

**Privasia Technology Berhad**

200801023769 (825092-U)

*(Incorporated In Malaysia)*

**Unaudited Condensed Consolidated  
Interim Financial Statements  
for the 2nd Quarter Ended 30 June 2021**

**PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)**

*(Incorporated In Malaysia)*

**Unaudited Condensed Consolidated Interim Financial Statements**

**Unaudited Condensed Consolidated Statements of Financial Position as at 30 June 2021**

	<u>Note</u>	As At 30 June 2021	As At 31 December 2020
		RM	RM
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		16,513,705	19,629,626
Investment property		2,154,256	2,167,553
Goodwill		31,888,234	31,888,234
Other intangible assets		7,459,514	7,380,376
Investment in associates		68,750	68,750
Deferred tax assets		300,000	300,000
<b>Total non-current assets</b>		<b>58,384,459</b>	<b>61,434,539</b>
<b>Current Assets</b>			
Inventories		502,250	469,350
Current tax assets		191,346	185,910
Trade receivables		6,647,444	7,033,494
Other receivables, deposits and prepayments		3,946,194	3,195,158
Contract assets		6,664,347	4,920,396
Deposits, cash and bank balances		11,177,830	16,233,366
<b>Total current assets</b>		<b>29,129,411</b>	<b>32,037,674</b>
<b>TOTAL ASSETS</b>		<b>87,513,870</b>	<b>93,472,213</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		62,630,042	62,630,042
Exchange reserve		(18,321)	(10,352)
Retained earnings		500,716	293,228
		<b>63,112,437</b>	<b>62,912,918</b>
Non-controlling interests		(813,210)	(641,058)
<b>TOTAL EQUITY</b>		<b>62,299,227</b>	<b>62,271,860</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	8	6,332,341	8,626,937
Deferred tax liabilities		704,926	1,103,928
<b>Total non-current liabilities</b>		<b>7,037,267</b>	<b>9,730,865</b>
<b>Current liabilities</b>			
Loans and borrowings	8	6,332,292	8,067,082
Trade payables		2,396,535	4,036,000
Other payables and accruals		8,217,244	8,386,794
Contract liabilities		1,023,611	556,302
Current tax Liabilities		207,694	423,310
<b>Total current liabilities</b>		<b>18,177,376</b>	<b>21,469,488</b>
<b>TOTAL LIABILITIES</b>		<b>25,214,643</b>	<b>31,200,353</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>87,513,870</b>	<b>93,472,213</b>
<b>Net assets per share (RM)</b>		<b>0.10</b>	<b>0.10</b>

*The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the notes to the unaudited condensed consolidated interim financial statements.*

**PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)**

(Incorporated In Malaysia)

**Unaudited Condensed Consolidated Interim Financial Statements**

**Unaudited condensed consolidated statements of profit or loss and other comprehensive income for the financial period ended 30 June 2021**

	<i>Note</i>	<b>Current Year Three months ended 30 June 2021</b>	<b>Preceding Year Three months ended 30 June 2020 <i>Restated</i></b>	<b>Year-to-date 30 June 2021</b>	<b>Year-to-date 30 June 2020 <i>Restated</i></b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Revenue</b>		10,888,950	10,128,144	19,870,616	19,638,055
Cost of sales		(7,453,054)	(7,403,407)	(14,124,014)	(14,038,090)
<b>Gross profit</b>		<u>3,435,896</u>	<u>2,724,737</u>	<u>5,746,602</u>	<u>5,599,965</u>
Other income		79,860	76,479	1,477,748	213,122
Other expenses		(3,762,520)	(3,736,953)	(7,114,279)	(7,018,724)
Net impairment losses on financial instruments		41,319	384,651	89,188	423,275
<b>Results from operation</b>		<u>(205,445)</u>	<u>(551,086)</u>	<u>199,259</u>	<u>(782,362)</u>
Finance costs		(149,191)	(239,184)	(311,045)	(499,163)
<b>Loss before taxation</b>	24	<u>(354,636)</u>	<u>(790,270)</u>	<u>(111,786)</u>	<u>(1,281,525)</u>
Income tax expense	18	155,478	(359,835)	147,122	(650,609)
<b>Net (loss) / profit for the period</b>		<u>(199,158)</u>	<u>(1,150,105)</u>	<u>35,336</u>	<u>(1,932,134)</u>
Exchange differences on translation of foreign operation		(792)	(13,182)	(7,969)	(6,320)
<b>Total comprehensive (loss) / profit for the period</b>		<u>(199,950)</u>	<u>(1,163,287)</u>	<u>27,367</u>	<u>(1,938,454)</u>
<b>(Loss) / profit attributable to:</b>					
Owners of the company		(75,013)	(1,135,162)	207,488	(1,881,739)
Non-controlling interests		(124,145)	(14,943)	(172,152)	(50,395)
<b>Net (loss) / profit for the period</b>		<u>(199,158)</u>	<u>(1,150,105)</u>	<u>35,336</u>	<u>(1,932,134)</u>
<b>Total comprehensive (loss) / profit for the period</b>					
Owners of the company		(75,805)	(1,148,344)	199,519	(1,888,059)
Non-controlling interests		(124,145)	(14,943)	(172,152)	(50,395)
<b>Total comprehensive (loss) / profit for the period</b>		<u>(199,950)</u>	<u>(1,163,287)</u>	<u>27,367</u>	<u>(1,938,454)</u>
<b>(Loss) / earnings per share attributable to owners of the Company (sen)</b>					
- Basic & Diluted	25	<u>(0.01)</u>	<u>(0.20)</u>	<u>0.03</u>	<u>(0.34)</u>

The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the notes to the unaudited condensed consolidated interim financial statements.

**PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)**

(Incorporated In Malaysia)

**Unaudited Condensed Consolidated Interim Financial Statements****Unaudited condensed consolidated statement of changes in equity for the financial period ended 30 June 2021**

	<b>&lt;-----Attributable to owners of the Company-----&gt;</b>					<b>Total equity</b>
	<i>Non-distributable</i>	<i>&lt;-----Distributable-----&gt;</i>			<b>Non-controlling Interests</b>	
	<b>Share capital</b>	<b>Exchange reserve</b>	<b>Retained earnings</b>	<b>Sub Total</b>		
<b>At 1 January 2020</b>	55,820,002	(8,221)	6,605,060	62,416,841	(503,262)	61,913,579
Total comprehensive loss for the period	-	(6,320)	(1,881,739)	(1,888,059)	(50,395)	(1,938,454)
<b>At 30 June 2020</b>	<u>55,820,002</u>	<u>(14,541)</u>	<u>4,723,321</u>	<u>60,528,782</u>	<u>(553,657)</u>	<u>59,975,125</u>
<b>At 1 January 2021</b>	62,630,042	(10,352)	293,228	62,912,918	(641,058)	62,271,860
Total comprehensive profit for the period	-	(7,969)	207,488	199,519	(172,152)	27,367
<b>At 30 June 2021</b>	<u>62,630,042</u>	<u>(18,321)</u>	<u>500,716</u>	<u>63,112,437</u>	<u>(813,210)</u>	<u>62,299,227</u>

*The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the notes to the unaudited condensed consolidated interim financial statements.*

**PRIVASIA TECHNOLOGY BHD 200801023769 (825092-U)**

(Incorporated In Malaysia)

**Unaudited Condensed Consolidated Interim Financial Statements****Unaudited condensed consolidated statement of cash flows for the financial period ended 30 June 2021**

	Six months ended 30 June 2021 RM	Six months ended 30 June 2020 RM
<b>Cash flow from operating activities</b>		
Loss before tax	(111,786)	(1,281,525)
<i>Adjustments for:</i>		
Amortisation of intangible assets	497,999	316,742
Bad debts written off	-	376,043
Depreciation of investment property	13,298	13,298
Depreciation of property, plant and equipment	3,246,725	3,645,798
Loss/(gain) on disposal of property, plant and equipment	30,520	(1,401)
Impairment loss on trade receivables	35,078	54,023
Interest expense	311,045	499,163
Interest income	(80,339)	(102,241)
Inventories written off	-	863
Reversal of inventories written down	(11,848)	(1,350)
Property, plant and equipment written off	875	33,500
Reversal of impairment loss on trade receivables	(124,266)	(477,298)
Unrealised loss on foreign exchange	12,156	42,580
Operating profit before working capital changes	3,819,457	3,118,195
Change in inventories	(21,052)	358,310
Change in trade and other receivables	(275,798)	3,273,857
Change in contract assets	(1,743,951)	548,652
Change in trade and other payables	(1,831,417)	(76,528)
Change in contract liabilities	467,309	(523,133)
Net cash generated from operations	414,548	6,699,353
Tax paid	(472,931)	(336,596)
Interest paid	(311,045)	(499,163)
Interest received	80,339	102,241
Net cash (used in)/from operating activities	(289,089)	5,965,835
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property plant and equipment	3,486	1,806
Addition of intangible assets	(577,138)	(475,283)
Purchase of property, plant and equipment	(155,439)	(286,440)
Net cash used in investing activities	(729,091)	(759,917)
<b>Cash flow from financing activities</b>		
Placement of pledged deposits	(5,012)	(64,682)
Withdrawal of deposits with licensed banks	146,021	142,178
Proceed/(repayment) of trade facilities	566,636	(357,106)
Repayment of lease liabilities	(1,000,563)	(1,045,900)
Repayment of term loans	(4,335,401)	(753,128)
Net cash used in financing activities	(4,628,319)	(2,078,638)
<b>Net (decrease)/increase in cash and cash equivalent</b>	(5,646,499)	3,127,280
<b>Cash and cash equivalents at the beginning of the period</b>	10,964,873	(2,211,001)
<b>Exchange rate adjustment</b>	(7,969)	(13,182)
<b>Cash and cash equivalents at the end of the period</b>	5,310,405	903,097

	<b>Six months ended 30 June 2021 RM</b>	<b>Six months ended 30 June 2020 RM</b>
<b>Cash and cash equivalents at the end of the financial period comprised the following:</b>		
Fixed deposits	9,598,366	5,691,717
Cash and bank balances	1,579,464	4,015,111
	<u>11,177,830</u>	<u>9,706,828</u>
Less: Pledged deposits with licensed banks	(3,303,015)	(5,423,157)
Bank overdrafts	<u>(2,564,410)</u>	<u>(3,380,574)</u>
Cash and cash equivalent as presented in the condensed consolidated statement of cash flows	<u><u>5,310,405</u></u>	<u><u>903,097</u></u>

*The unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the notes to the unaudited condensed consolidated interim financial statements.*

**A. NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**1 Basis of preparation**

The unaudited condensed consolidated interim financial statements have been prepared in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market and the Malaysian Financial Reporting Standard (MFRS) 134 Interim Financial Reporting, which is in compliance with the International Accounting Standard (IAS) 34, Interim Financial Reporting.

The unaudited condensed consolidated interim financial statements have been reviewed by the auditors in accordance with ISRE 2410.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the latest audited financial statements of Privasia Technology Berhad ("the Company") and its subsidiaries ("Group") for the financial year ended ("FYE") 31 December 2020 and are available upon request from the Company's registered office at No. 62C, Jalan SS21/62, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.

The notes to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group for the financial period ended 30 June 2021.

**2 Significant accounting policies**

Unless otherwise stated, the accounting policies applied by the Group in these unaudited condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2020.

**3 Estimates**

There were no material changes in the estimates of amount reported in prior financial periods which would have a material effect in the financial period under review.

**4 Seasonal and cyclical factors**

The results of the Group were not materially affected by any significant seasonal and cyclical factors during the financial period under review.

**5 Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review.

**6 Issuances, cancellations, repurchases, resale and repayment of debt and equity securities**

There was no issuance, cancellation, repurchase, resale or repayment of debt securities and equity securities during the financial period under review.

**7 Dividend**

There were no dividends declared/recommended and paid to the shareholders by the Company during the financial period under review.

**8 Loans and borrowings**

	Group	
	30 June 2021	31 December 2020
	RM	RM
<b>Non-current</b>		
Term loans	6,286,893	8,553,148
Lease liabilities	45,448	73,789
	6,332,341	8,626,937
<b>Current</b>	<b>RM</b>	<b>RM</b>
Term loans	1,693,502	3,762,648
Lease liabilities	99,820	1,072,043
Trade facilities	1,974,560	1,407,924
Bank overdrafts	2,564,410	1,824,467
	6,332,292	8,067,082
<b>Total</b>	12,664,633	16,694,019

## 9 Segmental reporting

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Chief Executive Officer (the chief operating decision maker) reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's current reportable segments:

### (i) Information Technology ("IT")

IT infrastructure outsourcing, consultancy and systems integration and procurement management.

### (ii) Information and Communications Technology ("ICT")

Provision of wireless broadband infrastructure, comprehensive mobile and wireless communications consultancy, and systems development for ICT and mobile solutions providers and enterprises.

### (iii) Satellite-based network services ("SAT")

Provision of a broad spectrum of satellite-based network solutions, such as managed network, high speed internet, value-added broadband applications and satellite IP Virtual Private Network for the commercial sector and general public.

### (iv) Investment Holding

Investment holding and provision of management services.

Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The analysis of the Group's operations for the financial period ended 30 June 2021 is as follows:-

	Investment Holdings RM	IT RM	ICT RM	SAT RM	Elimination RM	Total RM
Total segment revenue	-	16,891,758	2,225,016	1,335,602	(581,760)	19,870,616
Gross profit	-	5,533,871	45,422	167,599	(290)	5,746,602
Other income	7,395	224,793	1,946	1,344,134	(100,520)	1,477,748
Other expenses	(721,076)	(5,322,865)	(545,381)	(621,384)	96,427	(7,114,279)
Net impairment losses on financial instruments	-	(4,428)	308,549	93,615	(308,548)	89,188
<b>Results from operations</b>	<b>(713,681)</b>	<b>431,371</b>	<b>(189,464)</b>	<b>983,964</b>	<b>(312,931)</b>	<b>199,259</b>
Finance costs						(311,045)
Income tax expense						147,122
<b>Net profit for the period</b>						<b>35,336</b>
<b>Segment assets</b>	77,689,625	82,318,941	14,108,200	2,128,895	(88,731,791)	<b>87,513,870</b>
<b>Segment liabilities</b>	35,585,206	32,582,044	11,545,348	2,145,454	(56,643,409)	<b>25,214,643</b>

## 10 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of quarter under review that have not been reflected in this interim financial report.

## 11 Change in composition of the Group

On 16 February 2021, Privanet Sdn Bhd, a wholly-owned subsidiary had entered into a Shareholders' Agreement with Ng Sau Foong and Mr Mohamad Firhan Bin Mohd Basheer for the purpose of regulating the relationship between the shareholders in Strategos Advisory Sdn Bhd ("SASB") upon the acquisition of 600 ordinary shares, representing 60% of the total issued share capital of SASB, for a total consideration of RM1.

## 12 Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets as at the date of this report.

## 13 Capital commitments

There were no material capital commitments for the purchase of property, plant and equipment incurred or known to be incurred for the financial period under review.

## 14 Financial instruments

The Group's financial risk management objectives and policies and risk profile are consistent with those disclosed in the consolidated annual financial statements as at and for the year ended 31 December 2020.

### Fair value information

The carrying amounts of cash and cash equivalents, short term receivables, payables and short term borrowings reasonably approximate to their fair values due to the relatively short term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial year under review.



## B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

### 15 Review of performance

#### Second Quarter Review

The Group recorded revenue of RM10.9 million in the second quarter ended 30 June 2021 (2Q21) as compared to RM10.1 million in the corresponding quarter in 2020 (2Q20).

The Information Technology ("IT") division reported revenue of RM9.6 million as compared to RM9.4 million in 2Q20. The division recorded an operating profit of RM0.5 million as compared to an operating profit of RM1.0 million in 2Q20 due to higher cost.

The Information and Communication Technology ("ICT") division reported revenue of RM1.1 million as compared to RM1.2 million in 2Q20. The division reported an operating profit of RM0.06 million as opposed to an operating loss of RM0.4 million incurred in 2Q20 due to the implementation of cost saving initiatives by the Group.

The Satellite-Based Services ("SAT") division recorded revenue of RM0.7 million as compared to RM0.6 million in 2Q20. The division reported an improved operating profit of RM0.02 million as opposed to an operating loss of RM1.0 million in 2Q20 attributed to lower cost.

The Group reported loss before tax ("LBT") and loss after tax ("LAT") of RM0.4 million and RM0.2 million respectively as compared to LBT and LAT of RM0.8 million and RM1.2 million respectively in 2Q20.

#### Six Months Review

For the six months ended 30 June 2021, Privasia recorded a minor increase of 1% revenue to RM19.9 million, as compared to RM19.6 million in the previous year's six months ended 30 June 2020.

Revenue for the IT division stood at RM16.9 million, compared to RM17.2 million in 2Q20. Lower revenue with higher cost had resulted in a reduction in operating profit from RM1.8 million in 2Q20 to RM0.4 million in 2Q21.

The revenue of ICT division in 2Q21 declined to RM2.2 million from RM2.9 million. 2Q2021 recorded a lower operating loss of RM0.2 million as compared to RM0.8 million in 2Q20 due to cost cutting measures.

The SAT division revenue remained at RM1.3 million in 2Q21 as compared to 2Q20. Lower cost and sales of a portfolio of our customer contracts have resulted in an operating profit of RM1.0 million, as opposed to an operating loss of RM1.6 million in 2Q20.

The Group recorded LBT and profit after tax ("PAT") of RM0.1 million and RM0.04 million respectively as compared to LBT and LAT of RM1.3 million and RM1.9 million respectively in 2Q20. The improved 2Q21 financial performance was mainly due to the strategic realignment of our SAT division's customers.

#### Comparison with Immediate preceding quarter

	Current Quarter 30 June 2021 RM	Immediate Preceding Quarter 31 March 2021 RM
<b>Group Result</b>		
Revenue	10,888,950	8,981,666
Gross profit	3,435,896	2,310,706
(Loss) / profit before interest and taxation	(205,445)	404,704
(Loss) / profit before taxation	(354,636)	242,850
(Loss) / profit after taxation	(199,158)	234,494
(Loss) / profit attributable to owners of the company	(75,013)	282,501

The Group recorded LBT of RM0.4 million in the current quarter as compared to a PBT of RM0.2 million in the preceding quarter. The LBT in 2Q21 was due to movement restrictions during the total lockdown which delayed the delivery of our products and services to the customers. The PBT reported in 1Q21 was contributed by the sale of a portfolio of customer contracts as a result of the strategic realignment in the SAT division.

## 16 Future prospects

The COVID-19 pandemic has resulted in challenging times for the economy as the number of COVID-19 cases continue to increase and many businesses remain in lockdown. Nevertheless, we have seen businesses shifting towards a greater adoption of digitalisation. Therefore, Privasia continues to remain optimistic as we push forward to become a leading major player in providing cloud-based IT and Fintech solutions.

The Government's initiative to spur technology advancement in Malaysia is a welcome boost for us. We are optimistic we will be able to leverage on our IT expertise as we continue to grow our client base. In March 2021, the Government introduced MyDIGITAL and set up Digital Nasional Berhad to accelerate 5G rollout in Malaysia, with a reported target to launch 5G services in selected areas by end-2021.

The IT division will likely remain as the main revenue contributor for the remainder of the year as the awareness and adoption of our Intellectual Property (IP) products, namely ProcureHere and Port Management Solutions (iTAP) continue to rise. For our ICT division, we have expanded our service scope besides In-building Coverage (IBC) and Outside Plant (OSP) to the last mile enterprise services (on-net services). We will also continue to deliver our outsourcing projects to our clients. We believe we are on the right track as we have successfully managed to secure new contracts from companies to provide our IT services.

We are also focused on the redevelopment of our iTAP solution, to include a cloud-based version with more automation and data analysis features. As a result, we have managed to secure new contracts from existing clients to enhance their iTAP experience including in areas of gate automation and paperless document processing. The newly enhanced solution similarly allows us to target additional ports of various sizes offering better 'features and price flexibility'.

Our order book has grown and remains optimistic, increasing from RM31 million in Q1 of 2021 to approximately RM69 million in Q2. The Group is constantly on the lookout for investment opportunities or strategic alliances to boost our future performance. The imposition of total lockdown measures by the government has resulted in delivery issues and order delays. Nevertheless, the Group is continuously working to ensure we satisfy our customers' needs and that all orders are met as we move towards pre-pandemic normality.

## 17 Variance on profit forecast

Not applicable as the Group has not issued any profit forecast.

## 18 Income tax expense

	Current quarter ended 30 June		Cumulative quarter ended 30 June	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Current tax</b>				
- Current year	(38,703)	560,474	251,880	736,628
	(38,703)	560,474	251,880	736,628
<b>Deferred tax</b>				
Origination and reversal of temporary differences	(116,775)	(200,639)	(399,002)	(86,019)
	(155,478)	359,835	(147,122)	650,609

## 19 Unquoted investments and properties

There were no purchases or disposals of unquoted investments and properties during the financial period under review.

## 20 Status of corporate proposals announced

Saved as disclosed below, there were no other corporate proposals announced as at the date of this report:

On 9 September 2020, the Company proposed to undertake the private placement of new ordinary shares representing approximately 10% of the total number of issued shares of the Company to third party investor(s). Bursa had, vide its letter dated 30 September 2020, approved the listing and quotation of up to 55,820,000 Placement shares.

The private placement was completed on 2 December 2020 following the listing of and the quotation of:

(i) On 27 November 2020, first tranche of the Private Placement had been completed following the listing of and quotation for the 27,910,000 placement shares at an issue price RM0.123 each and raised RM3,432,930 in the ACE Market of Bursa Malaysia Securities Berhad.

(ii) On 2 December 2020, second tranche of the Private Placement had been completed following the listing of and quotation for the 27,910,000 placement shares at an issue price RM0.121 each and raised RM3,377,110 in the ACE Market of Bursa Malaysia Securities Berhad

## 20 Status of corporate proposals announced (continued)

The details of utilisation of the proceeds to-date were as follows:

Details of Utilisation	Proposed utilisation	Actual utilisation	Remaining amount	Expected utilisation time frame
	(RM'000)	(RM'000)	(RM'000)	
Bank borrowings	3,123	3,123	-	Fully utilised
Working capital	3,577	3,577	-	Fully utilised
Estimated expenses	110	110	-	Fully utilised
<b>Total</b>	<b>6,810</b>	<b>6,810</b>	<b>-</b>	

## 21 Off balance sheet financial instruments

As at the reporting date, the Group does not have any off balance sheet financial instruments.

## 22 Material litigation

There was no material litigation as at the date of this report.

## 23 Auditor's report on preceding annual financial statements

The auditor's report on the latest audited annual financial statements for the year ended 31 December 2020 was not qualified.

## 24 Loss before taxation

	Current quarter ended 30 June		Cumulative quarter ended 30 June	
	2021 RM	2020 RM	2021 RM	2020 RM
<b>Loss for the period is arrived at after charging/ (crediting):</b>				
Amortisation of intangible assets	262,134	154,993	497,999	316,742
Depreciation of investment properties	6,649	6,649	13,298	13,298
Depreciation of property, plant and equipment	1,563,754	1,801,218	3,246,725	3,645,798
Property, plant and equipment written off	-	32,966	875	33,500
Reversal of impairment loss on trade receivables	(42,879)	(438,674)	(124,266)	(477,298)
Impairment loss on trade receivables	1,560	54,023	35,078	54,023
Bad debts written off	-	376,043	-	376,043
Unrealised (gain)/loss on foreign exchange	(1,874)	(7,896)	12,156	42,580
Realised loss on foreign exchange	19,733	52,150	7,197	55,675
Loss/(gain) on disposal of property, plant and equipment	18,422	(104)	30,520	(1,401)
Written off of inventories	-	-	-	863
Reversal of inventories written down	-	(1,350)	(11,848)	(1,350)
Finance costs	149,191	239,184	311,045	499,163
Finance income	(37,822)	(20,351)	(80,339)	(102,241)

## 25 (Loss) / earnings per share

(a) Basic & diluted (loss) / earnings per share

Basic (loss) / earnings per share is calculated by dividing the loss after taxation for the period by the weighted average number of ordinary shares in issue during the period.

	Current quarter ended 30 June		Cumulative quarter ended 30 June	
	2021	2020	2021	2020
(Loss) / profit attributable to equity holders (RM)	(75,013)	(1,135,162)	207,488	(1,881,739)
Weighted average number of ordinary shares in issue (units)	614,020,020	558,200,020	614,020,020	558,200,020
Basic (loss) / earnings per share (sen)	<u>(0.01)</u>	<u>(0.20)</u>	<u>0.03</u>	<u>(0.34)</u>

## 26 Authorisation for issue

The unaudited condensed consolidated interim financial statement was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 August 2021.