

RIVERVIEW RUBBER ESTATES, BERHAD

(Company No. : 820-V)

(Incorporated in Malaysia)

Interim Financial Report

30 June 2021

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Riverview Rubber Estates, Berhad

(Company No. : 820-V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Comprehensive Income**30 June 2021***(the figures have not been audited)*

	Current quarter ended		Cumulative 6 months ended	
	30.06.2021 RM'000	30.06.2020 RM'000	30.06.2021 RM'000	30.06.2020 RM'000
Revenue	14,685	8,731	27,961	16,378
Cost of sales	(5,660)	(4,200)	(10,447)	(8,182)
Gross profit	9,025	4,531	17,514	8,196
Items of expense				
Administrative expenses	(919)	(797)	(1,622)	(1,498)
	8,106	3,734	15,892	6,698
Items of income				
Interest income	192	226	350	486
Other income	21	24	52	45
	8,319	3,984	16,294	7,229
Other items				
Depreciation of bearer plants	(228)	(221)	(458)	(442)
Depreciation of property, plant & equipment	(267)	(261)	(544)	(548)
Gain on disposal of marketable securities	-	-	-	-
Loss on disposal of investment properties	(20)	(133)	(122)	(194)
Fair value changes in agriculture produce	1,339	87	130	(326)
Results from operating activities	9,143	3,456	15,300	5,719
Foreign exchange loss	-	-	-	(157)
Profit before tax for the period	9,143	3,456	15,300	5,562
Taxation	(1,505)	(1,030)	(3,951)	(1,874)
Profit for the period	7,638	2,426	11,349	3,688
Other comprehensive income, net of tax				
Exchange fluctuation reserve	(316)	1,001	205	(1,046)
Other comprehensive income for the period	(316)	1,001	205	(1,046)
Total comprehensive income for the period	7,322	3,427	11,554	2,642
Profit attributable to:				
Equity holders of the Company	7,282	2,385	10,992	3,673
Non-controlling interests	356	41	357	15
	7,638	2,426	11,349	3,688
Total comprehensive income attributable to:				
Equity holders of the Company	7,072	3,052	11,129	2,976
Non-controlling interests	250	375	425	(334)
	7,322	3,427	11,554	2,642
Earnings per share (sen)				
Basic	11.23	3.68	16.95	5.66

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad

(Company No. 820 - V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position**30 June 2021***(the figures have not been audited)*

	As at end of current quarter 30.06.2021 RM'000	As at preceding financial year end 31.12.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	208,960	209,443
Bearer plants	13,058	13,163
Investment properties	13,518	21,890
Goodwill on consolidation	2,732	2,732
Deferred taxation	85	90
	<u>238,353</u>	<u>247,318</u>
Current assets		
Agriculture produce	5,246	5,116
Inventories	218	83
Trade and other receivables	6,945	8,527
Cash and cash equivalents	4,908	8,351
Deposits with financial institutions	61,765	45,667
	<u>79,082</u>	<u>67,744</u>
TOTAL ASSETS	<u>317,435</u>	<u>315,062</u>
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	4,147	11,177
NET CURRENT ASSETS	<u>74,935</u>	<u>56,567</u>
Non-current liabilities		
Deferred taxibilities	16,472	17,285
Provision for retirement benefits	465	465
	<u>16,937</u>	<u>17,750</u>
TOTAL LIABILITIES	<u>21,084</u>	<u>28,927</u>
NET ASSETS	<u>296,351</u>	<u>286,135</u>
Equity attributable to owners of the Company		
Share capital	64,850	64,850
Reserves	111,994	111,857
Retained earnings	105,565	94,573
	<u>282,409</u>	<u>271,280</u>
Non-controlling interests	13,942	14,855
TOTAL EQUITY	<u>296,351</u>	<u>286,135</u>
TOTAL EQUITY AND LIABILITIES	<u>317,435</u>	<u>315,062</u>
Net Assets per share (RM)	<u>4.35</u>	<u>4.18</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

Riverview Rubber Estates, Berhad

(Company No. 820 - V)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity**30 June 2021***(the figures have not been audited)*

	Share capital RM '000	Capital reserve RM '000	Retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
		(376,060)				
As at 1 January 2020	64,850	110,528	90,452	265,830	16,972	282,802
Total comprehensive income	-	1,329	11,255	12,584	144	12,728
<i>Profit or loss</i>	-	-	11,255	11,255	(522)	10,733
<i>Other comprehensive income</i>	-	1,329	-	1,329	666	1,995
Transactions with owners	-	-	(7,134)	(7,134)	(2,261)	(9,395)
<i>Dividends</i>	-	-	(7,134)	(7,134)	(2,261)	(9,395)
As at 31 December 2020	<u>64,850</u>	<u>111,857</u>	<u>94,573</u>	<u>271,280</u>	<u>14,855</u>	<u>286,135</u>
As at 1 January 2021	64,850	111,857	94,573	271,280	14,855	286,135
Total comprehensive income	-	137	10,992	11,129	425	11,554
<i>Profit or loss</i>	-	-	10,992	10,992	357	11,349
<i>Other comprehensive income</i>	-	137	-	137	68	205
Transactions with owners	-	-	-	-	(1,338)	(1,338)
<i>Dividends</i>	-	-	-	-	(1,338)	(1,338)
As at 30 June 2021	<u>64,850</u>	<u>111,994</u>	<u>105,565</u>	<u>282,409</u>	<u>13,942</u>	<u>296,351</u>

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

Riverview Rubber Estates, Berhad

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Condensed Consolidated Statement of Cash Flows**30 June 2021****(the figures have not been audited)**

	Group	
	30.06.2021	30.06.2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	15,300	5,562
Adjustments for:		
Amortisation	458	442
Depreciation	544	548
Interest income	(350)	(486)
Loss on disposal of investment properties	122	194
Fair value changes in agriculture produce	(130)	326
Provision of retirement benefits	-	98
Loss on foreign exchange	-	157
Operating cashflow before working capital changes	<u>15,944</u>	<u>6,841</u>
Changes in working capital:		
Inventories	(135)	(98)
Receivables	(48)	(927)
Payables	(544)	853
Cash generated from operating activities	<u>15,217</u>	<u>6,669</u>
Taxes paid	(2,435)	(1,273)
Net cash generated from operating activities	<u>12,782</u>	<u>5,396</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(61)	(10)
Addition of bearer plants	(353)	(274)
Proceeds from disposal of investment properties	8,428	2,033
Interest received	350	486
Net cash generated from investing activities	<u>8,364</u>	<u>2,235</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid	(6,485)	(649)
Dividends paid to non-controlling interest of a subsidiary	(1,338)	-
Net cash used in financing activities	<u>(7,823)</u>	<u>(649)</u>
Net increase in cash and cash equivalents	13,323	6,982
Effects of exchange rate changes	(668)	241
Cash and cash equivalents at beginning of period	<u>54,018</u>	<u>40,316</u>
Cash and cash equivalents at end of period	<u>66,673</u>	<u>47,539</u>
Cash and cash equivalents comprise:		
Cash on hand and at banks	4,908	8,396
Deposits with financial institutions	61,765	39,143
	<u>66,673</u>	<u>47,539</u>
	-	-

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

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Part A : Explanatory Notes Pursuant to FRS 134

A1. Basis of preparation

The unaudited interim financial statements have been prepared under the historical cost convention unless otherwise indicated in the significant accounting policies and in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These financial statements should be read in conjunction with the audited financial statements 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 financial statements of the Group have been prepared in accordance with Financial Reporting Standards ("FRS"), generally accepted accounting principles and the Companies Act, 2016 in Malaysia.

A2. Significant accounting policies

The accounting policies applied by the Group and the Company are consistent with those applied in the previous financial year other than the application of the new MFRSs and IC Interpretation and amendments to MFRSs as disclosed below.

During the financial year, the Group and the Company have applied the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which are effective for accounting period beginning on or after 1 January 2020:

- Amendments to MFRS 3, Business Combinations - Definition of a Business
- Amendments to MFRS 101, Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material
- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments : Recognition and Measurement and MFRS 7, Financial Instruments : Disclosures - Interest Rate Benchmark Reform

The initial applications of the amendments to MFRSs did not have any significant impact on the Group's and the Company's financial statements.

The Group and the Company have not early adopted the following new MFRS and amendments to MFRSs that have been issued by the MASB but are not yet effective:

Effective for annual periods beginning on or after 1 June 2020

Amendments to MFRS 16, Leases - Covid-19-Related Rent Concessions

Effective for annual periods beginning on or after 1 January 2021

Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments : Recognition and Measurement, MFRS 7, Financial Instruments : Disclosures, MFRS 4, Insurance Contracts and MFRS 16, Leases - Interest Rate Benchmark Reform - Phase 2

Part A : Explanatory Notes Pursuant to FRS 134 (Cont'd)

A2. Significant accounting policies (cont'd)

Effective for annual periods beginning on or after 1 January 2022

Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework

Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets of - Onerous Contracts - Cost of Fulfilling a Contract

Amendments to MFRSs classified as "Annual Improvements to MFRS Standards 2018 - 2020" cycle

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards - Subsidiary as a First-time Adopter
- Amendments to MFRS 9, Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
- Amendments to Illustrative Examples accompanying MFRS 16, Leases - Lease Incentives
- Amendments to MFRS 141, Agriculture - Taxation in Fair Value Measurements

Effective for annual periods beginning on or after 1 January 2023

MFRS 17, Insurance Contracts

Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current

Amendments to MFRS 101, Presentation of Financial Statements - Disclosure of Accounting Policies

Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

Effective for annual periods beginning on or after a date to be determined by MASB

Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company will apply the above new MFRS and amendments to MFRSs that are applicable once they become effective. Their main features and impact on initial application are summarised below.

Effective for annual periods beginning on or after 1 June 2020

Amendments to MFRS 16, Leases - Covid-19-Related Rent Concessions

The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before 30 June 2021.

Effective for annual periods beginning on or after 1 January 2022

a) Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company shall recognise such sales proceeds and related cost in profit or loss

Part A : Explanatory Notes Pursuant to FRS 134 (Cont'd)

A2. Significant accounting policies (cont'd)

Effective for annual periods beginning on or after 1 January 2022 (Cont'd)

b) Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

c) Amendments to MFRSs classified as "Annual Improvements to MFRS Standards 2018 - 2020" cycle

Amendments to MFRS 141, Agriculture - Taxation in Fair Value Measurements

The Amendment removes the requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in MFRS 141 with those in other MFRSs. An entity shall apply that amendment to fair value measurements on or after the beginning of the first annual reporting period in which the entity first applies the Amendment.

Effective for annual periods beginning on or after 1 January 2023

a) Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current and Non-current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

b) Amendments to MFRS 101, Presentation of Financial Statements - Disclosure of Accounting Policies

The Amendments to MFRS 101 requires entities to disclose their material accounting policy information rather than their significant accounting policies. The Amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

c) Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The Amendments to MFRS 108 revises the definition of accounting estimates to clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Financial impact on initial application

The initial application of the new MFRSs, IC Interpretation and amendments to MFRSs is not expected to have any significant impact on the Group's and the Company's financial statements.

Part A : Explanatory Notes Pursuant to FRS 134 (Cont'd)

A3. Comparatives

The have been no material changes to the comparative figures.

A4. Seasonal or cyclical factors

Turnover is also dependent on price fluctuations of Crude Palm Oil (“CPO”) which are not within the Company’s control but are determined by the global supply and demand for edible oils.

Production of fresh fruits bunches of oil palms (“FFB”) is affected by weather conditions, the age of the palms and seasonal biological stress.

A5. Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A6. Change in estimates

There were no changes in estimates that have a material effect in the current quarter.

A7. Debt and equity securities

There were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities in the current quarter.

A8. Dividend paid

On 2 July 2021, the Company announced dividends as follows:

Type	Dividend Per Share	Amount
Single tier interim dividend	RM0.02	1,297,009
Single tier special dividend	RM0.02	1,297,009
	<u>RM0.04</u>	<u>2,594,018</u>

These dividends were paid on 2 August 2021.

Part A : Explanatory Notes Pursuant to FRS 134 (Cont'd)

A9. Segment information

	Group Cumulative Quarter		Variance	
	31.06.2021	31.06.2020	RM '000	%
	RM '000	RM '000		
Revenue				
- Malaysia : Plantation				
- Company	19,158	10,806	8,352	77
- Subsidiaries	8,457	5,155	3,302	64
	<u>27,615</u>	<u>15,961</u>	<u>11,654</u>	<u>73</u>
- Australia : Real Estate	346	417	(71)	(17)
	<u>27,961</u>	<u>16,378</u>	<u>11,583</u>	<u>71</u>
Profit before taxation				
- Malaysia : Plantation				
- Company	12,011	4,159	7,852	189
- Subsidiaries	3,532	1,644	1,888	115
	<u>15,543</u>	<u>5,803</u>	<u>9,740</u>	<u>168</u>
- Australia : Real Estate	(243)	(241)	(2)	(1)
	<u>15,300</u>	<u>5,562</u>	<u>9,638</u>	<u>175</u>

A10. Related party transactions

There were no significant related party transactions of the Company for the current quarter.

A11. Changes in composition

There were no changes in the composition of the Company for the current quarter.

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at the last annual balance sheet date and the latest practicable date.

A13. Capital commitments

There are no material capital commitments as at 30 June 2021.

Riverview Rubber Estates, Berhad
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Part A : Explanatory Notes Pursuant to FRS 134 (Cont'd)

A14. Property, plant and equipment

(i) Acquisitions and Disposals

Details of acquisitions and disposals of the Group during the financial period are as follows:

Acquisition

	Cost RM '000
Property, plant and equipment	61
Bearer plants	<u>353</u>

Disposals

	RM '000
Investment properties	
- Book Value	8,550
- Proceeds from disposal	<u>8,428</u>

(ii) Impairment of property, plant and equipment

There was no material impairment nor reversal of such impairment during the current three-month financial period.

(iii) Valuations

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A15. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial statements under review.

Part B : Explanatory notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Analysis of performance against preceding year corresponding period

	Group Cumulative Quarter		Variance	
	31.06.2021	31.06.2020	RM '000	%
	RM '000	RM '000		
Revenue				
- Malaysia : Plantation				
- Company	19,158	10,806	8,352	77
- Subsidiaries	8,457	5,155	3,302	64
	<u>27,615</u>	<u>15,961</u>	<u>11,654</u>	<u>73</u>
- Australia : Real Estate	346	417	(71)	(17)
	<u>27,961</u>	<u>16,378</u>	<u>11,583</u>	<u>71</u>
Profit before taxation				
- Malaysia : Plantation				
- Company	12,011	4,159	7,852	189
- Subsidiaries	3,532	1,644	1,888	115
	<u>15,543</u>	<u>5,803</u>	<u>9,740</u>	<u>168</u>
- Australia : Real Estate	(243)	(241)	(2)	(1)
	<u>15,300</u>	<u>5,562</u>	<u>9,638</u>	<u>175</u>
	RM	RM	RM	%
Average FFB price per MT	865	499	366	73
FFB cost per MT	316	241	(75)	(31)
	Metric Ton	Metric Ton	Metric Ton	%
Production	31,910	31,997	(87)	-
Yield per hectare	12.98	12.90	0.08	1

The Group registered revenue of RM28.08 million for the period to-date, an increase of 71% compared to the preceding year corresponding period. The increase in revenue is primarily due to an increase in the average selling price of fresh fruit bunches of palm oil ("FFB") by 73%.

The Group also recorded a pre-tax profit for the period to-date of RM15.30 million against pre-tax profit of RM5.56 million compared to the preceding year corresponding period, an increase of RM9.64 million or by 175%.

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Part B : Explanatory notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)**B2. Variation of results against preceding quarter**

	3 Months Ended		Variance	
	30.06.21	31.03.21	RM '000	%
	RM '000	RM '000	RM '000	%
Revenue				
- Malaysia : Plantation				
- Company	9,990	9,168	822	9
- Subsidiaries	4,548	3,909	639	16
	<u>14,538</u>	<u>13,077</u>	<u>1,461</u>	<u>11</u>
- Australia : Real Estate	<u>147</u>	<u>199</u>	<u>(52)</u>	<u>(26)</u>
	<u>14,685</u>	<u>13,276</u>	<u>1,409</u>	<u>11</u>
Profit before taxation				
- Malaysia : Plantation				
- Company	7,462	4,539	2,923	64
- Subsidiaries	1,715	1,817	(102)	(6)
	<u>9,177</u>	<u>6,356</u>	<u>2,821</u>	<u>44</u>
- Australia : Real Estate	<u>(34)</u>	<u>(199)</u>	<u>165</u>	<u>83</u>
	<u>9,143</u>	<u>6,157</u>	<u>2,986</u>	<u>48</u>
	RM	RM	RM	
Average FFB price per MT	894	836	58	7
FFB cost per MT	340	291	49	(17)
	Metric Ton	Metric Ton	Metric Ton	
Production	16,260	15,560	700	4
Yield per hectare	6.61	6.36	0.25	4

The current quarter's recorded pre-tax profit of RM9.14 million on revenue of RM14.69 million as compared to pre-tax profit of RM6.16 million on revenue of RM13.28 million posted in the immediate preceding quarter.

The increase in revenue is primarily due to an increase in the average selling price and in the production of fresh fruit bunches of palm oil ("FFB") by 7% and 4% respectively.

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Part B : Explanatory notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B3. Prospects

The directors expect reasonable performance from the Group for the coming year as indicated in the prospects of the business divisions below:

Plantation

The prospects are very much dependent on weather conditions, the global edible oil and its related markets, global economic conditions and how they impact production of FFB and CPO prices.

On 11 March 2020, the World Health Organisation declared COVID 19 a global pandemic. To contain the spread and flatten the curve, the Malaysian Government imposed a Movement Control Order (“MCO”) on 18 March 2020. The MCO necessitated that closure of non-essential business, the palm oil industry was deemed as essential and allowed to operate subject to state restrictions. The restriction in movement has not materially affected the Group’s operations, in addition, the Group has implemented Standard Operating Procedures (“SOP”) which has been practise since then.

The COVID 19 pandemic may result in a change in the supply and demand of vegetable oils. The Group has considered the impact of COVID 19 and the MCO on its operations and financials and is of the opinion that the operating results are expected to remain satisfactory and that the cash flow position is adequate to meet the Group’s requirements.

Management will continue to monitor developments and take the required remedial actions where necessary. The Group will continue its operations taking into cognisance the health and safety of its employees and stakeholders.

Real Estate Investment

Barring any unforeseen circumstances, the Directors expect this division to be profitable and its performance for the coming year to be satisfactory.

B4. Profit forecast

Not applicable as no profit forecast was published.

Riverview Rubber Estates, Berhad
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Part B : Explanatory notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

B5. Tax expense

	6 months ended	
	30.06.21	30.06.20
	RM'000	RM'000
Taxation		
- Income tax	4,070	2,065
- Deferred tax	(119)	(191)
	<u>3,951</u>	<u>1,874</u>

The effective tax rate of the Group is slightly higher than the statutory rate of taxation primarily due to certain expenses not being deductible for taxation purposes.

B6. Status of corporate proposal announced

There is no corporate proposal as at the latest practicable date.

B7. Borrowing and debt securities

There are no borrowing and debt securities as at 30 June 2021.

B8. Derivative financial instruments

There were no derivative financial instruments with off balance sheet risk as at the latest practicable date.

B9. Changes in material litigation

There was no pending material litigation as at the latest practicable date.

B10. Dividends

On 2 July 2021, the Company announced dividends as follows:

Type	Dividend Per Share	Amount
Single tier interim dividend	RM0.02	1,297,009
Single tier special dividend	RM0.02	1,297,009
	<u>RM0.04</u>	<u>2,594,018</u>

These dividends were paid on 2 August 2021.

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Part B : Explanatory notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Cont'd)

Diluted earnings per shares

Not applicable.

B11. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the financial period is based on the net profit attributable to equity holders of the Company of RM10.99 million and the weighted average number of ordinary shares in issue during the current quarter of 64,850,448 shares.

B12. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the year ended 31 December 2020 was not qualified.

B13. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors as resolved at the Board of Directors Meeting held on 12 August 2021.