Net Proceeds is consistent with the intended use of the net proceeds as disclosed in the Company's previous announcements released in relation to the Placement Exercises.

15 Significant related party transactions

All related party transactions had been entered into the ordinary course of business on normal commercial terms.

The transactions with related company and related parties of the Group are as set out below:

	Group		Group	
	Fourth quarter ended 28/29 February		Full year ended 28/29 February	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Related company:				
- Management fee	300	500	1,200	2,000
Related parties:				
- Donation to Yayasan Harmoni	-	-	750	1,000
- Purchases from Heinemann Asia Pacific Pte. Ltd. ("HAP")	39,943	81,061	95,165	252,461
- Management fee paid/payable to HAP	430	607	1,147	1,188
- Ad-space rental received/receivable from HAP	743	437	814	1,879
- Reimbursement of costs from HAP	393	1,718	3,087	4,638

16 Changes in the composition of the Group

There was no change in the composition of the Group during the current financial quarter under review.

17 Confirmation by the directors and executive officers pursuant to Rule 720(1) of the Listing Manual

The Board of Directors hereby confirms that all required undertakings pursuant to Rule 720(1) of the Listing Manual have been obtained from its Directors and Executive Officers in the format set out in Appendix 7.7 of the SGX-ST Listing Manual.

18 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year

	Trading of duty free & duty paid goods and non-dutiable merchandise RM'000	Investment holdings and others RM'000	Adjustments and eliminations RM'000	Group total RM'000
FY2021				
Revenue				
Sales to external customers	222,816	583	-	223,399
Inter-segment sales	-	-	-	-
Total revenue	<u>222,816</u>	<u>583</u>	<u>-</u>	<u>223,399</u>
Segment results	(32,177)	(1,007)	3	(33,181)
Finance costs				<u>(6,183)</u>
				(39,364)
Income tax expense				<u>(7,163)</u>
Profit for the year				<u>(46,527)</u>
FY2020				
Revenue				
Sales to external customers	615,987	1,251	-	617,238
Inter-segment sales	3	10,800	(10,803)	-
Total revenue	<u>615,990</u>	<u>12,051</u>	<u>(10,803)</u>	<u>617,238</u>
Segment results	16,921	8,356	5,556	30,833
Finance costs				<u>(6,822)</u>
				24,011
Income tax expense				<u>(12,902)</u>
Profit for the year				<u>11,109</u>

19 In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Kindly refer to Paragraphs 8 and 18 above.

20 A breakdown of revenue and profit after tax (before deducting non-controlling interests) for the continuing operations are as follows:

	Group		% increase/ (decrease) RM'000
	FY2021 RM'000	FY2020 RM'000	
(a) Revenue reported for first half year	104,012	250,350	(58.5%)
(b) Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(19,435)	13,174	(247.5%)
(c) Revenue reported for second half year	119,387	366,888	(67.5%)
(d) Operating (loss) after tax before deducting non-controlling interests reported for second half year	(27,092)	(2,065)	(1211.0%)

21 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY2021 S\$'000	FY2021 RM'000	FY2020 S\$'000	FY2020 RM'000
Ordinary Shares	-	-	6,011	18,493

22 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual:

There is no person occupying a managerial position in the Group who is a relative of a director, chief executive officer, or substantial shareholder of the Company pursuant to Rule 704(13) of the Listing Manual.

BY ORDER OF THE BOARD

Lee Sze Siang
Executive Director
27 April 2021