

**GOPENG BERHAD (109465-X)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021 - UNAUDITED**

|   | <b>31.12.2021</b>         | <b>31.12.2020</b>         |
|---|---------------------------|---------------------------|
|   | <b>RM</b>                 | <b>RM</b>                 |
| <b>ASSETS</b>                             |                           |                           |
| Property, Plant and Equipment             | 219,844,603               | 217,553,664               |
| Investment Properties                     | 8,035,000                 | 8,035,000                 |
| Land and Deferred Development Expenditure | 2,437,319                 | 2,400,292                 |
| Investments                               | 186,000                   | 186,000                   |
| <b>Total non-current assets</b>           | <u>230,502,922</u>        | <u>228,174,956</u>        |
| Inventories                               | 324,523                   | 305,352                   |
| Biological Assets                         | 352,791                   | 251,394                   |
| Trade and Other Receivables               | 1,462,460                 | 3,703,987                 |
| Income Tax Asset                          | 366,798                   | 265,552                   |
| Short Term Investment                     | 66,087,599                | 82,969,989                |
| Deposits With Licensed Banks              | 3,948,987                 | 932,501                   |
| Cash and Bank Balances                    | 4,685,080                 | 845,143                   |
| <b>Total current assets</b>               | <u>77,228,238</u>         | <u>89,273,918</u>         |
| <b>Total Assets</b>                       | <u><b>307,731,160</b></u> | <u><b>317,448,874</b></u> |
| <b>EQUITY</b>                             |                           |                           |
| Share Capital                             | 134,496,725               | 134,496,725               |
| Reserves                                  | 142,957,859               | 150,739,616               |
| <b>Total Equity</b>                       | <u>277,454,584</u>        | <u>285,236,341</u>        |
| <b>LIABILITIES</b>                        |                           |                           |
| Other Provisions                          | 353,151                   | 342,320                   |
| Deferred Tax Liabilities                  | 27,970,000                | 28,743,000                |
| <b>Total non-current liabilities</b>      | <u>28,323,151</u>         | <u>29,085,320</u>         |
| Trade and Other Payables                  | 1,953,425                 | 3,113,714                 |
| Hire Purchase Liabilities                 | -                         | 13,499                    |
| Borrowing                                 | -                         | -                         |
| <b>Total current liabilities</b>          | <u>1,953,425</u>          | <u>3,127,213</u>          |
| <b>Total liabilities</b>                  | <u>30,276,576</u>         | <u>32,212,533</u>         |
| <b>Total equity and liabilities</b>       | <u><b>307,731,160</b></u> | <u><b>317,448,874</b></u> |

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)

**GOPENG BERHAD (109465-X)**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2021 - UNAUDITED**

|  | Three months ended |                    | Year ended         |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | 31 December        |                    | 31 December        |                    |
|  | 2021               | 2020               | 2021               | 2020               |
|  | <u>RM</u>          | <u>RM</u>          | <u>RM</u>          | <u>RM</u>          |
| <b>Revenue</b>   | <b>3,629,585</b>   | <b>3,049,496</b>   | <b>14,391,153</b>  | <b>9,219,432</b>   |
| Cost of sales  | (3,022,632)        | (6,620,233)        | (10,223,584)       | (13,017,906)       |
| <b>Gross Profit/(Loss)</b>   | <b>606,953</b>     | <b>(3,570,737)</b> | <b>4,167,569</b>   | <b>(3,798,474)</b> |
| Other Income/(Loss)  | 591,751            | 1,110,421          | (68,211)           | 3,614,727          |
| Administrative & other expenses  | (1,744,137)        | (3,150,461)        | (7,252,532)        | (8,523,452)        |
| <b>Results from operating activities</b>                                       | <b>(545,433)</b>   | <b>(5,610,777)</b> | <b>(3,153,174)</b> | <b>(8,707,199)</b> |
| Interest income  | 26,980             | 11,292             | 26,980             | 29,093             |
| Finance costs  | -                  | (14,157)           | (48,694)           | (36,088)           |
| <b>Operating Profit/(Loss)</b>   | <b>(518,453)</b>   | <b>(5,613,642)</b> | <b>(3,174,888)</b> | <b>(8,714,194)</b> |
| Taxation   | 739,360            | 2,197,518          | 739,360            | 2,123,692          |
| <b>Profit/(Loss) for the period</b>  | <b>220,907</b>     | <b>(3,416,124)</b> | <b>(2,435,528)</b> | <b>(6,590,502)</b> |
| <b>Profit/(Loss) attributable to owners of the parents for the period</b>      | <b>220,907</b>     | <b>(3,416,124)</b> | <b>(2,435,528)</b> | <b>(6,590,502)</b> |
| <b>Basic earnings / (loss) per share</b>                                       | <b>0.05 sen</b>    | <b>(1.27 sen)</b>  | <b>(0.60 sen)</b>  | <b>(2.45 sen)</b>  |
| Other comprehensive income,  |                    |                    |                    |                    |
| Revaluation gains on land and buildings net of tax                             | 33,640             | 9,261,521          | 33,640             | 9,261,521          |
| <b>Total comprehensive income / (loss) for the financial year</b>              | <b>254,547</b>     | <b>5,845,397</b>   | <b>(2,401,888)</b> | <b>2,671,019</b>   |
| <b>Total comprehensive income/ (loss) attributable to owners of the parent</b> | <b>254,547</b>     | <b>5,845,397</b>   | <b>(2,401,888)</b> | <b>2,671,019</b>   |

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)

**GOPENG BHD (109465-X)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2021 - UNAUDITED**

| <b>GROUP</b>                      | <b>Attributable to Equity Holders of the Company</b> |                            |                        |                    |                     |
|-----------------------------------|--|----------------------------|------------------------|--------------------|---------------------|
|                                   | <b>Share Capital</b>                                 | <b>Revaluation Reserve</b> | <b>Retained Profit</b> | <b>Reserve</b>     | <b>Total Equity</b> |
|                                   | <b>RM</b>  | <b>RM</b>                  | <b>RM</b>              | <b>RM</b>          | <b>RM</b>           |
| <b>At 1 January 2021</b>          | <b>134,496,725</b>                                   | <b>9,261,521</b>           | <b>141,478,095</b>     | <b>150,739,616</b> | <b>285,236,341</b>  |
| Loss for the financial year       | -  | -                          | (2,435,528)            | (2,435,528)        | (2,435,528)         |
| Total comprehensive income        | -  | 33,640                     | -                      | 33,640             | 33,640              |
| Depreciation transfer on land     | -  | (140,168)                  | 140,168                | -                  | -                   |
| Final single tier dividend - 2020 | -  | -                          | (5,379,869)            | (5,379,869)        | (5,379,869)         |
| <b>At 31 December 2021</b>        | <b>134,496,725</b>                                   | <b>9,154,993</b>           | <b>133,802,866</b>     | <b>142,957,859</b> | <b>277,454,584</b>  |
| <b>At 1 January 2020</b>          | <b>134,496,725</b>                                   | -                          | <b>154,793,434</b>     | <b>154,793,434</b> | <b>289,290,159</b>  |
| Loss for the financial year       | -  | -                          | (6,590,502)            | (6,590,502)        | (6,590,502)         |
| Total comprehensive income        | -  | 9,261,521                  | -                      | 9,261,521          | 9,261,521           |
| Final single tier dividend - 2019 | -  | -                          | (6,724,837)            | (6,724,837)        | (6,724,837)         |
| <b>At 31 December 2020</b>        | <b>134,496,725</b>                                   | <b>9,261,521</b>           | <b>141,478,095</b>     | <b>150,739,616</b> | <b>285,236,341</b>  |

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)

**GOPENG BHD (109465-X)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2021 - UNAUDITED**

|   | Year ended<br>31 December 2021<br>RM | Year ended<br>31 December 2020<br>RM |
|---|--------------------------------------|--------------------------------------|
| <b>Net profit / (loss) before tax and minority interest</b>                   | <b>(2,016,744)</b>                   | <b>(8,714,194)</b>                   |
| Adjustment for:-  |                                      |                                      |
| Non-cash item   | 3,719,658                            | 8,435,586                            |
| Non operating items (which are investing/financing)                           | 252,878                              | (3,385,432)                          |
| <b>Operating profit / (loss) before changes in working capital</b>            | <b>1,955,792</b>                     | <b>(3,664,040)</b>                   |
| Changes in working capital  |                                      |                                      |
| (Increase)/decrease in current assets   | 1,741,078                            | (1,046,618)                          |
| (Increase)/decrease in current liabilities                                    | (1,160,286)                          | 621,087                              |
| <b>Cash used in operations</b>  | <b>2,536,584</b>                     | <b>(4,089,571)</b>                   |
| Payments for tax, retirement benefits, development expenditure and tax refund | (101,247)                            | (190,488)                            |
| <b>Net cash flow used in operating activities</b>                             | <b>2,435,337</b>                     | <b>(4,280,059)</b>                   |
| Cash flow (used in) / from investing activities                               |                                      |                                      |
| - Other investment  | 9,863,148                            | 655,505                              |
|   | <b>12,298,485</b>                    | <b>(3,624,554)</b>                   |
| Cash flow used in financing activities  |                                      |                                      |
| - Dividend paid to shareholders of the company                                | (5,379,869)                          | (6,724,837)                          |
| - Bank borrowing and interests  | (62,193)                             | (56,098)                             |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                   | <b>6,856,423</b>                     | <b>(10,405,489)</b>                  |
| Cash and cash equivalent at beginning of period                               | 1,777,644                            | 12,183,133                           |
| <b>Cash and cash equivalent at end of period</b>                              | <b>8,634,067</b>                     | <b>1,777,644</b>                     |
| <b>Analysis of cash and cash equivalent:-</b>                                 |                                      |                                      |
| Deposits with licensed bank   | 3,948,987                            | 932,501                              |
| Cash and bank balances  | 4,685,080                            | 845,143                              |
|   | <b>8,634,067</b>                     | <b>1,777,644</b>                     |

**(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements)**

## **GOPENG BERHAD (109465-X)**

### **Notes to the interim financial report**

#### **1. Basis of preparation**

This interim financial report is prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016, using the historical cost convention (unless stated otherwise in the significant accounting policies below).

The interim financial report should be read in conjunction with the most recent audited financial statement for the year ended 31 December 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2020.

The Group will consistently apply the same accounting policies throughout all comparable interim periods presented.

#### **2. Accounting Standards and interpretations**

As the date of authorisation of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretations have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not yet been adopted by the Group and the Company:

| <u>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</u>   | <u>Effective Date</u> |
|---|-----------------------|
| Amendments to MFRS 3: Reference to the Conceptual Framework   | 1 January 2022        |
| Amendments to MFRS 116: Property, Plant and Equipment <sup>ô</sup> Proceeds before Intended Use                           | 1 January 2022        |
| Amendments to MFRS 137: Onerous Contracts <sup>ô</sup> Cost of Fulfilling a Contract                                      | 1 January 2022        |
| Amendments to MFRS 101: Classification of Liabilities as Current or Non-current   | 1 January 2022        |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred              |

The adoption of these MFRSs, Amendments to MFRSs and IC Interpretations are expected to have no significant impact to the financial statements of the Group upon their initial application.

### 3. Seasonal or cyclical factory

The Group's operations were not affected by any seasonal or cyclical factors.

### 4. Unusual items due to their nature, size or incidence

There were no unusual items due to their nature, size or incidence in the quarter under review.

### 5. Changes in estimates

There were no changes in estimates of amounts reported in prior financial quarter which have a material effect in the current financial quarter.

### 6. Capital and reserves

There were no changes to the capital and reserves of the Group during the financial quarter,

### 7. Debt and equity securities

There were no issuance, cancellation, repurchase and resale of equity securities in the financial quarter.

### 8. Dividend

The final single tier dividend of 2.0 sen per ordinary shares for the financial year ended 31 December 2020 was approved by the shareholders at the Company's 37th Annual General Meeting held virtually on 29 June 2021. The dividend amount of RM5,379,869.04 was paid to shareholders on 13 August 2021.

### 9. Segment analysis

Segment reporting is presented in respect of the Group's business segment. The activities of the Group are carried out in Malaysia and as such, there was no segmental reporting by geographical location.

| <u>Segment</u> | <b>Year ended<br/>31 December 2021</b> |   | <b>Year ended<br/>31 December 2020</b> |   |
|----------------|--|---|--|---|
|                | <b>Turnover<br/>RM</b>                 | <b>Profit/(Loss)<br/>from operations<br/>RM</b> | <b>Turnover<br/>RM</b>                 | <b>Profit/(Loss)<br/>from operations<br/>RM</b> |
| Property       | -                                      | -   | -                                      | -   |
| Plantation     | 14,391,153                             | 4,063,581                                       | 9,219,432                              | (5,520,658)                                     |
| Others *       | -                                      | (7,216,755)                                     | -                                      | (3,186,541)                                     |
| Consolidated   | 14,391,153                             | (3,153,174)                                     | 9,219,432                              | (8,707,199)                                     |

The main activities of the Group are the cultivation of oil palm and investment in short term funds. There were no inter-segment elimination and unallocated operating income or expenses.

**Others** \*, refers to the profit or loss generated in the holding company and its subsidiaries. Loss for the quarter was due to the drop in fair value of the short term investment and also due to the administrative expenditures incurred.

### Specific industry information

|  | 1 <sup>st</sup> Quarter<br>2021 | 2 <sup>nd</sup> Quarter<br>2021 | 3 <sup>rd</sup> Quarter<br>2021 | 4 <sup>th</sup> Quarter<br>2021 |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b><u>Oil Palm</u></b>                   |                                 |                                 |                                 |                                 |
| Planted hecterage                        | 993                             | 993                             | 993                             | 993                             |
| Fresh Fruit Bunch production (MT)        | 4,114                           | 4,430                           | 3,792                           | 3,204                           |
| FFB yield per hectare (MT)               | 4.14                            | 4.46                            | 3.82                            | 3.23                            |
| Average FFB price (RM) per MT            | 820.57                          | 866.87                          | 924.35                          | 1,132.83                        |
| Average Production Cost per Hectare (RM) | 2,188                           | 2,717                           | 2,003                           | 3,044                           |
| <b><u>Pineapple</u></b>                  |                                 |                                 |                                 |                                 |
| Total planted hecterage (cumulative)     | 86.73                           | 86.73                           | Cleared                         | Cleared                         |
| Turnover (RM)                            | 11,891                          | 24,912                          | 3,593                           | -                               |
| Cost of Sales (RM)                       | 311,828                         | 26,123                          | 2,800                           | -                               |

## 10. Property, plant and equipment

### a) Method used

Properties are stated using the revaluation method. Plant and equipment are stated at cost.

### b) Acquisitions and disposals

Acquisitions and disposals of items of property, motor vehicle, plant and equipment in the current interim period and preceding corresponding period are as follows:

|  | Year ended<br>31 December 2021<br>RM | Year ended<br>31 December 2020<br>RM |
|--|--------------------------------------|--------------------------------------|
| Acquisition of :                       |                                      |                                      |
| Leasehold land                         | 5,350,759                            | -                                    |
| Building ó at cost                     | -                                    | 386,780                              |
| Plant and Machinery ó at cost          | -                                    | 363,693                              |
| Motor Vehicle - at cost                | -                                    | -                                    |
| Earthmoving equipment ó at cost        | -                                    | 152,500                              |
| Office equipment & fittings ó at cost  | 48,089                               | 107,357                              |
| Bearer Plantó at cost                  | 707,119                              | 2,722,562                            |
| Land Improvement cost                  | -                                    | 2,241,708                            |
| Total                                  | 6,105,967                            | 5,974,600                            |
| Total proceeds from disposal of assets | 106,200                              | 5,300                                |

## 11. Post balance sheet events

There were no material events after the end of the quarter which had not been reflected in the financial statements for the quarter ended 31 December 2021.

## 12. Changes in composition of the Group

On 12 April 2021, the Company has subscribed for the entire equity interest in the capital of KB Estates Sdn Bhd, a newly incorporated company in Malaysia, thereby making it a subsidiary of the Company with a share capital of RM2. On 22 October 2021, the share capital was increased to RM500,002.

On 12 April 2021, the Company has subscribed for the entire equity interest in the capital of GBS Suria Sdn Bhd, a newly incorporated company in Malaysia, thereby making it a subsidiary of the Company with a share capital of RM100,000.

On 27 April 2021, the Company has subscribed for the entire equity interest in the capital of GBS Energy Sdn Bhd, a newly incorporated company in Malaysia, thereby making it a subsidiary of the Company with a share capital of RM2.

## 13. Associate

The Company has no associated company.

## 14. Review of performance

|  | Three months ended<br>31 December |                    | Changes<br>(%) | Year ended<br>31 December |                    | Changes<br>(%) |
|--|-----------------------------------|--------------------|----------------|---------------------------|--------------------|----------------|
|  | 2021<br><u>RM</u>                 | 2020<br><u>RM</u>  |                | 2021<br><u>RM</u>         | 2020<br><u>RM</u>  |                |
| <b>Revenue</b>                           | <b>3,629,585</b>                  | <b>3,049,496</b>   | <b>19%</b>     | <b>14,391,153</b>         | <b>9,219,432</b>   | <b>56%</b>     |
| Cost of sales                            | (3,022,632)                       | (6,620,233)        | 54%            | (10,223,584)              | (13,017,906)       | 21%            |
| <b>Gross Profit/(Loss)</b>               | <b>606,953</b>                    | <b>(3,570,737)</b> | <b>-117%</b>   | <b>4,167,569</b>          | <b>(3,798,474)</b> | <b>210%</b>    |
| Other Income/(Loss)                      | 591,751                           | 1,110,421          | -47%           | (68,211)                  | 3,614,727          | -102%          |
| Administrative & other expenses          | (1,744,137)                       | (3,150,461)        | 44.6%          | (7,252,532)               | (8,523,452)        | 15%            |
| <b>Results from operating activities</b> | <b>(545,433)</b>                  | <b>(5,610,777)</b> | <b>90%</b>     | <b>(3,153,174)</b>        | <b>(8,707,199)</b> | <b>64%</b>     |
| Interest income                          | 26,980                            | 11,292             | 139%           | 26,980                    | 29,093             | -7%            |
| Finance costs                            | -                                 | (14,157)           | 100%           | (48,694)                  | (36,088)           | -35%           |
| <b>Operating Profit/(Loss)</b>           | <b>(518,453)</b>                  | <b>(5,613,642)</b> | <b>91%</b>     | <b>(3,174,888)</b>        | <b>(8,714,194)</b> | <b>64%</b>     |

In the quarter ended 31 December 2021, the Group recorded a revenue of **RM3.6 million** and an operating loss of **RM0.5 million** compared with a revenue of **RM3.0 million** and an operating loss of **RM5.6 million** recorded in the previous corresponding quarter.

The higher revenue recorded in the quarter ended 31 December 2021 compared to the previous corresponding quarter was due to better CPO prices.

Higher operating loss in the previous corresponding quarter was due to the write-off and impairment of bearer plant in the pineapple project.

The Group's short term investment recorded a fair value loss of RM231,164 as at 31 December 2021.



### Variation of results against immediate preceding quarter

|   | Current Quarter<br>31 Dec 2021<br>RM | Immediate<br>Preceding Quarter<br>30 Sept 2021<br>RM | Changes<br>(RM) |
|---|--------------------------------------|--|-----------------|
| Revenue   | 3,629,585                            | 3,508,722  | (120,863)       |
| Profit/(Loss) Before Interest and Tax   | (545,433)                            | (497,672)  | (47,761)        |
| Operating Profit/(Loss)   | (518,453)                            | (516,144)  | (2,309)         |
| Profit / (Loss) After Tax   | 220,907                              | (516,144)  | 737,051         |
| Profit/(Loss) attributable to Ordinary<br>Equity Holders of the Parent<br>Company | 220,907                              | (516,144)  | 737,051         |

The Group recorded a revenue of **RM3.6 million** and an operating loss of **RM0.5 million** in the quarter under review compared with a revenue of **RM3.5 million** and an operating loss of **RM0.5 million** in the preceding quarter.

Compared with the preceding quarter, the average price of oil palm FFB increased from **RM924.35** to **RM1,132.83** while production decreased from **3,792 mt** to **3,204 mt**.

#### 15. Contingent liabilities

The company has undertaken to provide financial support to certain subsidiaries to enable them to continue operation on a going concern basis.

#### 16. Capital commitments

There were no capital commitments during the financial quarter.

#### 17. Material related party transactions

There were no material related party transactions during the financial quarter.

#### 18. Future prospects

The Group's performance is very much dependent on the prices and production of oil palm and the fair value gain or loss of the Group's short term investment.

Gopeng Berhad had been shortlisted as one of the successful bidders by The Energy Commission of Malaysia in a competitive bidding exercise for the development of Large Scale Solar Photovoltaic (LSSPV) plants in Peninsular Malaysia for commercial operation in 2022/2023 for a plant capacity of 50.00 MW. The LSSPV, on completion is expected to contribute positively to the Group's profit.

#### 19. Profit forecast

The budget and profit forecast for the year was made at the end of the previous financial year and monthly revisions were made.

## 20. Taxation

|   | <b>Year ended<br/>31 Dec 2021<br/>RM</b> | <b>Year ended<br/>31 Dec 2020<br/>RM</b> |
|---|--|--|
| <u>Current Taxation</u>                           |  |  |
| Income tax (Provision)                            | -  | -  |
| Under/(Over)-provision in prior financial year    | -  | -  |
| <u>Real Property Gain Tax</u>                     | -  | 73,826                                   |
| <u>Deferred taxation</u>                          |  |  |
| Origination and reversal of temporary differences | (739,360)                                | (2,197,518)                              |
| Under provision in prior financial year           | -  | -  |
| Tax Expense / (Credit)                            | (739,360)                                | (2,123,692)                              |

## 21. Unquoted investments and properties

There was no acquisition or disposal of unquoted investments and properties during the financial quarter.

## 22. Quoted investments

i) There was no purchase of quoted securities for the quarter under review and financial year to-date.

ii) Investments in quoted securities at the beginning of the year were:

|                          |   |
|--------------------------|---|
|                          | <u>RM</u>   |
| Cost                     | 16,738  |
| Impairment of investment | (16,738)  |
| Market Value             | <u>                    </u><br><u>                    </u><br>- |

As at 31 December 2021, these fully impaired investments in quoted securities were written-off.

## 23. Status of corporate proposals announced

In the EGM on 14 July 2021, the shareholders had approved the implementation of bonus issue of up to 134,496,726 new ordinary shares on the basis of 1 Bonus Share for every 2 existing ordinary shares. The implementation of the Bonus Issue was undertaken without any capitalisation from the reserves of the Company and was issued as fully paid at nil consideration. The bonus issue was finally implemented on 30 July 2021.

In the EGM, the shareholders also had consented an approval for the Company to undertake a diversification of the existing principal activities of the Company and its subsidiaries to include renewable energy business.

#### **24. Borrowing and debt securities**

The Group has a Short Term Revolving Credit facility (STRC) of RM2 million from Malayan Banking Berhad, secured with a Fixed Deposit of RM500,000 which was utilised in full as at 30 September 2021.

The Company also has a Bank Guarantee facility of RM1 million with Hong Leong Bank Berhad for one-off issuance of bid bond in favour of Suruhanjaya Tenaga of Malaysia for Large Scale Solar 4 (LSS4) project, secured with a Fixed Deposit of RM300,000.

Being the successful bidder for the LSS4 project, GBS Suria Sdn Bhd has obtained a Bank Guarantee facility of RM10 million with Hong Leong Islamic Bank Berhad for a substitute bond in favour of Suruhanjaya Tenaga of Malaysia, secured with a corporate guarantee from Gopeng Berhad.

#### **25. Off-balance sheet financial instruments**

There were no financial instruments with off-balance sheet risk as at the date of this announcement.

#### **26. Material litigation**

There was no material litigation against the Group.

#### **27. Basic earnings per share**

Prior to 30 July 2021, the calculation of basic earnings per share is based on the profit for the period and the number of shares in issue of 268,993,452 shares ranking for dividend during the year.

After the bonus issue was implemented on 30 July 2021, the calculation of basic earnings per share is based on the profit for the period and the number of shares in issue of 403,490,138.

#### **28. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 February 2022.