



SOUTHERN CABLE GROUP BERHAD

(Registration No. 201901011439 (1320767-M))
(Incorporated in Malaysia under the Companies Act 2016)

Interim Financial Report

For The First Quarter Ended

31 March 2021

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME⁽¹⁾

	Note	QUARTER ENDED		YEAR TO-DATE ENDED	
		Unaudited	Unaudited	Unaudited	Unaudited
		31.03.2021	31.03.2020 ⁽²⁾	31.03.2021	31.03.2020 ⁽²⁾
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	172,288	N/A	172,288	N/A
Cost of sales		(162,585)	N/A	(162,585)	N/A
Gross profit		9,703	N/A	9,703	N/A
Other income		1,014	N/A	1,014	N/A
Distribution expenses		(2,626)	N/A	(2,626)	N/A
Administrative expenses		(2,053)	N/A	(2,053)	N/A
Operating profit	B12	6,038	N/A	6,038	N/A
Finance costs		(1,225)	N/A	(1,225)	N/A
Profit before tax		4,813	N/A	4,813	N/A
Income tax expense	B5	(1,202)	N/A	(1,202)	N/A
Profit/Total comprehensive income for the financial period		3,611	N/A	3,611	N/A
Profit/Total comprehensive income for the financial period after taxation attributable to:					
Owners of the Company		3,611	N/A	3,611	N/A
		3,611	N/A	3,611	N/A
Earnings per Share					
Basic/Diluted (sen) ⁽³⁾⁽⁴⁾	B11	0.45	N/A	0.45	N/A



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
 - (2) The interim financial report announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.
 - (3) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
 - (4) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the financial period-to-date.
- N/A Not applicable.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	Unaudited as at 31.03.2021 RM'000	Audited as at 31.12.2020 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	28,096	24,551
Right-of-use assets	46,068	46,572
Investment properties	528	530
	74,692	71,653
Current Assets		
Inventories	94,998	88,955
Current tax assets	561	82
Trade receivables and other receivables ⁽²⁾	158,554	158,142
Derivative financial assets	44	-
Cash and short-term deposits	118,219	129,420
	372,376	376,599
TOTAL ASSETS	447,068	448,252
EQUITY AND LIABILITIES		
Equity		
Share capital	217,656	217,656
Retained earnings	174,163	170,552
Reserves	(120,947)	(120,947)
Total equity	270,872	267,261
Non-current Liabilities		
Loans and borrowings	7,105	8,013
Lease liabilities	12	5
Deferred tax liabilities	3,017	3,027
	10,134	11,045
Current Liabilities		
Loans and borrowing	104,621	116,921
Lease liabilities	37	51
Provisions	186	177
Current tax liabilities	84	445
Trade and other payables ⁽²⁾	61,134	52,203
Derivative financial liabilities	-	149
	166,062	169,946
TOTAL LIABILITIES	176,196	180,991
TOTAL EQUITY AND LIABILITIES	447,068	448,252
Number of issued shares ('000)	800,000	800,000
Net assets per share attributable to owners of the company (RM)	0.34	0.33



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾
(CONT'D)**

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) Included in other payables is an amount of RM1.12 million payable to Royal Malaysian Customs Department for underpaid import duties and goods and services tax due to an error made in customs declaration for one of its imported raw materials. The supplier has accepted the responsibility for this error and agreed to reimburse the full amount to the Company of which a corresponding receivable has been recognised.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾⁽²⁾

	Attributable to owners of the Group			Total equity
	Non-Distributable		Distributable	
	Share capital	Reorganisation reserve	Retained earnings	
	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2021 (Audited)	217,656	(120,947)	170,552	267,261
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	3,611	3,611
Balance as at 31 March 2021 (Unaudited)	<u>217,656</u>	<u>(120,947)</u>	<u>174,163</u>	<u>270,872</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) The interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾

	CURRENT YEAR TO-DATE 31.03.2021 Unaudited RM'000	PRECEDING YEAR TO-DATE 31.03.2020 Unaudited RM'000
Cash flows from operating activities		
Profit before tax	4,813	N/A
Adjustments for:		
Amortisation/depreciation of investment properties	2	N/A
Amortisation/depreciation of property, plant and equipment	1,019	N/A
Depreciation of right-of-use assets	731	N/A
Fair value gain on derivative financial instruments	(193)	N/A
Interest expenses	1,225	N/A
Interest income	(254)	N/A
Provision for employee benefit (net)	9	N/A
Right-of-use assets written off	8	N/A
Net unrealised foreign exchange gain	(332)	N/A
Operating profit before changes in working capital	7,028	N/A
Changes in working capital:		
Inventories	(6,043)	N/A
Trade and other receivables	(102)	N/A
Trade and other payables	8,953	N/A
Net cash generated from operations	9,836	N/A
Income tax paid	(2,160)	N/A
Income tax refunded	107	N/A
Interest received	254	N/A
Interest paid	(131)	N/A
Net cash from operating activities	7,906	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾ (CONT'D)

	CURRENT YEAR TO-DATE 31.03.2021 Unaudited RM'000	PRECEDING YEAR TO-DATE 31.03.2020 Unaudited RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,564)	N/A
Purchase of right-of-use assets	(209)	N/A
Change in pledged deposits	(128)	N/A
Change in pledged bank balances	(2,726)	N/A
Net cash used in investing activities	(7,627)	N/A
Cash flows from financing activities		
Interest paid	(1,094)	N/A
Repayment of term loans	(7,284)	N/A
Repayment of finance lease liabilities	(755)	N/A
Repayment of lease liabilities	(32)	N/A
Drawdown of bankers' acceptance	135,346	N/A
Repayment of bankers' acceptance	(140,515)	N/A
Net cash used in financing activities	(14,334)	N/A
Net decrease in cash and cash equivalents	(14,055)	N/A
Cash and cash equivalents at the beginning of the financial period	82,689	N/A
Cash and cash equivalents at the end of the financial period	68,634	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

N/A Not applicable.

A. NOTES TO THE INTERIM FINANCIAL REPORT**A1. Basis of Preparation**

The interim financial report of Southern Cable Group Berhad (“**Southern Cable**” or “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRSs**”) 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities.

The interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

This interim financial report should be read in conjunction with the Company’s audited consolidated financial statements for the financial year ended 31 December 2020 and the accompanying notes attached to this interim financial report.

A2. 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 in the audited consolidated financial statements for the financial year ended 31 December 2020, except for the following amendments/improvements to MFRSs which are relevant and mandatory for the current financial period:

Amendments/Improvements to MFRSs

MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases*
MFRS 139	Financial Instruments: Recognition and Measurement

* Early adopted the amendments to MFRS 16 *Leases* issued by the Malaysian Accounting Standards Board on 5 June 2020

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

A3. Auditors’ Report on Preceding Annual Financial Statements

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

A4. Seasonal or Cyclical Factors

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



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

A5. Items or Incidence of an Unusual Nature

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

A6. Material Changes in Estimates

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

A7. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares during the current quarter and financial year-to-date.

A8. Dividend Paid

There were no dividends paid for the current quarter and financial year-to-date.



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

A9. Segmental Reporting

The Group is principally a manufacturer of cables and wires that are used for power distribution and transmission, communications as well as control and instrumentation applications. The Group's segmental revenue for the current quarter and financial year-to-date is as follows:

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current quarter 31 March 2021						
Revenue:						
Revenue from external customers	155,042	5,653	3,342	8,251	-	172,288
Inter-segment revenue	-	-	-	7,298	(7,298)	-
	<u>155,042</u>	<u>5,653</u>	<u>3,342</u>	<u>15,549</u>	<u>(7,298)</u>	<u>172,288</u>
Segment profit	8,470	511	250	513	(41)	9,703
Other income						1,014
Unallocated expenses						(4,679)
Finance costs						(1,225)
Income tax expenses						(1,202)
Profit for the financial period						<u>3,611</u>
Result:						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,623
Depreciation and amortisation						1,752



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

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year-to-date 31 March 2021						
Revenue:						
Revenue from external customers	155,042	5,653	3,342	8,251	-	172,288
Inter-segment revenue	-	-	-	7,298	(7,298)	-
	<u>155,042</u>	<u>5,653</u>	<u>3,342</u>	<u>15,549</u>	<u>(7,298)</u>	<u>172,288</u>
Segment profit	8,470	511	250	513	(41)	9,703
Other income						1,014
Unallocated expenses						(4,679)
Finance costs						(1,225)
Income tax expenses						(1,202)
Profit for the financial year						<u>3,611</u>
Result:						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,623
Depreciation and amortisation						1,752

The interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)
A10. Material Events Subsequent to the End of the Current Quarter

Save as disclosed in Note B6 "Status of Corporate Proposals", there are no other material events subsequent to the end of the current quarter and financial year-to-date that have not been reflected in this interim financial report.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

A12. Contingent Assets and Contingent Liabilities

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

	Unaudited as at 31.03.2021 RM'000	Audited as at 31.12.2020 RM'000
Bank guarantee		
- Trade facilities	22,196	20,433
- Contract financing for performance bonds and guarantee	20,384	20,384
	<u>42,580</u>	<u>40,817</u>

A13. Capital Commitments

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred.

	Unaudited as at 31.03.2021 RM'000	Audited as at 31.12.2020 RM'000
Capital expenditures contracted but not provided for:		
- Purchase of plant and machineries, factory equipment and electrical installation	6,804	7,150
Capital expenditures not contracted and not provided for:		
- Purchase of plant and machineries, construction of building and Enterprise Resource Planning information technology system	16,996	21,051
	<u>23,800</u>	<u>28,201</u>

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)
A14. Related Party Transactions

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited	Unaudited	Unaudited	Unaudited
	31.03.2021	31.03.2020⁽¹⁾	31.03.2021	31.03.2020⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Rental expenses charged by a person connected to a director	13	N/A	13	N/A

Notes:

(1) The interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.

N/A Not Applicable.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
B1. Review of Group Performance

In the current quarter ended 31 March 2021 and financial year-to-date, the Group recorded a revenue of RM172.29 million, gross profit of RM9.70 million and profit before tax of RM4.81million.

The Group's revenue for the current quarter and financial year-to-date is mainly attributed to its power cables and wires segment which accounted for RM155.04 million or 89.99% of the total revenue. The revenue attributed to the power cables and wires was mainly contributed by low and medium voltage power cables and wires from utility companies.

The Group's gross profit for the current quarter and financial year-to-date is mainly attributed to the power cables and wires segment which contributed RM8.47 million or 87.29% of the gross profit.

The Group recognised profit before tax of RM4.81 million for current quarter and for financial year-to-date after deducting expenses which are mainly attributed to distribution expenses and administrative expenses amounting to RM4.68 million for the current quarter and financial year-to-date. The distribution expenses and administrative expenses mainly consists of outward transport charges, depreciation, salaries and directors' remuneration.

There are no comparative figures for the preceding corresponding period and financial year-to-date as no interim financial report was prepared for the comparative financial period concerned announced by the Group in compliance with the Listing Requirements of Bursa Securities.

B2. Comparison with the Immediate Preceding Quarter Result

	INDIVIDUAL QUARTER		Variance	
	Current Quarter 31.03.2021 RM'000	Preceding Quarter 31.12.2020 RM'000	RM'000	%
Revenue	172,288	170,081	2,207	1.30
Profit before tax	4,813	6,901	(2,088)	(30.26)

The Group's revenue for the current quarter increased by 1.30% to RM172.29 million from RM170.08 million recorded in the preceding quarter. The increase in revenue was mainly contributed by an increase in sales of low and medium voltage power cables and wires.

The Group recorded a 30.26% decrease in profit before tax from RM6.90 million in the preceding quarter to RM4.81 million in the current quarter. The decrease in the profit before tax was mainly due to increase in prices of the plastic and metal based raw materials in the current quarter.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**B3. Commentary on Prospects**

As disclosed in Section 5.8 of the Company's prospectus dated 29 September 2020 in relation to the initial public offering ("IPO") ("**Prospectus**"), the Group has the following future plans:

- (a) to expand the Group's production facilities;
- (b) to expand the Group's product range; and
- (c) to purchase and upgrade machinery and equipment to support the Group's expansion plans.

The Group believes that its prospects in the production facilities are favourable in view of the following factors, details of which are disclosed in Section 5.8 of the Prospectus:

- (i) the Group's current on-going projects and order book; and
- (ii) competitive strengths of the Group.

Please refer to Section 5.5.13 of the Prospectus for further details on the interruptions to business and operations pursuant to the COVID-19 pandemic and the movement control order ("**MCO**") conditions.

Despite the re-imposition of either the MCO, conditional MCO and recovery MCO in the Group's locations of operation, i.e. Kedah Darul Aman, Selangor Darul Ehsan and Johor Darul Takzim from January 2021 and up to the date of this interim financial report, the Group has been allowed to operate as usual with standard operating procedures in place and hence, there has been no disruption to its business and operations.

In relation to the proposed transfer of the listing of and quotation for the entire issued share capital of Southern Cable from the ACE Market to the Main Market of Bursa Securities ("**Proposed Transfer**") announced on 28 April 2021, the Group believes that the Proposed Transfer will mark another major milestone for the Group subsequent to its listing on the ACE Market of Bursa Securities on 16 October 2020.

The Board of Directors believes that the Proposed Transfer will enhance the Group's prestige, credibility and reputation. Further, the nature of the Group's business typically requires, among others, demonstrating its financial strength, reputation and credibility in order to secure more projects. Accordingly, completion of the Proposed Transfer is expected to enhance the Group's competitive edge when bidding for contracts.

Premised on the above and barring unforeseen circumstances, the Board of Directors expects the Group's financial performance for the current financial year to be satisfactory.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial year-to-date.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B5. Tax Expense

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited	Unaudited ⁽¹⁾	Unaudited	Unaudited ⁽¹⁾
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
In respect of current period:				
Income tax	1,202	N/A	1,202	N/A
Effective tax rate (%)	24.97	N/A	24.97	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

The effective tax rate of the Group for the current quarter and financial year-to-date was higher than the statutory tax rate mainly due to non-deductible expenses.

Notes:

(1) The interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial quarter concerned.

N/A Not applicable.

B6. Status of Corporate Proposals

On 21 April 2021, the Company announced the proposed amendments to the Constitution of the Company ("**Proposed Amendments**") subject to the shareholders' approval at the forthcoming Second Annual General Meeting.

On 28 April 2021, MIDF Amanah Investment Bank Berhad had, on behalf of the Board of Directors of Southern Cable, announced that the Company proposes to undertake the Proposed Transfer. The application in relation to the Proposed Transfer will be submitted to the Securities Commission Malaysia in due course.

Save as disclosed above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B7. Use of Proceeds Raised from Public Issue

The gross proceeds of approximately RM71.18 million from the Public Issue is intended to be utilised in the following manner:

Detail of utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation from the date of listing
Capital expenditure and expansion				Within 36 months
- Purchase and upgrade of new machinery and equipment	18,500	4,381	14,119	
- Construction of factories	7,500	-	7,500	
- Purchase and installation of Enterprise Resource Planning information technology system	4,000	-	4,000	
	30,000	4,381	25,619	
Repayment of bank borrowings	9,188	9,188	-	Within 6 months
Working capital	27,490	26,099	1,391	Within 6 months
Estimated listing expenses	4,500	4,500	-	Within 3 months
Total	71,178	44,168	27,010	

The use of proceeds as disclosed above should be read together with the Prospectus.

B8. Borrowings

The details of the Group's borrowings are as follows: -

	Unaudited 31.03.2021 RM'000	Audited 31.12.2020 RM'000
Non-current		
Term loans	2,554	2,749
Finance lease liabilities	4,551	5,264
	7,105	8,013
Current		
Term loans	930	8,020
Finance lease liabilities	2,533	2,574
Bankers' acceptance	101,158	106,327
Bank overdraft	-	-
	104,621	116,921
Total	111,726	124,934

All the borrowings are secured and denominated in Ringgit Malaysia.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B9. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation.

B10. Dividends

No dividends were declared or recommended for payment by the Board of Directors of the Company during the current quarter and financial year-to-date.

B11. Basic and Diluted Earnings per Share

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

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2021	Unaudited 31.03.2020 ⁽¹⁾	Unaudited 31.03.2021	Unaudited 31.03.2020 ⁽¹⁾
Profit attributable to owner of the Company (RM'000)	3,611	N/A	3,611	N/A
Weighted average number of shares after IPO ('000)	800,000	N/A	800,000	N/A
Basic/Diluted EPS (sen) ⁽²⁾⁽³⁾	0.45	N/A	0.45	N/A

Notes:

- (1) The interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period concerned.
- (2) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
- (3) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the quarter and financial period/year-to-date.
- N/A Not applicable.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B12. Notes to the Condensed Consolidated Statement of Comprehensive Income

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 ⁽¹⁾ RM'000	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 ⁽¹⁾ RM'000
Interest income	(254)	N/A	(254)	N/A
Interest expenses	1,225	N/A	1,225	N/A
Amortisation/depreciation of investment properties	2	N/A	2	N/A
Amortisation/depreciation of property, plant and equipment	1,019	N/A	1,019	N/A
Depreciation of right-of-use assets	731	N/A	731	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

N/A Not Applicable

Save as disclosed above, the other disclosure items as required under Rule 16 of Appendix 9B of the Listing Requirements of Bursa Securities are not applicable.

B13. Derivative Financial Instruments

The Group has entered into forward foreign exchange contracts in current quarter to manage the foreign currency exposures arising from the Group's receivables and payables denominated in United States Dollar (USD). Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The notional principal amounts of the Group's outstanding forward foreign exchange contracts as at 31 March 2021 was RM9.44 million. The derivative financial assets of RM0.04 million which measured at fair value has been recognised in the Unaudited Condensed Consolidated Statement of Financial Position as at the date of this interim financial report.