



**GAGASAN NADI CERGAS**  
BERHAD (201701024800)

(Incorporated in Malaysia)

**Interim Financial Statements  
For The Financial Period Ended  
31 March 2021**



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1<sup>ST</sup>) QUARTER FINANCIAL PERIOD ENDED 31 MARCH 2021<sup>(1)</sup>**

	Note	Quarter Ended		Year-To-Date Ended	
		31.03.2021 RM'000	31.03.2020 RM'000	31.03.2021 RM'000	31.03.2020 RM'000
Revenue	A9	53,704	55,143	53,704	55,143
Operating expenses		(50,824)	(53,195)	(50,824)	(53,195)
Other operating income		9,837	7,895	9,837	7,895
Finance costs		(3,622)	(4,304)	(3,622)	(4,304)
<b>Profit before taxation</b>	B12	<u>9,095</u>	<u>5,539</u>	<u>9,095</u>	<u>5,539</u>
Income tax expense	B6	<u>(3,086)</u>	<u>(1,838)</u>	<u>(3,086)</u>	<u>(1,838)</u>
<b>Profit after taxation</b>		<u>6,009</u>	<u>3,701</u>	<u>6,009</u>	<u>3,701</u>
<b>Profit/(Loss) after taxation</b>					
<b>attributable to:-</b>					
Owners of the Company		4,998	3,947	4,998	3,947
Non-controlling interests		<u>1,011</u>	<u>(246)</u>	<u>1,011</u>	<u>(246)</u>
		<u>6,009</u>	<u>3,701</u>	<u>6,009</u>	<u>3,701</u>
<b>Total comprehensive</b>					
<b>income/(loss) attributable to:-</b>					
Owners of the Company		4,998	3,947	4,998	3,947
Non-controlling interests		<u>1,011</u>	<u>(246)</u>	<u>1,011</u>	<u>(246)</u>
		<u>6,009</u>	<u>3,701</u>	<u>6,009</u>	<u>3,701</u>
<b>Earnings per share</b>					
<b>attributable to owners of</b>					
Basic EPS (sen)	B11	0.66	0.52	0.66	0.52
Diluted EPS (sen)	B11	<u>0.66</u>	<u>0.52</u>	<u>0.66</u>	<u>0.52</u>

**Notes:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021<sup>(1)</sup>**

	Note	Unaudited 31.3.2021 RM'000	Audited 31.12.2020 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		28,256	27,570
Inventories		76,899	56,492
Right-of-use assets		2,863	3,112
Trade receivables		522,687	531,144
		<u>630,705</u>	<u>618,318</u>
<b>Current assets</b>			
Inventories		59,314	65,446
Contract assets		51,457	25,748
Trade receivables		62,224	62,767
Other receivables, deposits and prepayments		17,200	21,543
Current tax assets		3,344	3,145
Fixed deposits with licensed banks		42,625	45,705
Cash and bank balances		69,585	63,765
		<u>305,749</u>	<u>288,119</u>
<b>TOTAL ASSETS</b>		<u>936,454</u>	<u>906,437</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		136,444	136,444
Reserves		314,790	313,557
Equity attributable to owners of the Company		<u>451,234</u>	<u>450,001</u>
Non-controlling interests		4,905	3,894
<b>Total equity</b>		<u>456,139</u>	<u>453,895</u>
<b>Non-current liabilities</b>			
Borrowings	B8	288,951	262,401
Deferred tax liabilities		77,528	77,482
		<u>366,479</u>	<u>339,883</u>
<b>Current liabilities</b>			
Trade payables		60,395	68,213
Other payables and accruals		8,994	5,971
Borrowings	B8	41,065	36,179
Provision for taxation		3,382	2,296
		<u>113,836</u>	<u>112,659</u>
<b>Total liabilities</b>		<u>480,315</u>	<u>452,542</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>936,454</u>	<u>906,437</u>
<b>Number of issued shares ('000)</b>		753,000	753,000
<b>Net asset per share attributable to Owners of the Company (RM)</b>		0.60	0.60

**Note:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST (1<sup>ST</sup>) QUARTER FINANCIAL PERIOD ENDED 31 MARCH 2021<sup>(1)</sup>**

	← Distributable →				
	Share Capital RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance at 1.1.2020	136,444	304,815	441,259	4,916	446,175
Profit for the financial year, representing total comprehensive income for the financial period	-	3,947	3,947	(246)	3,701
Contributions by and distribution to owners of the Company:					
- Dividends paid	-	(3,765)	(3,765)	-	(3,765)
Balance at 31.3.2020	<u>136,444</u>	<u>304,997</u>	<u>441,441</u>	<u>4,670</u>	<u>446,111</u>
Balance at 1.1.2021	136,444	313,557	450,001	3,894	453,895
Profit for the financial period, representing total comprehensive income/(loss) for the financial period	-	4,998	4,998	1,011	6,009
Contributions by and distribution to owners of the Company:					
- Dividends paid	-	(3,765)	(3,765)	-	(3,765)
Balance at 31.3.2021 (Unaudited)	<u>136,444</u>	<u>314,790</u>	<u>451,234</u>	<u>4,905</u>	<u>456,139</u>

**Notes:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FIRST (1<sup>ST</sup>) QUARTER FINANCIAL PERIOD ENDED 31 MARCH 2021<sup>(1)</sup>**

	<b>3 Months Ended</b>	
	<b>31.3.2021</b>	<b>31.3.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
<b>Profit before taxation</b>	9,095	5,539
Adjustments for:-		
Depreciation of:		
- property, plant and equipment	371	355
- right-of-use assets	231	222
Impairment loss:		
- trade receivable	798	986
- other receivable	-	12
Finance cost	3,622	4,304
Accretion of fair value on non-current trade receivables	(6,866)	(7,222)
Reversal of impairment losses under MFRS 9		
- trade receivable	(42)	(193)
Finance income	(261)	(431)
Operating profit before working capital changes	6,948	3,572
Decrease /(Increase) in inventories	9,407	(3,318)
Increase in contract assets	(25,709)	(2,224)
Decrease in trade and other receivables	19,453	24,666
Decrease in trade and other payables	(4,795)	(14,393)
<b>Cash from operating activities</b>	5,304	8,303
Income tax paid	(2,153)	(2,571)
<b>Net cash from operating activities</b>	3,151	5,732
<b>Cash flows (for)/from investing activities</b>		
Finance income received	261	431
Purchase of right-of-use assets	18	(424)
(Placement)/Withdrawal of pledged fixed deposits and with tenure more than 3 months	17,975	(9,224)
Purchase of land for property development	(23,681)	(125)
Purchase of property, plant and equipment	(1,056)	(1,280)
<b>Net cash (for)/from investing activities</b>	(6,483)	(10,622)



**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FIRST (1<sup>ST</sup>) QUARTER FINANCIAL PERIOD ENDED 31 MARCH 2021<sup>(1)</sup> (CONT'D)**

	3 Months Ended	
	31.3.2021	31.3.2020
	RM'000	RM'000
<b>Cash flows from/(for) financing activities</b>		
Dividends paid	(3,765)	(3,765)
Drawdown of borrowings	29,825	-
Finance cost paid	(3,622)	(4,304)
Repayment of borrowings	(2,871)	(2,009)
<b>Net cash from/(for) financing activities</b>	<u>19,567</u>	<u>(10,078)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	16,235	(14,968)
<b>Cash and cash equivalents at beginning of financial period</b>	<u>63,759</u>	<u>87,958</u>
<b>Cash and cash equivalents at end of financial period</b>	<u>79,994</u>	<u>72,990</u>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits placed with licensed banks	42,625	64,245
Cash and bank balances	69,585	53,637
Bank overdrafts	(4,480)	(5,016)
	<u>107,730</u>	<u>112,866</u>
Less: Fixed deposits pledged with licensed banks	<u>(27,736)</u>	<u>(39,876)</u>
	<u>79,994</u>	<u>72,990</u>

**Notes:**

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Cash Flow are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.



## **A. NOTES TO THE INTERIM FINANCIAL REPORT**

### **A1. Basis of preparation**

The interim financial report of Gagasan Nadi Cergas Berhad ("Gagasan Nadi" or "the Company") and its subsidiaries (collectively known as "the Group") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

This interim financial report should be read together with the audited Annual Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this report.

### **A2. Summary of Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited Annual Financial Statements for the year ended 31 December 2020.

The financial statements of the Group have been prepared in accordance with Malaysia Financial Reporting Standard ("MFRS") and the requirements of the Companies Act 2016.

The following are accounting standards, amendments and interpretations that has been issued by the Malaysian Accounting Standard Board ("MASB") and effective during the financial year:-

	<b>Effective Date</b>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS16 Interest Rate Benchmark Reform-Phase 2	1 January 2021
Amendments to MFRS 16 COVID-19-Related Rent Concessions beyond 30 June 2021	1 April 2021

The adoption of the above accounting standards, amendments and interpretations are not expected to have any material impact on the Group's financial statements.



**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A3. Auditors' report on preceding annual financial statements**

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2020.

**A4. Seasonal or cyclical factors**

The Group's performance have not been materially affected by any seasonal or cyclical factors during the current quarter and year-to-date.

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and year-to-date.

**A6. Changes in estimates**

There were no material changes in estimates for the current quarter and year-to-date.

**A7. Debt and equity securities**

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year-to-date.

**A8. Dividends paid**

Interim dividend comprising 0.5 sen per ordinary share, amounting to RM3,765,000 for financial year ended 31 December 2020 was paid on 30 April 2021.



## A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### A9. Segmental information

	Construction RM'000	Concession and Facility Management RM'000	Utility Services RM'000	Property Development RM'000	Others RM'000	Consolidation Adjustments RM'000	Total RM'000
<b>31.3.2021</b>							
<b>Revenue</b>							
External revenue	33,395	3,946	1,037	15,326	-	-	53,704
Inter-segment revenue	8,806	821	-	4,208	2,130	(15,965)	-
	<u>42,201</u>	<u>4,767</u>	<u>1,037</u>	<u>19,534</u>	<u>2,130</u>	<u>(15,965)</u>	<u>53,704</u>
<b>Results</b>							
Segment results	956	1,107	563	4,921	(201)	(398)	6,948
Accretion of fair value on non-current trade receivables	-	6,866	-	-	-	-	6,866
Impairment losses:							
- trade receivable	(25)	(628)	(92)	(53)	-	-	(798)
Depreciation:							
- property, plant and equipment	(259)	(98)	(87)	(5)	-	78	(371)
- right-of-use assets	(196)	-	-	(35)	-	-	(231)
Finance income	32	140	2	4	83	-	261
Finance costs	(163)	(3,210)	-	(484)	(32)	267	(3,622)
Reversal of impairment losses							
- trade receivable	42	-	-	-	-	-	42
Profit/(Loss) before taxation	387	4,177	386	4,348	(150)	(53)	9,095
Income tax expense	(241)	(1,126)	(136)	(1,564)	(19)	-	(3,086)
Profit/(Loss) after taxation	<u>146</u>	<u>3,051</u>	<u>250</u>	<u>2,784</u>	<u>(169)</u>	<u>(53)</u>	<u>6,009</u>
<b>Assets</b>							
Segment assets	116,516	607,823	16,826	168,420	31,672	(8,147)	933,110
Unallocated asset: Tax refundable							3,344
Consolidated total assets							<u>936,454</u>
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	80	-	842	134	-	-	1,056
- inventories - land for property development	23,681	-	-	-	-	-	23,681
<b>Liabilities</b>							
Segment liabilities	66,727	254,421	292	70,760	7,939	(734)	399,405
Unallocated liabilities:							
- Deferred tax liabilities							77,528
- Provision for taxation							3,382
Consolidated total liabilities							<u>480,315</u>

## A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### A9. Segmental information

	Construction RM'000	Concession and Facility Management RM'000	Utility Services RM'000	Property Development RM'000	Others RM'000	Consolidation Adjustments RM'000	Total RM'000
<b>31.3.2020</b>							
<b>Revenue</b>							
External revenue	47,219	3,948	1,074	2,902	-	-	55,143
Inter-segment revenue	-	-	-	-	2,130	(2,130)	-
	<u>47,219</u>	<u>3,948</u>	<u>1,074</u>	<u>2,902</u>	<u>2,130</u>	<u>(2,130)</u>	<u>55,143</u>
<b>Results</b>							
Segment results	3,173	1,105	463	(123)	(577)	(469)	3,572
Accretion of fair value on non-current trade receivables	-	7,222	-	-	-	-	7,222
Impairment losses:							
- trade receivable	-	-	-	-	-	-	-
- other receivable	(12)	(986)	-	-	-	-	(998)
Depreciation:							
- property, plant and equipment	(259)	(85)	(88)	(1)	-	78	(355)
- right-of-use assets	(193)	-	-	(29)	-	-	(222)
Gain on disposal of property, plant and equipment	-	-	-	-	-	-	-
Finance income	123	263	30	15	-	-	431
Finance costs	(62)	(3,851)	-	(603)	(56)	268	(4,304)
Reversal of impairment losses	8	-	185	-	-	-	193
Profit/(Loss) before taxation	<u>2,778</u>	<u>3,668</u>	<u>590</u>	<u>(741)</u>	<u>(633)</u>	<u>(123)</u>	<u>5,539</u>
Income tax expense	(433)	(1,052)	(250)	(62)	(41)	-	(1,838)
Profit/(Loss) after taxation	<u>2,345</u>	<u>2,616</u>	<u>340</u>	<u>(803)</u>	<u>(674)</u>	<u>(123)</u>	<u>3,701</u>
<b>Assets</b>							
Segment assets	127,404	642,334	18,021	94,946	31,253	(7,812)	906,146
Unallocated asset: Tax refundable							<u>3,863</u>
Consolidated total assets							<u>910,009</u>
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	71	267	-	-	-	-	338
- properties held for future development	125	-	-	772	-	-	897
- right-of-use assets	1,209	-	-	-	-	-	1,209
<b>Liabilities</b>							
Segment liabilities	67,197	283,784	264	29,036	5,341	(3,138)	382,484
Unallocated liabilities:							
- Deferred tax liabilities							79,452
- Provision for taxation							<u>1,963</u>
Consolidated total liabilities							<u>463,899</u>

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A10. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment during the current quarter and year-to-date.

**A11. Significant Events Subsequent to the End of the Interim Financial Period**

Save as disclosed in Note B5 "Status of corporate proposals" below, there were no other material events subsequent to the end of the current quarter that have not been reflected in this interim financial report.

**A12. Changes in the composition of the Group**

There were no material changes in the composition of the Group for the period ended 31 March 2021.

**A13. Contingent assets and contingent liabilities**

Save as disclosed below, there were no other contingent assets and contingent liabilities as at the date of this interim report.

**Unaudited  
As at 31.3.2021  
RM'000**

Financial guarantee contract in relation to corporate guarantee given to third parties in the ordinary course of business.

69,786

**A14. Capital commitments**

There were no capital commitments as at the end of the current and previous corresponding financial periods.

**A15. Related party transactions**

Save as disclosed below, there were no other significant related party transactions as at the date of this interim report.

Quarter Ended 31.03.2021 RM'000	Year-To-Date 31.03.2021 RM'000
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Related Party

- Progress billing income

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## **B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

### **B1. Review of Group Performance**

#### **Results for current quarter**

The Group recorded revenue of RM53.70 million as compared to RM55.14 million recorded in the corresponding quarter last year. The lower revenue recorded for the current financial quarter was mainly attributable to slower progress from construction projects on the stringent standard operating procedures imposed after the declaration of Movement Control Order ("MCO") by the Government of Malaysia.

The Group recorded a profit before tax of RM9.10 million as compared to a profit of RM5.54 million recorded in the corresponding quarter last year. The higher profit before tax for the current quarter was mainly attributable to higher profit recorded from property development projects.

### **B2. Comparison with immediate preceding quarter's results**

The Group registered a slightly lower revenue of RM53.70 million for the current financial quarter as compared to RM55.67 million in the preceding quarter. The Group recorded a higher profit before tax of RM9.10 million as compared to a profit before tax of RM6.45 million in the preceding quarter. The lower profit before tax registered in the preceding quarter was mainly due to the loss registered by the construction segment.

### **B3. Commentary on prospects**

The COVID-19 pandemic and the declaration of MCO by the Government of Malaysia continue to have negative impact on the Group's performance.

Despite the Group's construction order book which stood at approximately RM791 million and with the continuous tendering for new jobs, the Board expects the performance of the construction segment will continue to be affected by unprecedented challenging operating environment due to Covid-19 Pandemic.

The performance of the Group's facility management for the concession projects and the utility services segment is expected to remain stable and sustainable.

Property development segment is expected to contribute significantly in the financial year 2021 with the progress of Antara Residence Project and the Selindung Ulu Yam Project, a project under Rumah Selangorku and PPAM affordable housing programme. This segment has a total unbilled sale of RM152 million which is expected to be booked in as revenue over the next 2 years.

In spite of the on-going Covid-19 pandemic and barring unforeseen circumstances, the Group is cautiously optimistic on its performance in financial year 2021.

### **B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the quarter under review.

### **B5. Status of corporate proposals**

There were no corporate proposals announced and not completed.

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B6. Income tax expenses**

	<b>Current Quarter 31.3.2021 RM'000</b>	<b>Year-To- Date 31.3.2021 RM'000</b>
Malaysia income tax		
- current year	3,039	3,039
Deferred tax expense	<u>47</u>	<u>47</u>
	<u>3,086</u>	<u>3,086</u>
Effective tax rates <sup>(1)</sup>	33.93%	33.93%

**Note:**

- (1) The Group's effective tax rate for the current quarter and financial year-to-date is higher than the statutory tax rate of 24%. It is mainly attributed to non allowable expenses and the higher taxable income from collection of Availability Charges from Concession Projects. The qualifying expenditure for concession projects is only restricted to 91% of total construction costs, hence the remaining 9% of the Availability Charges collected during the current quarter and year-to-date was deemed as taxable income resulting in the increase in tax expense.

**B7. Utilisation of proceeds from the Initial Public Offer ("IPO")**

The utilisation of proceeds as disclosed below should be read in conjunction with the Prospectus of the Company dated 13 December 2018. The gross proceeds raised from the Public Issue of RM42 million and status of utilisation as at 31 March 2021 is disclosed in the following table:

<b>No.</b>	<b>Purpose</b>	<b>Time frame for utilisation from the date of listing</b>	<b>%</b>	<b>Proposed utilisation</b>	<b>Actual utilisation RM'000</b>
(a)	Funding for the AFF Mixed Development <sup>(1)</sup>	Within 30 months	33.3	14,000	11,706
(b)	Capital expenditures for the district cooling system for the supply of chilled water to a shopping mall under the Datum Jelatek development	Within 30 months	15.5	6,500	6,262
(c)	Working capital for a construction project	Within 24 months	39.3	16,500	16,500
(d)	Estimated listing expenses	Within 3 months	11.9	5,000	5,000
<b>Gross proceeds</b>			<u>100.00</u>	<u>42,000</u>	<u>39,468</u>

**Note:**

- (1) Antara Residence Project



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B8. Bank borrowings**

The Group's bank borrowings as at 31 March 2021 are as follows:

	<b>Unaudited As at 31.3.2021 RM'000</b>
<b>Current:</b>	
Lease liabilities	787
Islamic financing / Term loan	15,798
Bonds	20,000
Bank overdraft	4,480
	<hr/>
	41,065
<b>Non-current:</b>	
Lease liabilities	1,446
Islamic financing / Term loan	167,505
Bonds	120,000
	<hr/>
	288,951
	<hr/>
Total	330,016
	<hr/>

All the borrowings are secured and denominated in Ringgit Malaysia.

**B9. Material litigation**

There were no material litigation involving the Group as at the date of this report.

**B10. Dividend**

The Board of Directors did not recommend any dividend for the current quarter under review.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B11. Earnings per share**

The basic and diluted earnings per share (“EPS”) are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial periods are as follows:

	Quarter Ended		Year-To-Date	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Profit attribute to owners of the Company (RM'000)	4,998	3,947	4,998	3,947
Weighted average number of ordinary shares in issue ('000)	<u>753,000</u>	<u>753,000</u>	<u>753,000</u>	<u>753,000</u>
Basic EPS (sen) <sup>(1)</sup>	0.66	0.52	0.66	0.52
Diluted EPS (sen) <sup>(1) &amp; (2)</sup>	0.66	0.52	0.66	0.52

**Notes:**

- (1) The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 March 2021
- (2) Diluted earnings per share is equivalent to the basic earnings per share of the Company for the individual quarter ended 31 March 2021 as the Company does not have any convertible options as at the end of the reporting period.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**

**B12. Disclosure on selected expense/income items as required by the Listing Requirements**

	<b>Current Quarter</b>	<b>Year-To-Date</b>
	<b>31.03.2021</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before taxation is arrived at after charging/(crediting):-		
Depreciation :		
- property, plant and equipment	371	371
- right-of-use asset	231	231
Impairment losses:		
- trade receivable	798	798
Finance cost	3,622	3,622
Accretion of fair value on non-current trade receivables	(6,866)	(6,866)
Finance income	(261)	(261)
Reversal of impairment losses		
- trade receivable	(42)	(42)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.

**B13. Derivative**

The Group did not enter into any derivative during the current quarter under review.