

**POLYDAMIC GROUP BERHAD**  
**Company No: 201801037913 (1299943-W)**  
**(Incorporated in Malaysia)**

**POLYDAMIC GROUP BERHAD**

(Incorporated in Malaysia)

Company No: 201801037913 (1299943-W)

**Unaudited Condensed Consolidated Financial Statements for the**

**2<sup>nd</sup> Half-Year Ended 30 June 2021**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	INDIVIDUAL 6 MONTHS		CUMULATIVE PERIOD	
	Unaudited Current Year 6 Months <sup>(1)</sup>	Preceding Year Corresponding 6 Months	Unaudited Current Year To-Date <sup>(1)</sup>	Preceding Year Corresponding Period
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	18,505	4,947	28,644	11,780
Cost of sales	(12,380)	(3,930)	(18,608)	(7,793)
Gross profit	6,125	1,017	10,036	3,987
Other operating income	165	341	243	308
Selling and distribution expenses	(134)	(106)	(245)	(226)
Administrative expenses	(2,185)	(2,428)	(4,557)	(4,669)
Finance costs	(90)	(162)	(218)	(332)
Profit/(Loss) before tax	3,881	(1,338)	5,259	(932)
Tax (expense)/income	(864)	51	(1,311)	(106)
<b>Profit/(Loss) for the financial period/year</b>	<b>3,017</b>	<b>(1,287)</b>	<b>3,948</b>	<b>(1,038)</b>
Other comprehensive income	-	-	-	-
Total comprehensive income/(expense) for the financial period/year	3,017	(1,287)	3,948	(1,038)
Profit/(Loss) for the financial period/year attributable to owners of the Group	3,017	(1,287)	3,948	(1,038)
Earnings/(Loss) per ordinary share (sen) <sup>(2)</sup>				
- Basic	3.42	(1.46)	4.47	(1.18)
- Diluted	N/A	N/A	N/A	N/A

**POLYDAMIC GROUP BERHAD**  
**Company No: 201801037913 (1299943-W)**  
**(Incorporated in Malaysia)**

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended ("FYE") 30 June 2020 and the accompanying explanatory notes attached to this unaudited condensed consolidated financial report.
- (2) Earnings per share is computed based on the Company's total number of issued shares of 88,236,002 as at the end of the respective reporting period. During the financial year, there were no shares in issuance which would have a dilutive effect on the earnings per share of the Group.
- N/A Not applicable

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021**

	<b>Unaudited As at 30.06.2021<sup>(1)</sup> RM'000</b>	<b>Audited As at 30.06.2020 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,699	6,894
Investment properties	396	411
Right-of-use assets	124	190
Deferred tax assets	157	-
	<b>7,376</b>	<b>7,495</b>
<b>Current assets</b>		
Inventories	4,502	1,781
Receivables	9,554	3,222
Contract assets	137	338
Deposits, cash and bank balances	13,555	7,014
Tax assets	157	344
	<b>27,905</b>	<b>12,699</b>
<b>TOTAL ASSETS</b>	<b>35,281</b>	<b>20,194</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	8,382	8,382
Retained earnings	9,671	6,122
Merger reserve	(4,800)	(4,800)
<b>Total equity attributable to owners of the Group</b>	<b>13,253</b>	<b>9,704</b>
<b>Non-current liabilities</b>		
Borrowings	3,856	4,191
Lease liabilities	44	113
Deferred tax liabilities	177	118
	<b>4,077</b>	<b>4,422</b>
<b>Current liabilities</b>		
Payables	6,671	2,231
Contract liabilities	10,644	1,449
Borrowings	398	2,306
Lease liabilities	85	82
Tax liabilities	153	-
	<b>17,951</b>	<b>6,068</b>
<b>Total liabilities</b>	<b>22,028</b>	<b>10,490</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>35,281</b>	<b>20,194</b>
Net assets per share (RM) <sup>(2)</sup>	<b>0.15</b>	<b>0.11</b>

**Notes:**

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of the Group for the FYE 30 June 2020 and the accompanying explanatory notes attached to this unaudited condensed consolidated financial report.

(2) Net assets per share is calculated based on the Group's total number of issued shares as at the end of the respective financial reporting period of 88,236,002.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	<i>Non-distributable</i>		<i>Distributable</i>	<b>Total Equity</b>
	<b>Share Capital</b>	<b>Merger Reserve</b>	<b>Retained Profits</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
<b>Unaudited financial year ended 30 June 2021<sup>(1)</sup></b>				
At 1 July 2020	8,382	(4,800)	6,122	9,704
Total comprehensive income for the financial year	-	-	3,948	3,948
Dividend paid	-	-	(399)	(399)
<b>At 30 June 2021</b>	<b>8,382</b>	<b>(4,800)</b>	<b>9,671</b>	<b>13,253</b>

**Audited financial year ended 30 June 2020**

At 1 July 2019	-	-	(57)	(57)
Acquisition of subsidiaries	-	-	7,217	7,217
Total comprehensive expense for the financial year	-	-	(1,038)	(1,038)
Effects arising from merger method of accounting	6,000	(4,800)	-	1,200
Issuance of shares	2,382	-	-	2,382
<b>At 30 June 2020</b>	<b>8,382</b>	<b>(4,800)</b>	<b>6,122</b>	<b>9,704</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited consolidated financial statements of the Group for the FYE 30 June 2020 and the accompanying explanatory notes attached to this unaudited condensed consolidated financial report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	<b>Unaudited Current Year To-Date 30.06.2021<sup>(1)</sup> RM'000</b>	<b>Preceding Year Corresponding Period 30.06.2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	5,259	(932)
Adjustments for:		
Allowance for impairment loss in trade receivables	185	200
Bad debts written off	-	23
Depreciation of property, plant and equipment	409	393
Depreciation of investment properties	14	15
Depreciation of right-of-use assets	97	74
Property, plant and equipment written-off	2	10
Interest on lease liabilities	9	11
Interest expenses	208	321
Interest income	(36)	(36)
Recovery of allowance for impairment loss	-	(1)
Unrealised loss/(gain) on foreign exchange	14	(92)
Gain on disposal of property, plant and equipment	(3)	-
Gain on derecognition of right-of-use assets	(1)	-
Operating profit/(loss) before working capital changes	<u>6,157</u>	<u>(14)</u>
Inventories	(2,721)	(680)
Receivables	(6,528)	1,970
Contract assets	201	387
Payables	4,440	426
Contract liabilities	9,195	(114)
<b>Cash generated from operations</b>	<u>10,744</u>	<u>1,975</u>
Interest received	36	36
Payment of interest on lease liabilities	(9)	(11)
Interest paid	(208)	(321)
Tax paid	(1,071)	(714)
Net cash generated from operating activities	<u>9,492</u>	<u>965</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(215)	(273)
Proceed from disposal of property, plant and equipment	3	-
Net cash used in investing activities	<u>(212)</u>	<u>(273)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Changes in fixed deposits pledged to a licensed bank	(1)	(1)
Net movements in short-term borrowings	(286)	204
Net changes in bank overdrafts	(1,713)	289
Repayment of hire purchase creditors	(114)	(105)
Repayment of term loans	(129)	(188)
Payment of lease liabilities	(95)	(69)
Dividend paid	(399)	-
Proceeds from issuance of shares	-	2,382
Net cash (used in)/generated from financing activities	<u>(2,737)</u>	<u>2,512</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

	<b>Unaudited Current Year To-Date 30.06.2021<sup>(1)</sup> RM'000</b>	<b>Preceding Year Corresponding Period 30.06.2020 RM'000</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	6,543	3,204
Effect of changes in foreign exchange rates	(3)	78
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<u>6,988</u>	<u>3,706</u>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u>13,528</u>	<u>6,988</u>
 <b>Cash and cash equivalents at end of the financial year comprises:</b>		
Short-term deposits placed with a licensed bank	3,446	530
Cash and bank balances	<u>10,109</u>	<u>6,484</u>
	13,555	7,014
Less: Fixed deposits pledged with a licensed bank	<u>(27)</u>	<u>(26)</u>
	<u>13,528</u>	<u>6,988</u>

**Note:**

- (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 audited consolidated financial statements of the Group for the FYE 30 June 2020 and the accompanying explanatory notes attached to this unaudited condensed consolidated financial report.

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**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

**A1 Basis of Preparation**

Polydamic Group Berhad (“**Polydamic**” or the “**Company**”) was incorporated in Malaysia on 17 October 2018 as a public limited company under the Companies Act 2016. The Company’s registered office is located at 3<sup>rd</sup> Floor, No. 17 Jalan Ipoh Kecil, 50350 Kuala Lumpur, Wilayah Persekutuan. Polydamic was listed on the LEAP Market on 23 March 2020.

The unaudited condensed consolidated financial statements of Polydamic Group Berhad and its subsidiaries (the “**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting.

The unaudited condensed consolidated financial statements for the 6-month FPE 30 June 2021 should be read in conjunction with the audited consolidated financial statements of the Group for the FYE 30 June 2020 and the accompanying explanatory notes attached to this unaudited condensed consolidated financial report.

**A2 Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated financial report are consistent with those adopted in the audited consolidated financial statements for the FYE 30 June 2020 of the Group.

The following are MFRSs and amendments to MFRSs that have been issued by Malaysian Accounting Standards Board (“**MASB**”) but are not yet effective and have not been adopted by the Group:

<b>MFRSs and Amendments to MFRSs</b>		<b>Effective Dates</b>
MFRS 17	Insurance Contracts	1 <sup>st</sup> January 2023
Amendments to:		
MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	<i>Interest Rate Benchmark Reform - Phase 2</i>	1 <sup>st</sup> January 2021
MFRS 16	<i>Leases - Covid-19-Related Rent Concessions beyond 30 June 2021</i>	1 <sup>st</sup> April 2021
MFRS 1	<i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 <sup>st</sup> January 2022
MFRS 3	<i>Business Combinations - Reference to the Conceptual Framework</i>	1 <sup>st</sup> January 2022
MFRS 9	<i>Financial Instruments (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 <sup>st</sup> January 2022
MFRS 116	<i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 <sup>st</sup> January 2022
MFRS 137	<i>Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract</i>	1 <sup>st</sup> January 2022
MFRS 101	<i>Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current and Disclosures of Accounting Policies</i>	1 <sup>st</sup> January 2023



**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

**A2 Significant Accounting Policies (Cont'd)**

The following are MFRSs and amendments to MFRSs that have been issued by Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group (Cont'd):

<b>MFRSs and Amendments to MFRSs</b>		<b>Effective Dates</b>
Amendments to:		
MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates</i>	1 <sup>st</sup> January 2023
MFRS 112	<i>Income Taxes - Deferred Tax Related to Assets and Liabilities arising from a Single Transactions</i>	1 <sup>st</sup> January 2023

It is anticipated that the adoption of the abovementioned amendments will not have significant impact on the financial statements of the Group.

**A3 Auditors' Report**

There was no qualification on the Group's audited consolidated financial statements for the financial year ended 30 June 2020.

**A4 Seasonal and Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the financial period under review.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

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

**A6 Material Changes in Estimates**

There were no material changes in estimates that would have a material effect on the financial results for the financial period under review.

**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

**A7 Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the financial period under review.

**A8 Dividend Paid**

The Board declared the first interim dividend of 0.4519 sen per share in respect of the financial year ended 30 June 2021. The first interim dividend amounting to RM398,739 (based on 88,236,002 units of the Group's ordinary shares) was paid on 15 April 2021.

**A9 Segmental Reporting**

The Group is principally engaged in the provision of air pollution control solutions. Through its subsidiaries, the Group is primarily involved in:

- (i) designing, manufacturing, installation and commissioning of air pollution control systems;
- (ii) manufacturing and sale of air pollution control products and other related environmental engineering products; and
- (iii) provision of air pollution control services comprising technical consultation and maintenance services.

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**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

**A9 Segmental Reporting (Cont'd)**

The reportable segments are summarised as follows:

- (i) Analysis of revenue breakdown by product/service categories

	INDIVIDUAL 6 MONTHS				CUMULATIVE PERIOD			
	Unaudited Current Year 6 Months		Preceding Year Corresponding 6 Months		Unaudited Current Year To-Date		Preceding Year Corresponding Period	
	30.06.2021		30.06.2020		30.06.2021		30.06.2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Air pollution control systems	9,729	52.6	2,705	54.7	16,229	56.7	6,709	57.0
Air pollution control products and other related environmental engineering products	7,337	39.6	1,072	21.7	9,603	33.5	2,710	23.0
Technical consultation and maintenance services	1,439	7.8	1,170	23.6	2,812	9.8	2,361	20.0
<b>Total revenue</b>	<b>18,505</b>	<b>100.0</b>	<b>4,947</b>	<b>100.0</b>	<b>28,644</b>	<b>100.0</b>	<b>11,780</b>	<b>100.0</b>

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**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

**A9 Segmental Reporting (Cont'd)**

The reportable segments are summarised as follows (Cont'd):

- (ii) Analysis of revenue breakdown by geographical locations

	INDIVIDUAL 6 MONTHS				CUMULATIVE PERIOD			
	Unaudited Current Year 6 Months		Preceding Year Corresponding 6 Months		Unaudited Current Year To-Date		Preceding Year Corresponding Period	
	30.06.2021		30.06.2020		30.06.2021		30.06.2020	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<u>Local Revenue</u>								
Malaysia	17,133	92.6	3,839	77.6	25,349	88.5	9,138	77.6
<b>Total local revenue</b>	<b>17,133</b>	<b>92.6</b>	<b>3,839</b>	<b>77.6</b>	<b>25,349</b>	<b>88.5</b>	<b>9,138</b>	<b>77.6</b>
<u>Overseas Revenue</u>								
USA	463	2.5	43	0.8	1,039	3.6	367	3.1
Vietnam	326	1.8	-	-	326	1.1	-	-
Germany	275	1.5	-	-	275	1.0	-	-
China	182	1.0	904	18.3	1,235	4.3	1,880	16.0
Thailand	96	0.5	108	2.2	96	0.3	182	1.5
India	-	-	-	-	131	0.5	2	-
Columbia	-	-	-	-	105	0.4	-	-
Ecuador	-	-	-	-	-	-	114	1.0
Others <sup>(1)</sup>	30	0.1	53	1.1	88	0.3	97	0.8
<b>Total overseas revenue</b>	<b>1,372</b>	<b>7.4</b>	<b>1,108</b>	<b>22.4</b>	<b>3,295</b>	<b>11.5</b>	<b>2,642</b>	<b>22.4</b>
<b>Total revenue</b>	<b>18,505</b>	<b>100.0</b>	<b>4,947</b>	<b>100.0</b>	<b>28,644</b>	<b>100.0</b>	<b>11,780</b>	<b>100.0</b>

<sup>(1)</sup> Others comprise countries such as Indonesia, Saudi Arabia, Singapore and Qatar.

**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

**A10 Profit/(Loss) Before Taxation**

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

	INDIVIDUAL 6 MONTHS		CUMULATIVE PERIOD	
	Unaudited Current Year 6 Months	Preceding year corresponding 6 Months	Unaudited Current Year To-Date	Preceding Year Corresponding Period
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- current year	21	22	42	42
- under provision in prior year	-	4	-	4
Allowance for impairment of trade receivables	-	200	185	200
Bad debts written off	-	23	-	23
Depreciation of property, plant and equipment	207	205	409	393
Depreciation of investment properties	7	7	15	15
Depreciation of right-of-use assets	46	74	97	74
Directors' fees:				
- current year	30	-	30	-
- under provision in prior year	10	-	10	-
Directors' remuneration	499	399	953	815
Interest expenses	90	162	217	332
Interest income	(26)	(15)	(36)	(36)
Listing expenses	3	295	4	512
Property, plant and equipment written-off	2	10	2	10
Rental income	(31)	(37)	(67)	(73)
Staff costs:				
- Salaries, allowances and bonus	2,785	2,053	5,132	3,991
- Employees' Provident Fund	195	214	349	368
- Other employee benefits	111	120	203	143
Recovery of allowance for impairment loss for trade receivables	(23)	(1)	-	-
Realised gain on foreign exchange	(1)	(4)	(5)	(4)
Unrealised gain on foreign exchange	(151)	(110)	14	(92)

**PART A – EXPLANATORY NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 (CONT'D)**

**A11 Valuation of Property, Plant and Equipment**

There was no valuation on property, plant and equipment during the financial period under review.

**A12 Material Events after the End of the Reporting Period**

There were no material events subsequent to the end of the financial period under review.

**A13 Contingent Liabilities and Contingent Assets**

There were no contingent liabilities and contingent assets as at the date of this unaudited condensed consolidated financial report.

**A14 Capital Commitments**

There were no material capital commitments as at the date of this unaudited condensed consolidated financial report.

**A15 Significant Related Party Transactions**

There were no significant related party transactions during the financial period under review.

**A16 Financial Liabilities**

The Group has not entered into any derivatives and do not have any financial liabilities arising from it.

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**PART B – ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (“LISTING REQUIREMENTS”)**

**B1 Review of Performance**

**Comparison between current 6 months financial period (“2H FYE2021”) and the preceding year 6 months financial period (“2H FYE2020”)**

The Group’s revenue stood at RM18.51 million for the current 6-month FPE 30 June 2021 as compared with RM4.95 million in the preceding corresponding financial period, representing an increase of approximately RM13.56 million or 273.9%. The substantial growth in the Group’s revenue was principally attributable to the increase in sales orders received from our existing and new customers in the rubber glove manufacturing industries during the current 6-month financial period, in line with the worldwide surge in demand for protective gloves and gloves manufacturing facilities arising from the COVID-19 pandemic.

The increase in revenue was mainly contributed by the segment of air pollution control systems which show an increase of RM7.02 million or 259.0% from RM2.71 million in the preceding 6-month FPE 30 June 2020 to RM9.73 million during the current 6-month FPE 30 June 2021. The demand for scrubber system and gloves line engineering support system remains strong in line with the growth of gloves manufacturing industry.

The revenue generated from air pollution control products and other related environmental engineering products segment also recorded an increase of RM6.27 million or 586.0% from RM1.07 million in the preceding 6-month FPE 30 June 2020 to RM7.34 million in the current 6-month FPE 30 June 2021 while the revenue generated from the technical consultation and maintenance services segment has increased by RM0.20 million or 16.7% from RM1.20 million in the preceding 6-month FPE 30 June 2020 to RM1.40 million in the current 6-month FPE 30 June 2021.

The revenue of the Group for the current 6-month FPE 30 June 2021 was largely contributed by local customers who contributed 92.6% of the Group’s total revenue as compared with 77.6% in the preceding 6-month FPE 30 June 2020.

The Group achieved profit before tax (“PBT”) of RM3.88 million for the current 6-month FPE 30 June 2021 as compared with a loss of RM1.34 million in the preceding 6-month FPE 30 June 2020. The increase in PBT was primarily due to the increase in the revenue as explained above as well as the Group’s continuous efforts to undertake cost efficient measures such as reducing utilities wastage.

**Comparison between current 12 months financial year (“FYE2021”) and the preceding year 12 months financial year (“FYE2020”)**

During the financial year ended 30 June 2021, the Group has achieved historical record high revenue since the establishment of the Group of RM28.64 million as compared with RM11.78 million recorded for the last financial year ended 30 June 2020, representing an increase RM16.86 million or 143.1%.

Air pollution control systems segment continues to be the main revenue contributor which contributes 56.7% of the Group’s revenue in the current financial year ended 30 June 2021 as compared to 57.0% in the last financial year ended 30 June 2020. In term of the contribution by geographical regions, local customers has contributed 88.5% of the Group’s revenue in the financial year ended 30 June 2021 as compared to 77.6% of the Group’s revenue in the last financial year ended 30 June 2020. The other overseas customers are mainly from countries such as China and USA.

**PART B – ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (“LISTING REQUIREMENTS”) (CONT’D)**

**B2 Commentary on Prospect**

The outbreak of COVID-19 pandemic has adversely affected both the local and global economies, resulting in suspensions of businesses, imposition of travel restrictions and border control.

On 15th June 2021, the Malaysian government announced the National Recovery Plan (NRP) as an exit strategy to assist Malaysia in recovering from the pandemic and is currently implementing the National COVID-19 Immunisation Programme (PICK). Although the Malaysian economy is on the road to recovery from COVID-19, the recovery from the impact of COVID-19 pandemic may take longer time, thus at this juncture, the risks remain from the on-going COVID-19 pandemic.

As at 30 June 2021, the Group has continued to expand the business and marketing activities such as setting up sales office and workshop in Klang, Selangor as an additional sales and marketing arm to capture more business opportunities arising from the Central Region and Southern Region of Malaysia. The Group may also increase its production capacity by hiring more manpower and acquiring new plant, machinery and/or equipment should the need arise to cope with demand.

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

**B3 Profit Forecast, Profit Guarantee and Internal Targets**

The Group has not issued any profit forecast, profit guarantee in any form of public documentation and announcement.

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**PART C – OTHER INFORMATION**

**C1 Status of Corporate Proposal**

There were no corporate proposals announced but pending completion as at the date of this unaudited condensed consolidated financial report.

**C2 Material Litigation**

The Group was not engaged in any material litigation as at the date of this unaudited condensed consolidated financial report.

**C3 Dividend**

The Board declared second interim dividend of RM0.01 per share in respect of the financial year ended 30 June 2021. The second interim dividend amounting to RM882,360 (based on 88,236,002 units of the Group's ordinary shares) will be paid on 30 September 2021.

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