

KRETAM HOLDINGS BERHAD

Company No.: 198801000928 (168285-H)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 JUNE 2021

This interim financial report is unaudited and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2020.

A. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	CURRENT QUARTER			CUMULATIVE		
	Quarter ended 30 June			6 months ended 30 June		
	2021	2020	Changes	2021	2020	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
CONTINUING OPERATIONS:-						
Revenue	163,094	102,998	58%	318,076	197,272	61%
Cost of sales and services	(125,815)	(85,645)		(258,995)	(173,931)	
Gross profit	37,279	17,353	115%	59,081	23,341	153%
Selling and distribution costs	(42)	(60)		(84)	(93)	
	37,237	17,293		58,997	23,248	
Other income	6,442	2,377		7,829	5,513	
Administrative expenses	(3,569)	(3,203)		(6,999)	(6,843)	
Other expenses	(9,456)	135		(15,019)	(840)	
Profit/(loss) before interest and taxation	30,654	16,602	85%	44,808	21,708	113%
Finance income	114	38		199	68	
Finance costs	(409)	(596)		(896)	(1,300)	
Profit/(loss) before taxation	30,359	16,044	89%	44,111	19,846	122%
Taxation	(9,749)	(1,791)		(10,569)	(3,078)	
Profit/(loss) after taxation	20,610	14,253	45%	33,542	16,768	100%
Profit/(loss) after taxation attributable to:-						
Shareholders of the Company	20,502	14,208	44%	33,436	16,680	100%
Non-Controlling Interests	108	45		106	88	
	20,610	14,253	45%	33,542	16,768	100%
EARNINGS/(LOSS) PER SHARE (EPS):-						
	<u>Sen</u>	<u>Sen</u>		<u>Sen</u>	<u>Sen</u>	
Basic EPS	0.88	0.61		1.44	0.72	
Diluted EPS	0.88	0.61		1.44	0.72	

B. CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	CURRENT QUARTER			CUMULATIVE		
	Quarter ended 30 June			6 months ended 30 June		
	2021	2020	Changes	2021	2020	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Profit/(loss) after taxation	20,610	14,253	45%	33,542	16,768	100%
Other Comprehensive Income (OCI)	0	0		0	0	
Income tax relating to components of OCI	0	0		0	0	
Other Comprehensive Income net of tax	0	0		0	0	
Total Comprehensive Income/(loss)	20,610	14,253	45%	33,542	16,768	100%
Total Comprehensive Income/(loss) attributable to:-						
Shareholders of the Company	20,502	14,208	44%	33,436	16,680	100%
Non-Controlling Interests	108	45	140%	106	88	-20%
	20,610	14,253	45%	33,542	16,768	100%

C. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.06.2021 RM'000	As at 31.12.2020 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	518,264	524,263
Investment property	0	3,391
Biological assets	1,154	2,458
Intangible assets	42,777	42,777
Trade & other receivables	4,532	4,532
CURRENT ASSETS		
Biological assets	11,387	10,362
Inventories	116,698	117,264
Receivables	63,360	51,012
Tax refundable	10,385	11,710
Derivatives	0	197
Cash and bank balances	64,379	50,024
	266,209	240,569
Assets held for sale	2,760	0
	268,969	240,569
CURRENT LIABILITIES		
Payables	53,182	49,162
Loans and borrowings	60,822	34,390
Derivatives	2,810	3,103
Dividend payable	0	23,276
	116,814	109,931
Liabilities associated with disposal group	0	0
	116,814	109,931
NET CURRENT ASSETS	152,155	130,638
NON-CURRENT LIABILITIES		
Loans and borrowings	6,501	7,126
Deferred taxation	70,036	68,854
	642,345	632,079
EQUITY		
Equity attributable to shareholders of the Company		
Share capital	746,467	746,467
Retained profits /(losses)	(103,573)	(113,733)
	642,894	632,734
Equity attributable to non-controlling interests	(549)	(655)
	642,345	632,079
NET ASSETS PER SHARE	<u>Sen</u> 27.6	<u>Sen</u> 27.2

D. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	EQUITY ATTRIBUTABLE TO:-					TOTAL EQUITY RM'000
	Shareholders of the Company				Non- controlling Interests RM'000	
	Share Capital RM'000	Reserves RM'000	Retained Profits RM'000	TOTAL RM'000		
<u>CURRENT YEAR TO DATE:</u>						
At 1 January 2021	746,467	0	(113,733)	632,734	(655)	632,079
Total Comprehensive Income/(loss) for the period	0	0	33,436	33,436	106	33,542
Dividend paid	0	0	(23,276)	(23,276)	0	(23,276)
Dividend paid to non-controlling interests	0	0	0	0	0	0
At 30 June 2021	746,467	0	(103,573)	642,894	(549)	642,345
<u>PREVIOUS YEAR CORRESPONDING PERIOD:</u>						
At 1 January 2020, as restated	746,467	0	(140,823)	605,644	(774)	604,870
Effect on Adoption of MFRS 16: Leases	0	0	0	0	0	0
Total Comprehensive Income/(loss) for the period	0	0	16,680	16,680	88	16,768
Dividend paid	0	0	0	0	0	0
Dividend paid to non-controlling interests	0	0	0	0	0	0
At 30 June 2020	746,467	0	(124,143)	622,324	(686)	621,638

E. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30 June	
	2021	2020
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before taxation from continuing operations	44,111	19,846
<u>Adjustments for:-</u>		
Depreciation and amortisation	23,730	23,553
Net fair value loss/ (gain) on biological assets	752	(243)
Interest income	(199)	(68)
Finance costs	896	1,300
Net loss / (gain) on disposal of assets / subsidiary	(1,358)	(21)
Unrealised loss/ (gain) on derivatives	(96)	(933)
Others	13	0
Changes in working capital	(40,096)	(14,841)
Income taxes paid, net of refunds	(7,372)	(2,980)
Interest received	198	68
Interest paid	(674)	(1,300)
	19,905	24,381
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,353)	(9,512)
Proceeds from disposal of property plant and equipment	1,965	109
Addition of Biological Assets	(472)	0
Withdrawal/(placement) of fixed deposits of longer-term tenure	(31)	(12)
	(7,891)	(9,415)
Cash flows from financing activities		
Net drawdown/(repayment) of lease liabilities	(423)	(348)
Net drawdown/(repayment) of revolving credit, term loan & foreign bill of exchange	26,010	(11,999)
Payment of dividends to shareholders	(23,276)	0
Payment of dividends to non-controlling interests	0	0
	2,311	(12,347)
Increase/(decrease) in cash and cash equivalents	14,325	2,619
Cash and cash equivalents at the beginning of the year	49,099	19,858
Cash and cash equivalents at the end of the period	63,424	22,477
Cash and cash equivalents comprise the following:		
Cash and bank balances	64,379	23,622
less: Fixed deposits with maturity of more than 3 months	(955)	(1,145)
	63,424	22,477

1. ACCOUNTING POLICIES

The interim financial statements are prepared as required by Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements and comply with Malaysian Financial Reporting Standard (MFRS 134) *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (MASB).

(a) Changes to Accounting Policies

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the audited financial statements for the year ended 31 December 2020.

(b) Malaysian Financial Reporting Standards (“MFRS”) and MFRS Framework

The interim financial statements of the Group for the financial period ended 30 June 2021 was prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) Framework.

At the date of authorisation of these interim financial statements, the following MFRS, IC Interpretations and Amendments to IC Interpretations were issued but not yet effective and have not been applied by the Group:

MFRS, IC Interpretation and Amendments to IC Interpretations	Effective for annual periods beginning on or after
Amendments to MFRS 1: First-time Adoption of MFRS	
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations)	1 January 2022
Amendments to MFRS 9: Financial Instruments Arrangements	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 141: Agriculture	1 January 2022
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 10 and FRS 128 Sale and Contribution of Assets between an Investor and its Associates or Joint Venture	Deferred

2. SEASONAL OR CYCLICAL FACTORS

The Group's production from its plantations generally experiences an "up-down" cycle once a year, with low production usually in the early part of the year, and peak production in the second half of the year but such cyclical crop pattern can be affected by the changes in weather conditions.

The prices for the Group's products are not within the control of the Group and it is mainly determined by the global supply and demand situation for edible oils, and somewhat related to the price of crude oil.

3. SIGNIFICANT ITEMS/EVENTS

Apart from the ongoing Movement Control Order (MCO) initiated by the Government to tackle the COVID-19 outbreak, there were no other material events which arose during the period under review which affected assets, liabilities, equity, net income or cash flows.

4. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

During the period under review, there were no:

- (i) material changes in estimates of amounts reported in the previous interim periods of the current financial year; and
- (ii) material changes in estimates of amounts reported in prior financial years.

5. DEBT AND EQUITY SECURITIES

There were no cancellations, repurchases, resale and repayments of debt and equity securities during the period under review.

6. PAYMENT OF DIVIDENDS

On 7 May 2021, the Company proposed a second interim dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2020 amounting to RM 23,276,271.35 which was paid on 25 June 2021.

7. SEGMENT REVENUE AND RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2021

	Plantation & Mill	Refinery	Elimination	TOTAL
	RM'000	RM'000	RM'000	RM'000
<u>REVENUES AND RESULTS:-</u>				
Segment Revenue – external	26,802	291,274	0	318,076
Inter-segment revenue	157,687	0	(157,687)	0
	<u>184,489</u>	<u>291,274</u>	<u>(157,687)</u>	<u>318,076</u>
Segment results	<u>37,211</u>	<u>9,751</u>	<u>(1,922)</u>	<u>45,040</u>
Unallocated Items:-				
Other income				38
Corporate expenses				(967)
Finance costs				0
Profit/(loss) before taxation from continuing operations				44,111
Taxation				(10,569)
Profit/(loss) after taxation from continuing operations				<u>33,542</u>
<u>ASSETS:-</u>				
Segment assets	<u>544,495</u>	<u>273,910</u>		818,405
Unallocated assets/(liabilities)				14,531
Assets classified as held for sale				2,760
Total assets				<u>835,696</u>

8. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation of property, plant and equipment for the current quarter.

9. CAPITAL COMMITMENTS

As at 30 June 2021, there were no material capital commitments for capital expenditure, contracted for or known to be contracted for by the Group which might have a material impact on the financial position or business of the Group, except as disclosed below:

	As at 30.06.2021 RM'000
Approved and contracted for	19,028
Approved but not contracted for	<u>51,104</u>
	<u>70,132</u>

10. SUBSEQUENT EVENTS

As of the date of this report, Malaysia was under the National Recovery Plan (NRP) which was announced on 16th June 2021. NRP is divided into 4 phases and Sabah currently is under Phase 2 of the NRP from 10th July 2021.

11. EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP

During the period under review there were no:

- (a) acquisitions or disposals of subsidiaries; and
- (b) discontinued operations.

12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS SINCE THE LAST FINANCIAL YEAR

There were no changes in contingent liabilities or contingent assets since 31 December 2020.

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

13. REVIEW OF PERFORMANCE

For the 6 months of 2021, the Group achieved a total revenue of RM 318.1 million (2020: RM197.2 million) and incurred a pre-tax gain of RM 44.1 million (2020: pre-tax gain of RM 19.8 million).

Commentary on the performance of the operating segments of the Group for Q2 2021 is as follows:

(a) Plantations and Mills

As shown in Note 7, the Group's plantation and mill operations achieved revenue (including inter-segment revenue) of RM 184.5 million (2020: RM 124.1 million), and pre-tax gain of RM 37.2 million (2020: pre-tax gain of RM 13.0 million). These should be seen in the context of information presented in the tables below:

Table A: Crude palm oil (CPO) and palm kernel (PK) prices – Sabah MPOB* average

	CPO		PK	
	2021	2020	2021	2020
January	3,731.00	3,000.00	2,565.00	1,860.50
February	3,876.00	2,689.00	NT*	1,601.00
March	4,025.00	2,348.00	2,607.00	1,430.00
April	4,205.50	2,230.00	2,531.50	1,390.50
May	4,545.50	2,092.00	2,642.50	1,186.00
June	3,706.50	2,400.00	2,469.50	1,365.00

*NT = Non-trade

Table B: Output indicators, and comparison with industrial average

	2nd Quarter			Year to Date		
	2021	2020	% change	2021	2020	% change
FFB Production (mt)	78,004	86,715	-10.0%	128,536	148,777	-13.6%
FFB Yield (mt/hectare):						
The Group's estates	4.50	4.96	-9.4%	7.41	8.52	-13.0%
MPOB* Sabah average	4.09	4.62	-11.5%	7.08	8.13	-12.9%
CPO Closing Stock at Palm Oil Mills (mt)	7,154	5,861	22.1%	7,154	5,861	22.1%
Oil Extraction Rate:						
The Group's palm oil mills	20.05%	20.05%	0.0%	19.78%	20.05%	-1.4%
MPOB* Sabah average	20.54%	20.73%	-0.9%	20.25%	20.72%	-2.3%

* - MPOB: Malaysian Palm Oil Board

The plantation division's Q2 2021 results are better than Q2 2020 mainly due to higher average selling price for CPO. However, for the overall 6 months, FFB productions were 13.6% lower when compared to Q2 2020. The relative higher CPO prices have cushioned the impact of lower FFB production and further translated to better profit margin for the Group.

(b) Refinery

Also as shown in Note 7, the Group's refinery operations achieved revenue of RM 291.3 million (2020: RM 138.3 million) and generated a pre-tax gain of RM 9.7 million (2020: pre-tax gain of RM 10.3 million). The refinery's pre-tax gain had resulted from better margin generated through sales of its products.

14. COMPARISON WITH THE PREVIOUS QUARTER'S RESULTS

The following is a summary based on the two respective quarters' condensed consolidated income statements:

	Current Quarter RM'000	Previous Quarter RM'000	Changes %
<u>CONTINUING OPERATIONS:-</u>			
Revenue	163,094	154,982	5%
Cost of sales and services, including distribution	(125,857)	(133,222)	
	37,237	21,760	
Other income	6,442	1,387	
Administrative and other expenses	(13,025)	(8,992)	
Profit/(loss) before interest and taxation	30,654	14,155	117%
Interest income	114	85	
Interest costs	(409)	(487)	
Profit/(loss) before taxation	30,359	13,753	121%
Taxation	(9,749)	(821)	
Profit/(loss) after taxation	20,610	12,932	59%
Profit/(loss) after taxation attributable to:			
Shareholders of the Company	20,502	12,934	59%
Non-Controlling Interests	108	(2)	
	20,610	12,932	59%

The higher pre-tax gain as compared to previous quarter was mainly due to higher commodity prices and higher Q2 2021 crop production volume compare to Q1 2021 which has translated to higher revenue for the quarter.

15. CURRENT YEAR PROSPECTS

In 2021, COVID-19 pandemic will still play an important part in determining the overall impact on the market sentiments especially in the supply chain of palm oil products. With the World economies on the verge of gradual recovery and the rollout of COVID-19 vaccines, it is expected such recovery will spur demand for the edible oil especially when sectors such as travel, tourism and food & beverages are allowed to resume operation. It is expected palm oil importers to start replenishing their stock as economic activities started to pick up.

While on price-wise, CPO price might soften in 2nd half of 2021 especially when the FFB production recovers due to better weather conditions, improving stockpiles and higher rival oil production. Although the CPO price will soften, the overall market expects the price will not fall in a drastic manners and expects the price will still hover relatively higher when compared to 2020 CPO price.

Apart from demand and price, the emergence of COVID-19 variants is still remained the biggest risk in 2nd half of 2021. The new variants of COVID-19 have seen spike in number of cases and this might have adverse consequences especially in procurement and demand of the palm oil products.

Despite the risks, the Group expects the overall performance will improve while cautiously monitor the impending COVID-19 risks that might impact the Group's overall performance.

16. ACHIEVEMENT OF REVENUE/PROFIT ESTIMATES, FORECASTS AND/OR INTERNAL TARGETS

Not applicable as the Company did not provide any revenue or profit estimate, forecast or projection, and did not publish any internal targets, in any public document.

17. EXPLANATION OF VARIANCES FROM PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable as the Company did not provide any profit forecast or guarantee, in any public document.

18. TAXATION

	Quarter ended <u>30.06.2021</u> RM'000	6 months ended <u>30.06.2021</u> RM'000
Provision in respect of results for the current quarter/period	7,280	8,695
Over/ (Under) provision for taxation in respect of previous years	46	4
Deferred taxation	2,423	1,870
	<u>9,749</u>	<u>10,569</u>

The Group's tax credit on its Profit Before Tax for the current quarter was higher than the statutory tax rate mainly due to reversal of deferred tax assets previously recognised on certain subsidiaries.

19. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT YET COMPLETED

(a) Bulking Joint Venture Agreement ("BJVA")

On 7 July 2014, Usaha Dimega Sdn Bhd ("UDSB"), a wholly-owned subsidiary of the Group, entered into a conditional Bulking Joint Venture Agreement ("BJVA") with Rikaworth Sdn Bhd ("RSB") and Sawit Bulkers Sdn Bhd ("SBSB") to venture into the business of palm oil common bulking installations for palm oil and related products together with a system of pipe racks to facilitate the transfer of liquid products between the bulking facilities and users of such facilities and the conveyance of the same to and from the jetty facilities of the Sabah Ports Authority in Sandakan, subject to the terms and conditions of the BJVA.

The BJVA is subject to the fulfilment (unless waived by mutual written consent of UDSB and RSB) of certain Conditions Precedent, after which UDSB and RSB are to subscribe for shares at par in the JV Company in cash on a date to be decided by the Board of Directors of the JV Company within 10 days after the Conditions Precedent are fulfilled or waived. Following the subscription of shares, the equity interest held by the respective parties shall be as follows:

	<u>No. of Shares</u>	<u>Percentage</u>
UDSB	12,750,000	60%
RSB	8,500,000 (including the existing 100,000 issued shares)	40%

The status of the Conditions Precedent are as follows:

Conditions Precedent		Status
1	The approvals of RSB and UDSB for the rolling business plan for the JV Company relating to the then current financial year and three succeeding financial years	Obtained
2	RSB and UDSB obtaining the approvals of their respective shareholders to the terms and conditions of the BJVA	Obtained
3	Obtaining the licence/consent from the Malaysian Palm Oil Board to commence construction of the bulking installation	Obtained
4	Increasing the authorised capital of the JV Company to RM50,000,000 consisting of 50,000,000 shares of RM1.00 each	Done
5	RSB and UDSB agreeing to the form and substance of the Land Sale and Purchase Agreement relating to the purchase of the Land and price relating thereto	Not yet agreed
6	RSB and UDSB agreeing to the terms and conditions of the Bulking Facilities User Agreement relating to the use of the JV Company's bulking facilities by Green Edible Oil Sdn Bhd ("GEOSB") (a wholly-owned subsidiary of the Group) operating a refinery in the vicinity of the Sawit POIC Area to produce refined palm oil products	Done
7	The JV Company (as sublessee) and Sandakan Bulkers (as sublessor) agreeing to the terms and	Not yet agreed

	conditions of the Pipe Rack Land Sublease relating to the sublease of a strip of land on which the JV Company's pipe racks would be erected	
8	Issuance of the letter of offer in respect of the alienation of the Land by the Lands and Surveys Department	Issued
9	The JV Company obtaining such other authorizations, consents and permits as shall be necessary for commencing its business according to written laws	In progress
10	Sandakan Bulklers (as landowner and licensor) and the Offtaker (as licensee) agreeing to the form of the Land Licence Agreement for Sandakan Bulklers to grant a licence for the Offtaker to use a stretch of land for the purpose of building a pipe rack to carry pipes for liquid goods and water pipe	Not yet agreed
11	RSB issuing a letter to the JV Company promising to insert into all future sale and purchase agreements in respect of the sale of various lots within the Sawit POIC Area, words to restrict the use of the said lots for conducting bulking business	Done
12	The execution and delivery of KHB's Guarantee issued in favour of RSB to guarantee the performance, liabilities and obligations of UDSB under the BJVA	Done
13	RSB and UDSB agreeing to the rate of charges payable to the JV Company for each metric ton of goods loaded onto any barge or vessel at the mini jetty located adjacent to GEOSB's land	In progress

On 5 May 2016, UDSB received from RSB a draft Deed of Variation proposing the following major changes to the BJVA:

- the respective proportions in which UDSB and RSB will hold the issued ordinary share capital of the JV Company from time to time shall be as follows:

<u>Party</u>	<u>Percentage</u>
UDSB	40%
RSB	60%

- the BJVA shall be inserted with a new Condition Precedent as follows:

"The relevant authority shall have issued separate land titles in respect of the lands which are the subject matter of the Pipe Rack Land Sublease."

The draft Deed of Variation is under consideration by the Board of Directors and an announcement will be made once a decision has been made.

20. GROUP BORROWINGS

	<u>As at</u> <u>30.06.2021</u> RM'000	<u>As at</u> <u>31.12.2020</u> RM'000
Short term secured:		
Bankers' acceptances	46,034	22,555
Revolving credit	13,000	10,000
Term loans	938	938
Lease	850	898
	60,822	34,391
Long term secured:		
Term loans	468	937
Lease	6,033	6,188
	6,501	7,125
TOTAL BORROWINGS	67,323	41,516

The above borrowings are denominated in Malaysian Ringgit except where otherwise indicated.

21. ADDITIONAL DISCLOSURES

(a) Financial Derivatives

Outstanding financial derivatives held by the Group as at 30 June 2021 are as follows:

	<u>Currency</u>	<u>Contract/ Notional Amount '000</u>	<u>Fair Value</u>	
			<u>Assets RM'000</u>	<u>Liabilities RM'000</u>
US Dollar forward contracts - less than 1 year	USD	3,870	0	42
Palm oil futures contracts - less than 1 year	MYR	28,347	0	1,603
Olein price swap contracts - less than 1 year	USD	6,748	0	1,164

(b) Gains/(Losses) Arising from Fair Value Changes of Financial Liabilities

For the period ended 30 June 2021, there were no gains or losses arising from changes to fair values of the Group's financial liabilities.

22. CHANGES IN STATUS OF MATERIAL LITIGATION UP TO 23 MAY 2021

Not applicable as the Group is not involved in any material litigation.

23. DIVIDENDS DECLARED

On 7 May 2021, the Company proposed a second interim dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2020 amounting to RM 23,276,271.35.

24. EARNINGS/(LOSS) PER SHARE ("EPS")

Basic and diluted EPS for the period under review is calculated based on the following:

	<u>Quarter ended 30.06.2021</u>	<u>6 months ended 30.06.2021</u>
Weighted average number of shares in issue	2,327,627,135	2,327,627,135
Number of shares used in calculating diluted EPS	2,327,627,135	2,327,627,135
	<u>RM'000</u>	<u>RM'000</u>
Profit/(loss) after taxation from continuing operations	20,610	33,542
less: (profit)/loss after taxation from continuing operations attributable to non-controlling interests	(108)	(106)
Profit/(loss) after taxation from continuing operations attributable to shareholders of the Company	20,502	33,436
EPS:	<u>Sen</u>	<u>Sen</u>
- Basic	0.88	1.44
- Diluted	0.88	1.44

Basic EPS is calculated by dividing "Profit/(loss) after taxation attributable to shareholders of the Company" by the "Weighted average number of shares in issue".

Diluted EPS is calculated by dividing "Adjusted profit/(loss) after taxation" by the "Number of shares used in calculating diluted EPS".

25. AUDITOR'S REPORT ON THE PREVIOUS YEAR'S FINANCIAL STATEMENTS

The auditors' report on the Group's consolidated financial statements for the year ended 31 December 2020 was not qualified.

26. AUTHORISED FOR ISSUE

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 30th August 2021.

By Order of the Board,

DATUK LIM NYUK SANG @ FREDDY LIM
Chief Executive Officer

30th August 2021