

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTERS</u>	
		Current Quarter Ended 30.09.2021 RM'000	Preceding Corresponding Quarter Ended 30.09.2020 RM'000	Current Year to Date Ended 30.09.2021 RM'000	Preceding Year To Date Ended 30.09.2020 RM'000
Revenue		14,025	13,040	14,025	13,040
Cost of sales		(10,240)	(9,213)	(10,240)	(9,213)
Gross profit		3,785	3,827	3,785	3,827
Other income		254	212	254	212
Administrative expenses		(1,616)	(1,594)	(1,616)	(1,594)
Other operating expenses		(759)	(494)	(759)	(494)
Finance costs		(158)	(154)	(158)	(154)
Profit before taxation		1,506	1,797	1,506	1,797
Taxation		(460)	(458)	(460)	(458)
Profit after taxation/total comprehensive income for the financial period		1,046	1,339	1,046	1,339
Attributable to:					
- Owners of the Company		1,036	1,225	1,036	1,225
- Non-controlling interests		10	114	10	114
		1,046	1,339	1,046	1,339
Attributable to equity holders of the Company:					
- Basic earnings per share (sen)	B11	0.36	0.46	0.36	0.46
- Diluted earnings per share (sen)	B11	0.36	0.46	0.36	0.46

Note:

- (1) The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	UNAUDITED AS AT 30.09.2021 RM'000	AUDITED AS AT 30.06.2021 RM'000
	Notes	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	25,676	25,659
Investment properties	9,585	9,641
Right of use assets	13,857	13,741
	<u>49,118</u>	<u>49,041</u>
CURRENT ASSETS		
Contract costs	452	379
Trade receivables and contract assets	25,870	27,266
Other receivables, deposits and prepayments	1,117	750
Current tax assets	5,388	5,293
Short-term investments	17,698	7,788
Cash and bank balances	18,869	26,629
	<u>69,394</u>	<u>68,105</u>
TOTAL ASSETS	<u>118,512</u>	<u>117,146</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	63,390	63,390
Merger deficit	(16,052)	(16,052)
Retained profits	41,740	40,704
Equity attributable to owners of the Company	89,078	88,042
Non-controlling interests	318	308
TOTAL EQUITY	<u>89,396</u>	<u>88,350</u>
NON-CURRENT LIABILITIES		
Borrowings	B9 18,697	18,838
Deferred tax liabilities	287	287
	<u>18,984</u>	<u>19,125</u>

BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	UNAUDITED	AUDITED
	AS AT	AS AT
	30.09.2021	30.06.2021
Notes	RM'000	RM'000
CURRENT LIABILITIES		
Trade payables and contract liabilities	5,666	5,319
Other payables, deposits and accruals	2,997	3,136
Borrowings	1,469	1,216
	<u>10,132</u>	<u>9,671</u>
TOTAL LIABILITIES	29,116	28,796
TOTAL EQUITY AND LIABILITIES	<u>118,512</u>	<u>117,146</u>
Net asset per share (RM) ²	<u>0.31</u>	<u>0.31</u>

Notes:

- (1) The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the FYE 30 June 2021 and accompanying explanatory notes attached to the interim financial statements.
- (2) Based on the Company's total number of issued shares of 286,436,750 ordinary shares for financial period ended 30 September 2021 and financial year ended 30 June 2021.

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Non-Distributable		Distributable		Non-Controlling Interests	Total
	Share Capital	Merger Deficit	Retained Profits	Attributable to Owners of the Company		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.7.2020	56,588	(16,052)	38,325	78,861	184	79,045
Total comprehensive income for the financial year	-	-	1,225	1,225	114	1,339
Balance at 30.09.2020	56,588	(16,052)	39,550	80,086	298	80,384
Balance at 1.7.2021	63,390	(16,052)	40,704	88,042	308	88,350
Total comprehensive income for the financial year	-	-	1,036	1,036	10	1,046
Balance at 30.09.2021	63,390	(16,052)	41,740	89,078	318	89,396

Note:

- (1) The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Current Year To Date Ended 30.09.2021 RM'000	Preceding Year To Date Ended 30.09.2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,506	1,797
Adjustments for:		
Allowance for impairment losses on trade and other receivables	125	-
Depreciation of property, plant and equipment	374	216
Depreciation of investment properties	56	56
Depreciation of right of use assets	198	222
Interest expenses	158	154
Gain on disposal of property, plant and equipment	(15)	-
Interest income	(78)	(137)
Reversal of impairment losses on trade receivables	(8)	(44)
Unrealised loss on foreign exchange	6	77
Operating profit before working capital changes	<u>2,322</u>	<u>2,341</u>
Changes in working capital:		
Receivables	839	(1,092)
Payables	<u>208</u>	<u>67</u>
CASH FROM OPERATIONS	<u>3,369</u>	<u>1,316</u>
Tax paid	(554)	(675)
Tax refund	-	10
Interest paid	(45)	(32)
Interest received	<u>78</u>	<u>137</u>
NET CASH FROM OPERATING ACTIVITIES	<u>2,848</u>	<u>756</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of right-of-use assets	(49)	-
Purchase of property, plant and equipment	(391)	(3,601)
Proceeds from disposal of property, plant and equipment	<u>15</u>	<u>30</u>
NET CASH FOR INVESTING ACTIVITIES	<u>(425)</u>	<u>(3,571)</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of term loans	(139)	-
Repayment of lease liabilities	<u>(127)</u>	<u>(60)</u>
NET CASH FOR FINANCING ACTIVITIES	<u>(266)</u>	<u>(60)</u>

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	Current Year To Date Ended 30.09.2021 RM'000	Preceding Year To Date Ended 30.09.2020 RM'000
Net change in cash and cash equivalents	2,157	(2,875)
Effects of changes in foreign exchange rate	(6)	77
Cash and cash equivalents at beginning of financial year	<u>34,416</u>	<u>40,554</u>
Cash and cash equivalents at end of financial year	<u><u>36,567</u></u>	<u><u>37,602</u></u>
Cash and cash equivalents consist of:		
Cash and bank balances	18,869	33,244
Short- term investments	<u>17,698</u>	<u>4,358</u>
	<u><u>36,567</u></u>	<u><u>37,602</u></u>

Note:

- (1) The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 September 2021

A1 Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”).

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2021.

MFRS, amendments and improvements to MFRSs and IC Interpretation

The Malaysian Accounting Standards Board had issued the following new standard, amendments and improvements to MFRSs and IC interpretation, all of which are effective for the financial period beginning on or after 1 January 2020.

- MFRS 17 Insurance Contracts
- Amendments to MFRS 3: Reference to the Conceptual Framework
- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform-Phase 2
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to MFRS 101: Disclosure of Accounting Policies
- Amendments to MFRS 108: Definition of Accounting Estimates
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 17: Insurance Contracts
- Amendments to MFRS 16: Covid-19-Related Rent Concessions
- Amendments to MFRS 16: Covid-19-Related Rent Concessions beyond by 30 June 2021
- Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Annual Improvements to MFRS Standards 2018- 2020

The Group has not applied in advance any new or revised MFRS and IC interpretation which are applicable to the Group but are not yet effective for the Group’s current financial period.

A2 Auditor’s Report of preceding annual financial statements

The preceding year’s audited financial statements of the Group did not contain any qualification.

A3 Comments about Seasonal and Cyclical Factors

The Group did not experience significant fluctuations in operations due to seasonal factors or cyclical factors during the period under review.

A4 Items of Unusual Nature and Amount

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

A5 Material Changes in Estimates

There were no material changes in estimates that may have a material effect in the period under review and the financial period to date.

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 September 2021 (Cont'd)

A6 Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities since the last annual reporting date.

A7 Dividends Paid

No dividend has been paid in the period under review and the previous corresponding period.

A8 Segmental Reporting

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely in the provision of support services for satellite, mobile and fibre optic telecommunications networks in Malaysia.

A9 Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment in the period under review.

A10 Capital Commitments

	As at 30.09.2021 RM'000	As at 30.06.2021 RM'000
Approved and contracted for:		
- Property, plant and equipment	1,504	1,989
- Office building	1,713	1,917
	<hr/> 3,217 <hr/>	<hr/> 3,906 <hr/>

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A Explanatory notes to the Unaudited Interim Financial Report for the quarter ended 30 September 2021 (Cont'd)

A11 Material Subsequent Event

Proposed Acquisition and Proposed Diversification

On 21 July 2021, the additional listing application in relation to the Proposed Acquisition has been submitted to Bursa Securities by TA Securities Holdings Berhad ("TA Securities") on behalf of the Group.

On 18 Aug 2021, the approval granted by Bursa Securities for the listing and quotation of the Consideration Shares is subject to the following conditions:

- (i) Binasat Communications Berhad ("Binacom") and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Acquisition;
- (ii) Binacom and TA Securities to inform Bursa Securities upon the completion of the Proposed Acquisition;
- (iii) Binacom to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Acquisition is completed;
- (iv) Compliance by Binacom with the public shareholding spread upon completion of the Proposed Acquisition. In this connection, TA Securities is to furnish a schedule containing the information set out in Appendix 8E, Chapter 8 of the Listing Requirements to Bursa Securities, prior to the allotment and issuance of the Consideration Shares; and
- (v) Binacom to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders in general meeting approving the Proposed Acquisition and Proposed Diversification.

On 24 September 2021, Binacom has obtained approval by the shareholders via Extraordinary General Meeting ("EGM").

On 13 October 2021, TA Securities has announced that all the required precedent conditions have been fulfilled and marking the acquisition completed accordingly. Following the completion, Borderless Connection Sdn Bhd has become a 51% owned subsidiary of the Group.

A12 Changes in Composition of the Group

There were no changes in the composition of the Group in the period under review.

A13 Contingent Assets or Liabilities

As at the reporting date, one of the subsidiaries of the Group, Binasat Sdn Bhd ("Binasat") has claimed approximately RM1,177,000 (including profit portion) being the sum due and amount owing for work carried out and completed for Rosado Tradeline Sdn Bhd ("Rosado").

Solicitors of Binasat are of the view that there is reasonably good chance for Binasat to succeed in its claim against Rosado.

Contingent liabilities of the Group as at 30 September 2021 comprises bank guarantees issued to our customers for the purpose of performance bonds amounting to RM1,608,433.

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B Additional Information Required by the Listing Requirements

B1 Comparison with Preceding Year Corresponding Quarter

	<u>Quarter ended</u>		Variance
	30.09.2021	30.09.2020	
	(1Q 22)	(1Q 21)	
	RM'000	RM'000	%
Revenue	14,025	13,040	7.55%
Gross Profit	3,785	3,827	-1.10%
Profit before taxation	1,506	1,797	-16.19%

In 1Q22, the Group's revenue increased by RM0.99 million or 7.55% as compared to the preceding year corresponding quarter. The increase in revenue was mainly due to higher revenue on Mobile TI Engineering works, civil electrical engineering ("CME") works and fibre civil infrastructure and fibre optic cabling works for the new secured projects.

The Group's gross profit ("GP") slightly decreased by RM0.04 million or 1.10% as compared to the preceding year corresponding quarter. This was mainly due to the lower profit margin secured for new fibre projects.

The Group's profit before taxation ("PBT") decreased by RM0.29 million or 16.19% as compared to the preceding year corresponding quarter. This was mainly due to additional professional fees incurred in this quarter amounting RM0.22 million and lower of interest income of RM0.07 million.

B2 Comparison with Immediate Preceding Quarter Results

	<u>Quarter ended</u>		Variance
	30.09.2021	30.06.2021	
	(1Q 22)	(4Q 21)	
	RM'000	RM'000	%
Revenue	14,025	17,646	-20.52%
Gross Profit	3,785	2,958	27.96%
Profit before taxation	1,506	992	51.81%

In 1Q22, the Group's revenue decreased by RM3.62 million or 20.52% as compared to the immediate preceding quarter. The decrease in revenue was mainly due to lower activities on civil infrastructure and fibre optic cabling works.

The Group's GP increased by RM0.83 million or 27.96% as compared to the immediate preceding quarter. This was mainly due to higher gross profit margin under CME works.

The Group's PBT increased by RM0.51 million or 51.81% as compared to the immediate preceding quarter. This was mainly due to the increase in gross profit as explained above.

B Additional Information required by the Listing Requirements (Cont'd)

B3 Commentary on Prospects

The Group expects to complete another C-band gateway by end of December 2021, and in a view that it can contribute additional recurring revenue to the Group by early 2022.

In February 2021, the Malaysian Government announced the MyDIGITAL initiative and the Malaysia Digital Economy Blueprint. MyDIGITAL is a national initiative which symbolises the aspirations of the Government to successfully transform Malaysia into a digitally-driven, high income nation and a regional leader in digital economy. It also sets out a combination of initiatives and targets across three phases of implementation until the year 2030 and the Malaysia Digital Economy Blueprint spells out the efforts and initiatives to deliver the aspirations of MyDIGITAL.

Under this initiative, RM21 billion will be invested over 5 years through National Digital Network (JENDELA) project to strengthen existing connectivity. In addition, RM15 billion will be invested over 10 years for the implementation of 5G technology nationwide. The Group expects to benefit from this initiative through its fibre infrastructure for 5G deployment and/or potential demand for its existing data centre.

In July 2021, Digital Nasional Berhad (DNB) has announced its partnership with Ericsson (Malaysia) Sdn Bhd (Ericsson) to accelerate the deployment of Malaysia's nationwide 5G network and ecosystem. Where the work will be undertaken by Ericsson at a total cost of RM11 billion. The Group has been awarded as one of the Ericsson's Approved Supplier & Partner (ASP) and has benefit from this project. Nevertheless, the Group also being awarded as one of the main TI Engineering sub-contractors from existing client.

In August 2021, one of our subsidiaries awarded by DBKL as one of the NFP panel to build the 5G Tower over the 5 years and this expects to generate a new revenue stream which in line with the implementation of 5G.

As the COVID-19 pandemic situation is still evolving, the Group will remain vigilant by closely monitoring developments to ascertain the magnitude of the on-going impact from the COVID-19 pandemic and will continue to exercise prudent approach in managing the operations of the Group. To date, total 98.46% of our staffs are fully vaccinated, the Group will continue to monitor and ensure to meet 100% fully vaccinated rate for the Group.

Premised on the above, the Board is looking forward to better economic prospects in 2022 in view of the on-going vaccination programme, the Malaysian Government's expectation of achieving herd immunity by end of 2021 and the initiatives was announced by the Malaysian Government.

B Additional Information required by the Listing Requirements (Cont'd)

B4 Profit Forecast

The Company did not issue any profit forecast or guarantee during the period under review.

B5 Taxation

	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date Ended	Preceding Year To Date Ended
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Malaysia income tax:				
- Current tax	460	458	460	458
	<u>460</u>	<u>458</u>	<u>460</u>	<u>458</u>
Effective tax rate ⁽¹⁾	30.52%	25.48%	30.52%	25.48%

Note:

- (1) The Group's effective tax rate of 30.52% for the current quarter is higher than the statutory tax rate mainly due to adjustment for non-deductible expenses.

B6 Status of Corporate Proposals

Save as disclosed below, there is no other outstanding corporate proposals which have been announced but are pending completion as at the date of this announcement.

Private Placement

On 14 October 2021, TA Securities had announced on behalf of the Board that the Group proposes to undertake a private placement of up to 64,715,900 new ordinary shares in Binacom ("Placement Shares"), representing up to 20% of the total number of issued shares of Binacom to third party investor(s) to be identified later and at an issue price to be determined later ("Private Placement").

Bursa Securities had on 1 November 2021 approved the listing and quotation of up to 64,715,900 Placement Shares to be issued pursuant to the Private Placement.

The Group had on 3 November 2021 ("Price-fixing Date") fixed the issue price for the first tranche of placement shares at RM0.345 per Placement Share ("Issue Price"). The Issue Price represents a discount of approximately 9.59% to the 5-day VWAP of Binacom Shares up to and including 2 November 2021 of RM0.3816, being the last market day immediately preceding the Price-fixing Date.

The Group had on 16 November 2021 issued 21,375,000 Placement Shares with the issue price of RM0.345 per Issue Share.

On 19 November 2021, TA Securities had announced on behalf of the Board that Binacom had fixed the issue price for the second tranche of placement shares at RM0.303 per Placement Share ("Issue Price"). The Issue Price represents a discount of approximately 9.74% to the 5-day VWAP of Binacom Shares up to and including 18 November 2021 of RM0.3357, being the last market day immediately preceding the Price-fixing Date.

B Additional Information required by the Listing Requirements (Cont'd)

B7 Utilisation of Proceeds

(i) Public Issue

As at 18 May 2020, the gross proceeds from the Company's initial public offering amounting to RM39.55 million has been utilised in the following manner:

Details of use of proceeds		Estimated Timeframe for Utilisation⁽¹⁾	Proposed Utilisation RM'000	Actual Utilisation RM'000	Percentage Utilised %
1	Setting up a teleport	Within 24 months	14,360	14,360	100.00%
2	Enhancing operations and maintenance services capability	Within 36 months	4,900	1,505	30.71%
3	Enhancing fiber optic network installation and commissioning services capability	Within 36 months	4,800	58	1.21%
4	Regional business expansion in ASEAN countries	Within 36 months	1,500	8	0.53%
5	Working capital	Within 30 months	10,790	10,790	100.00%
6	Estimated listing expenses	Within 3 months	3,200	3,200	100.00%
			39,550	29,921	75.65%

Note:

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities on 8 January 2018. The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 13 December 2017 and the Company's announcement dated 28 February 2020.

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

B Additional Information required by the Listing Requirements (Cont'd)

B7 Utilisation of Proceeds (Cont'd)

As announced on 15 June 2020, items 2, 3 and 4 of the above utilisation of proceeds has been varied. The status of the utilisation of proceeds as at 30 September 2021 is as follows:

Details of use of proceeds		Estimated Timeframe for Utilisation ⁽¹⁾	Initial Utilisation RM'000	Actual	Balance	Varied Amount RM'000	Total amount after Variation RM'000	Actual	Balance
				Utilisation as at 18 May 2020 RM'000	unutilised as at 18 May 2020 RM'000			utilisation 30 September 2021 RM'000	unutilised as 30 September 2021 RM'000
2	Enhancing operations and maintenance services capability	Within 18 months ⁽¹⁾	4,900	1,505	3,395	-	3,395	1,416	1,979
3	Enhancing fiber optic network installation and commissioning services capability	Within 18 months ⁽¹⁾	4,800	58	4,742	1,492	6,234	6,234	-
4	Regional business expansion in ASEAN countries	Within 18 months ⁽¹⁾	1,500	8	1,492	(1,492)	-	-	-
			11,200	1,571	9,629	-	9,629	7,650	1,979

Note:

(1) From the date of announcement in relation to the variation of utilisation of proceeds on 15 June 2020.

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

B Additional Information required by the Listing Requirements (Cont'd)

B8 Utilisation of Proceeds (Cont'd)

(ii) Private placement

Details of use of proceeds	Estimated Timeframe for Utilisation⁽¹⁾	Proceed Utilisation RM'000	Actual Utilisation RM'000	Balance unutilised as 30 September 2021 RM'000
i. Installation of new data centre at the Group's satellite teleport facility	Within 24 months ⁽¹⁾	4,000	3,645	355
ii. Working capital	Within 24 months ⁽¹⁾	2,704	2,704	-
iii. Expenses for the Proposed Private Placement	Immediate	97	97	-
		<u>6,801</u>	<u>6,446</u>	<u>355</u>

Note:

- (1) From the date of announcements on the Private Placement has been completed following the listing and quotation of the second and final tranche of 10,069,200 Placement Shares on 2 December 2020.

B9 Group Borrowings

	As at 30.09.2021 RM'000	As at 30.06.2021 RM'000
Non-current:		
Term loans (secured)	5,448	5,587
Lease liabilities (secured)	13,249	13,251
	<u>18,697</u>	<u>18,838</u>
Current:		
Term loans (secured)	470	470
Lease liabilities (secured)	999	746
	<u>1,469</u>	<u>1,216</u>

The Group's borrowings are denominated in Ringgit Malaysia.

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BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021****B Additional Information required by the Listing Requirements (Cont'd)****B10 Material Litigation**

The Board wishes to report status of the suit case being commenced by its subsidiary, Binasat against the sub contract as below:

(i) Binasat (“Plaintiffs”) and Rosado Tradeline Sdn Bhd (“Rosado”) (“Defendant”)

Binasat commenced this suit against Rosado claiming for the sum due and owing to Binasat for works carried out and completed for Rosado up to the date of the termination. This suit has been fixed for trial on 26 June 2022 to 30 June 2022.

B11 Earnings per Share

The basic and diluted earnings per share for the current quarter and financial year-to-date are computed as follows:

	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date Ended	Preceding Year To Date Ended
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Profit after taxation attributable to owners of the Company (RM)	1,036	1,225	1,036	1,225
Weighted average number of shares	286,437	264,368	286,437	264,368
Basic earnings per share (sen) ⁽¹⁾	0.36	0.46	0.36	0.46
Diluted earnings per share (sen) ⁽²⁾	0.36	0.46	0.36	0.46

Notes:

- (1) The basic earnings per share is calculated by dividing the profit after taxation attributable to owners of the Company by the weighted average number of ordinary shares for the period under review.
- (2) Diluted earnings per share is equivalent to the basic earnings per share as the Group does not have convertible securities as at 30 September 2021.

B12 Derivatives

The Group did not enter into any derivative contracts during the period under review.

B13 Disclosure of gain/losses arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss for the period under review.

BINASAT COMMUNICATIONS BERHAD (REGISTRATION NO. 201701008491 (1222656-D))**INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021****B Additional Information required by the Listing Requirements (Cont'd)****B14 Notes to the Statement of Profit or Loss and Other Comprehensive Income**

Profit before taxation is arrived at after charging/(crediting):

	Current Quarter Ended 30.09.2021 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2020 RM'000	Current Year To Date Ended 30.09.2021 RM'000	Preceding Year To Date Ended 30.09.2020 RM'000
Allowance for impairment losses on trade and other receivables	125	-	125	-
Depreciation of property, plant and equipment	374	216	374	216
Depreciation of investment properties	56	56	56	56
Depreciation of right of use assets	198	222	198	222
Interest expenses	158	154	158	154
Realised (gain)/loss on foreign exchange	(46)	20	(46)	20
Rental income	(105)	-	(105)	-
Reversal of impairment losses on trade receivables	(8)	(44)	(8)	(44)
Interest income	(78)	(137)	(78)	(137)
Gain on disposal of property, plant and equipment	(15)	-	(15)	-
Unrealised loss on foreign exchange	6	77	6	77
Other income ⁽¹⁾	(2)	(31)	(2)	(31)

Note:

(1) Other income includes, amongst others, compensation from the Group's customer and processing fees.

Same as disclosed above and in the Condensed Consolidated Statement of Profit or Loss, other disclosure items pursuant to Note 16 of Appendix 9B Part A of the Listing Requirements are not applicable to the Group.

BY ORDER OF THE BOARD**TAI YIT CHAN (MAICSA 7009143)
TAN AI NING (MAICSA 7015852)
COMPANY SECRETARIES****KUALA LUMPUR
30 NOVEMBER 2021**