Quarterly report on consolidated results for the third financial quarter ended 31 March 2021

Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation & Significant Accounting Policies

This Quarterly Report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements. In addition, the financial statements comply with IFRS as issued by IASB. The report should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2020 which was prepared in accordance with the MFRS.

The explanatory notes attached to the unaudited interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the preceding financial year ended 30 June 2020.

The significant accounting policies and methods adopted for this unaudited interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 30 June 2020, except for the following new amendments to the MFRS ("standards") effective from 1 January 2020 which the Group has adopted since the commencement of the current financial year on 1 July 2020:

- Changes to the Conceptual Framework for Financial Reporting (Revised 2018). This entails a number of changes which provide clarifications, new definition, and emphasis of entrenched concepts.
- Amendments to MFRS 101 "Presentation of Financial Statements" and MFRS 108 "Accounting Policies, Changes in Accounting Estimates and Errors". These amendments clarify the definition of 'materiality' and the consistency of definition application throughout the financial reporting.
- Amendments to MFRS 3 'Definition of a Business' (effective 1 January 2020). These amendments revised the definition of a 'business' in an acquisition.

The adoption of the above did not have any material impact on the Group's financial statements to-date.

The Group has not adopted the following new standards, amendments to standards and interpretations that have been issued but not yet effective for the current financial year.

<u>Effective for financial year beginning after 1 July 2022.</u>
- Amendments to MFRS 116 "Proceeds before Intended Use"
- Amendments to MFRS 3 "Reference to the Conceptual Framework"
- Annual Improvements to Illustrative Example accompanying MFRS 16 Leases: Lease Incentives
- Annual Improvements to MFRS 9 "Fees in the '10 per cent' test for Derecognition of Financial Liabilities"
- Amendments to MFRS 137 "Onerous Contracts – Cost of Fulfilling a Contract"

<u>Effective for financial year beginning after 1 July 2023.</u>
- Amendments to MFRS 101 "Classification of liabilities as current or non-current"

These amendments to published standards will be adopted on the respective effective dates.

A2 Audit qualification

The audit report of the Group in respect of the annual financial statements for the financial year ended 30 June 2020 was not subject to any audit qualification.

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Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A3 **Seasonality or cyclicality of operations**

The business of the Group and the Company is generally neither cyclical nor seasonal except for decreased activities during the Ramadan and Chinese New Year festive months.

A4 **Unusual items**

During the current financial quarter, an indirectly held steel subsidiary received RM6 million in Government grant under the Domestic Investment Strategic Fund for its investment outlay on 'high technology in manufacturing' incurred since 2019 until current. See Note A15. The grant received is taken-up in 'cash' and in non-current liabilities as 'deferred income', and would gradually be credited to Profit & Loss over the useful life of the asset in-tandem with its depreciation.

Besides the above, there were no other unusual items affecting assets, liabilities, equity, net income or cash flows because of their nature, size or incidence.

A5 **Changes in estimates**

There were no changes in estimates that had a material effect on the financial results for the current financial quarter.

A6 **Debts and equity securities**

There are no issuances, cancellations, repurchases, or resale of the Company's equity securities during the current financial quarter.

The Group has a policy to maintain its Gearing Ratio (measured as interest bearing debts over equity adjusted for the exclusion of intangibles) at below 1.25 times.

	31/03/2021	30/06/2020
Total interest bearing debts in RM'million	92.7	100.3
Adjusted Equity in RM'million	508.2	468.0
Absolute Gearing Ratio	0.18	0.21

Of the total interest bearing debts as at 31 March 2021, around RM74.2 million is represented by the respective debenture at its Steel Tube and Cold Rolled subsidiaries (see Note B10). Debts of RM18.5 million is secured against a fixed charge on a property and other specific assets to-which the financing relates. Lease liability classification pursuant to MFRS 16 are excluded from the ratio computation as these are contractually non-interest bearing.

Debt covenants where applicable are in full compliance for the current financial quarter ended 31 March 2021.

A7 **Dividends paid**

No dividend was paid by the Company during the current financial quarter.

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Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A8 **Segmental reporting**

The Group's 'year-to-date' segmental information on its remaining businesses held based on the nature-of-business is as follows:

	Steel Tube	Cold Rolled	Investment Holding	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	211,611	396,468	23,041	1,990	633,110
Inter segment	(1,437)	(25,708)	(20,276)	(1,560)	(48,981)
External revenue	210,174	370,760	2,765	430	584,129
Pre-tax profit	25,681	31,861	(2,243)	101	55,400
Segment assets	264,325	480,969	30,848	7,309	783,451

Reconciliation of segment assets to total assets is as follows:

	RM'000
Segment assets	783,451
Deferred tax assets	770
Derivative financial asset	4,021
Tax recoverable	81
	788,323

A9 **Valuation of Property, Plant and Equipment (PPE)**

The valuation of PPE has been brought forward from the audited financial statements for the financial year ended 30 June 2020 and adjusted for depreciation where applicable to reflect the current period's ending net carrying value.

A10 **Fair value measurement**

Except for the financial instruments disclosed below which are fair valued, the carrying value of short-term maturity financial instruments like cash deposits and bank balances, receivables, and short-term borrowings and payables approximate their fair values.

Financial instruments subjected to fair valuation are categorised into the following fair value hierarchy and are represented in the table below as at 31 March 2021:

Level 1: based on unadjusted quoted prices in active markets for identical assets and liabilities
Level 2: based on observable inputs not included within level 1
Level 3: based on unobservable inputs

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Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A10 **Fair value measurement** (continued)

Recurring fair value measurement	Fair Value RM'000		
Foreign Currency Forwards	Level 1	Level 2	Level 3
as Assets (hedge accounted)	-	4,021.1	-
as Liabilities (not hedge accounted)	-	(8.2)	-
Total	-	(4,012.9)	-

The Foreign Currency Forwards are fair valued by way of marking-to-market using reference bank's published forward rates.

A11 **Significant events and transactions**

The Government reintroduced the Movement Control Order (MCO 2.0) due to the worsen COVID-19 infections with effect from 13 January 2021, which covers key states where the Group's domestic operations and markets are located. The MCO 2.0 restrictions have hindered the Group's ability to execute its food-business plans, and have further delayed the completion timeline for on-going capital/asset investment projects (see Note A15).

Besides the above, there were no other significant events and transactions for the current quarter affecting the Group's financial position and performance of its entities.

A12 **Subsequent material events**

The Government continued with a nationwide Movement Control Order (MCO 3.0) with effect from 7 May 2021 due to further deterioration of COVID-19 infections, which covers key states where the Group's domestic operations and markets are located.

There are no other known material subsequent events up-till the date of this report which may affect the Group's financial position and performance of its entities.

A13 **Changes in the composition of the Group**

There were no additional changes to the composition of the Group over the current financial quarter besides and further to those made and reported in the preceding financial quarters in-relation its foray into the new food-segment. Updates on these for the current financial quarter are:

(a) 3Bumi Oleo Sdn Bhd

As at the date of this report, the intended business operation (in downstream bottling and distribution of palm olein edible oil) has not commenced yet as all the required licenses are not fully in-placed.

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Part A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A13 **Changes in the composition of the Group** (continued)

There were no additional changes to the composition of the Group over the current financial quarter besides and further to those made in the preceding financial quarter as detailed below in its planned foray into the new food-segment (continued).

(b) 3Bumi Trading Sdn Bhd

3Bumi Trading is in the business of trading frozen meat and seafood, and it has commenced operation since December 2020. On 15 March 2021, a 20% equity stake in 3Bumi Trading comprising of 200,000 ordinary shares with a carrying fair value of RM27,602 was transferred to two individuals for a consideration sum of RM2 to help build the business. The disposal of the said minority stake resulted in a loss of RM27,600 at the holding company.

(c) 3Bumi (Cambodia) Co., Ltd.

As at the date of this report, the execution of related business plans in food distribution in Cambodia is still kept on-hold due to pandemic travel restrictions.

A14 **Contingent liabilities**

There were no contingent liabilities for the current financial quarter.

A15 **Capital commitments**

At the end of the current reporting quarter, the Group's Cold Rolled subsidiary has an outstanding capital commitment balance of around RM4.2 million. From this amount, RM2.6 million has been committed for the construction of a new Acid Regeneration Plant (ARP) and RM1.6 million for the revamp of Continuous Pickling Line (CPL). Whilst the revamped CPL has started running towards the end of the previous financial quarter, the completion of the ARP has been further delayed by the MCO 2.0. The Group's Steel Tube subsidiary has an outstanding capital commitment balance of around RM0.6 million for plant-equipment. These capital commitments will be payable over established milestones in the current financial year.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2021

PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B1 **Review of the performance of the Company and its principal subsidiaries**

	Individual Period (3rd quarter)		Changes		Cumulative Period		Changes	
	Current Year Quarter 31/03/2021	Preceding Year Corresponding Quarter 31/03/2020			Current Year To-date 31/03/2021	Preceding Year Corresponding Period 31/03/2020		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	232,501	145,982	86,519	59%	584,129	503,818	80,311	16%
Operating Profit/(Loss)	25,833	(1,510)	27,343	1811%	52,236	(860)	53,096	6174%
Profit/(Loss) Before Interest and Tax	25,833	(1,510)	27,343	1811%	57,253	(860)	58,113	6757%
Profit/(Loss) Before Tax	25,407	(2,952)	28,359	961%	55,400	(4,898)	60,298	1231%
Profit/(Loss) After Tax	18,764	(3,606)	22,370	620%	42,578	(6,473)	49,051	758%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	13,915	(2,718)	16,633	612%	32,852	(4,891)	37,743	772%

The Group’s revenue for the third financial quarter ended 31 March 2021 is 59% higher at RM232.5 million as compared to RM146 million achieved in the preceding year’s corresponding quarter mainly due to higher sales volume and higher average unit selling price for both the Cold Rolled and Steel Tube segments. The current financial quarter’s revenue also includes a negligible contribution of RM2.4 million by the new food trading business. The average unit selling price for the current quarter for the Cold Rolled and the Steel Tube segment is up 28% and 13% respectively, whilst sales volume for Cold Rolled and the Steel Tube is up 34% and 15% respectively compared with the preceding year corresponding quarter. The stronger sales volumes can be attributed to a combination of factors emanating from reduced imports/ dumping due to enforced AD duties coupled with overall supply tightness from aboard; robust steel demand from certain sectors driven by the pandemic and ensuing stimulus spending (i.e. demand for durable/ white goods, healthcare & hospital furniture and fittings, infrastructural applications); and elevated ‘stock-up buying’ due to rising price trend. Also, preceding year corresponding quarter sales volume is lower due to the Group’s operation stoppage for two weeks pursuant to the MCO.

The Group registered a strong pre-tax profit of RM25.4 million for the current financial quarter compared to the pre-tax loss of RM3 million in the preceding year’s corresponding quarter. The higher pre-tax profit for the current financial quarter is mainly attributed to higher gross profit from both the Cold Rolled and Steel Tube segments as a result of better gross margin spreads. The better margin spreads can be attributed to a combination of factors emanating from stronger volumes; rising raw material hot rolled coil prices trend; and lessen price undercutting in the market due to general supply tightness. The Group’s lower interest expense (down 47%) due to reduction in interest rates also adds to bottom-line. Consequently, the Group recorded a higher after-tax profit of RM18.8 million for the current financial quarter compared to the preceding year’s corresponding quarter after-tax loss of RM3.6 million.

The Group recorded a significantly higher EBITDA of RM33.2 million for the current financial quarter compared to the preceding year’s corresponding quarter’s EBITDA of RM2.6 million.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B2 **Material change in the profit before tax as compared to the immediate preceding quarter**

	Current Quarter 31/03/2021	Immediate Preceding Quarter 31/12/2020	Changes	
	RM'000	RM'000	RM'000	%
Revenue	232,501	195,472	37,029	19%
Operating Profit/(Loss)	25,833	20,826	5,007	24%
Profit Before Interest and Tax	25,833	20,826	5,007	24%
Profit Before Tax	25,407	20,254	5,153	25%
Profit After Tax	18,764	15,395	3,369	22%
Profit Attributable to Ordinary Equity Holders of the Parent	13,915	11,536	2,379	21%

The Group's revenue for the current financial quarter at RM232.5 million is 19% higher compared to the immediate preceding quarter at RM195.5 million. The higher revenue for the current quarter is mainly due to higher sales volume in the Cold Rolled segment (up by 7%) and higher average unit selling price for both the Cold Rolled (up 15%) and Steel Tube (up 10%) segments. The engineering unit has ceased to contribute to the Group for both periods.

The Group registered a stronger pre-tax profit of RM25.4 million for the current financial quarter compared to the pre-tax profit of RM20.3 million in the immediate preceding quarter. The higher pre-tax profit for the current quarter is mainly due to better gross margin spreads from both the Cold Rolled and Steel Tube segments. The better gross margin spreads for the current quarter compared with the immediate preceding quarter are due to similar attributes as highlighted in Note B1 above. Consequently, the Group recorded a higher after-tax profit of RM18.8 million for the current financial quarter compared to the immediate preceding quarter after-tax profit of RM15.4 million.

The Group recorded a higher EBITDA of RM33.2 million for the current financial quarter compared to the immediate preceding quarter's EBITDA of RM28.4 million.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2021

PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B3 Prospects for the remaining financial year

The nation recorded its 4th consecutive quarters of GDP contraction into the 1st fiscal quarter of 2021 with a decline of 0.5% despite the low-base comparative quarter of the last fiscal year. The resurgence of COVID-19 infection and the reinstatement of MCO 2.0 weighted-down domestic demand, and had cut-short a GDP rebound from strong external-trade performance attributed to demand recovery of its major trading partners, bullish export commodity prices, and a very weak Ringgit. With the continuation of MCO 3.0 and curbs, near-term prospects do not look good.

On the positive side of things, the country’s manufacturing PMI (Purchaser Manager Index) is on the rise bolstered by improving external-trade demand. The domestic steel industry in general has performed well over the last nine months on the back of steady steel demand fueled by the pandemic and stimulus spending, coupled with the super rally on global steel prices on the back of supply tightness. Iron ore and steel prices have increased by more than 90% while sea-freight rates have doubled since the beginning of the finance year. Even-though our financial performance as mid-stream manufacturer is not directly tied to upstream steel prices, the rising price trend has a positive impact on margins due to ‘buyers’ behavior’ and ‘lagging’ effects. As such, our Cold Rolled Coil (CRC) and Steel Tube businesses have performed well in recent quarters under those conditions; on-top of the wide-ranging anti-dumping (AD) duties on imports, and the Government’s adoption of the Steel Industry’s recommendations on the nation’s ‘iron & steel policies’ -which will flow into the forthcoming New Industry Master Plan 2021-2030.

Nevertheless, there is a couple of items on watchlist. The current surge in steel prices to unprecedented levels has heightened downside risk of unravelling depending on steepness and pace. Whilst the prevailing supply-demand dynamics and the recent global commitments on climate-change seem likely to provide a strong support on prices in the near to mid-term, we have taken (and will continue to take) measures to mitigate possible downside impact on margins and collections upon such reversal. Next on the watchlist is the determination by the authorities on our application to renew AD duties imposed on CRC below 1300mm width expiring on 23 May 2021 for another 5 years term. The authorities have commenced investigation on the matter and has allowed the steadfast of existing duties beyond the expiry date until eventual determination.

The start-up pace of the new food businesses had been hampered by the pandemic movement restrictions, and we expect this trend would continue into the remaining financial quarter.

The greatest threat to the Group remains with the set-back on the nation’s economy due to the prolonged pandemic fallout and limited vaccine access which will cause lasting damage. Nevertheless, in the short-term barring any lockdown on the economy, the Group expects to continue with its positive run into the last quarter to end the financial year at its peak. Moreover, the steel segments’ recent past investments in production-lines upgrades, galvanizing-line upgrade, acid regeneration plant, and solar energy are all coming on-stream which will further boost bottom-line – particularly into the next financial year.

B4 **Variance of actual profit from forecast profit**

The Group did not issue any profit forecast or profit guarantee.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2021

PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B5 **Profit before tax**

The following expenses have been (charged)/credited in arriving at profit before tax:

	Current year quarter 31/03/2021 RM'000	Preceding year corresponding quarter 31/03/2020 RM'000	Current year to-date 31/03/2021 RM'000	Preceding year corresponding period 31/03/2020 RM'000
Depreciation and amortisation:				
- property, plant and equipment	(3,680)	(3,632)	(11,054)	(10,832)
- right-of-use assets (leasehold lands)	(350)	(344)	(1,050)	(1,032)
- right-of-use assets (rented properties)	(58)	(68)	(177)	(233)
Finance cost on:				
- borrowings	(834)	(1,777)	(2,571)	(5,100)
- lease liabilities	(20)	(30)	(63)	(95)
Finance income:				
- interest on deposits with financial institutions	428	358	780	1,137
- net investment in subleases	-	6	1	20
Loss provision reversed on onerous contracts	-	33	8	180
FX differences (loss)/gain	(7,310)	(6,170)	1,745	(4,536)
FX derivatives gain/(loss)	6,782	5,749	(1,792)	4,208

B6 **Taxation**

Taxation comprises:

	Current year quarter 31/03/2021 RM'000	Preceding year corresponding quarter 31/03/2020 RM'000	Current year to date 31/03/2021 RM'000	Preceding year corresponding period 31/03/2020 RM'000
Current tax expense				
Current year	(2,584)	(1,124)	(7,052)	(2,372)
Over provision in prior year	167	168	171	168
Deferred tax (expense)/ income				
Current year	(4,226)	302	(5,941)	629
	(6,643)	(654)	(12,822)	(1,575)

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B7 **Profit on sale of unquoted investments and / or properties**

The Group did not engage in any sale of unquoted investments and / or properties in the current financial quarter.

B8 **Purchase or disposal of quoted securities**

There were no purchases or disposals of quoted securities in the current financial quarter.

B9 **Status of corporate proposals**

There were no outstanding corporate proposals as at the date of this announcement.

B10 **Group borrowings and debt securities**

The Group's borrowings, denominated entirely in Ringgit Malaysia from lending institutions as at 31 March 2021 undertaken by its Steel subsidiaries are as follows:

	RM'000
Short-term borrowings	
Secured	64,546
Long-term borrowings	
Secured	28,132
Total borrowings	92,678

Cash-flow movement in-relation to 'changes in liabilities arising from financing activities' on a year-to-date basis is outlined below:

	RM'000
Total Borrowings' opening balance at 1 July 2020	73,976
Inflow from drawdown	119,110
Outflow on repayment	(100,408)
Closing balance at 31 March 2021	92,678

Based on the above borrowings, the Group's gearing ratio is around 0.18 times.

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PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B11 **Outstanding derivatives**

The Group has entered into forward foreign currency exchange contracts (FX forwards) to manage its foreign currency exchange exposure arising from purchases of raw materials denominated in US Dollar ("USD") and certain sales denominated in Singapore Dollar ("SGD"). In this regard, the Group covers its USD exposure at the range of 80% to 90% depending on the length of the forward period and the availability of FX facilities.

The Group designates eligible hedge relations on FX forwards incepted to cover its USD and/or SGD exposure for the purpose of hedge accounting. These are designated as fair value hedges with the arising mark-to-market foreign currency fair value gain/(loss) of both the hedging instruments (i.e. FX Forwards) and the hedged items (i.e. forward purchases of raw material and or accounts payables in USD or accounts receivables in SGD) being charged to the Statement of Profit or Loss.

Details on outstanding derivative FX forward contracts for both the non-designated and designated for hedge accounting as at 31 March 2021 are outlined below:

Non-designated

FX Forward Contracts (SGD/RM) as non-designated hedging instrument				
	Notional Value '000		Fair Value RM'000	
Maturity	Short SGD	Long RM	Financial Asset	Financial Liability
Less than 1 year	360	1,102	-	8.2

Designated

FX Forward Contracts as designated hedging Instrument					Forward purchase of raw material and/or a/c payable as hedge items				
	Notional Value '000		Fair Value RM'000			Notional Value '000		Fair Value RM'000	
Maturity	Long USD	Short RM	Financial Asset	Financial Liability	Maturity	Short USD	n.a.	Financial Asset	Financial Liability
Less than 1 year	55,110	225,677	4,021.1	-	Matching	55,110	n.a.	-	4,021.1

Besides the above unrealised positions, the Group has recorded a total realised net loss of around RM5.8 million from its FX Forward Contracts as hedging instruments with corresponding realised net gain of around RM6.3 million from its hedged items over the current financial year.

(i) Risk associated with the derivatives

<u>Counter-Party Risk</u>
The Forward FX contracts are entered into with domestic licensed financial institutions which have extended FX lines to the Group. The associated Counter-Party risk is negligible.

(ii) Cash requirements of the derivatives

There is no cash movement from the Group to the counterparties when the Forward FX contracts are incepted. Upon maturity of the Forward FX contracts, domestic currency is exchanged for the foreign currency at the contracted rate to meet its obligations.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2021

PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B11 **Outstanding derivatives** (continued)

(iii) Policies in place for mitigating or controlling the risk associated with the derivatives

The Group uses derivative financial instruments to hedge specific risk exposures of the underlying hedge items and does not enter into derivative financial instruments for speculative purposes. The Group monitors the fluctuations in foreign currency exchange rates closely with the objective to minimise potential adverse effects on the financial performance of the Group. The Board of Directors regularly reviews the risk and approves the policy for managing the risk.

B12 **Off balance sheet financial instruments and commitments**

At the Group level, off-balance-sheet financial instruments as at the date of this announcement are bank guarantees issued by its indirect subsidiaries amounting to RM2.0 million as security for inbound supply of goods and services; and corporate guarantees issued by its listed Mycron Steel Bhd to lenders for borrowings extended to the steel subsidiaries amounting to RM90.9 million as at 31 March 2021.

At the Company level, off-balance-sheet financial instruments as at the date of this announcement is a corporate guarantee issued to a supplier as security for inbound supply of goods and services extended to the steel subsidiaries amounting to approximately RM20.7 million (USD5 million) as at 31 March 2021.

B13 **Material litigation**

At the close of the current financial quarter, there are no material litigation, either as a plaintiff or defendant, claims or arbitration which have a material effect on the financial position of the Group. The Board is not aware of any proceedings pending or threatened against the Group or of any other facts likely to give rise to any proceedings which may materially and/or adversely affect the financial position and business of the Group as at the date of this report.

B14 **Dividend**

During the current financial quarter, the Board of Directors has declared an interim single-tier tax-exempt dividend of 2.23 sen per share to be paid on 28 April 2021. The entitlement date for the dividend payment was on 29 March 2021.

Quarterly report on consolidated results for the third financial quarter ended 31 March 2021

PART B - EXPLANATORY NOTES: (AS PER BURSA MALAYSIA LISTING REQUIREMENT – PART A OF APPENDIX 9B)

B15 **Earnings/(Loss) per share**

(i) Basic earnings/(loss) per ordinary share

	Current year quarter 31/03/2021	Preceding year corresponding quarter 31/03/2020	Current year to date 31/03/2021	Preceding year corresponding period 31/03/2020
Profit/(Loss) attributable to owners of the Company (RM'000)	13,915	(2,718)	32,852	(4,891)
Weighted average number of ordinary shares in issue ('000)	359,418	359,418	359,418	359,418
Basic earnings/(loss) per share (sen)	**3.87**	**(0.76)**	**9.14**	**(1.36)**

(ii) Diluted earnings per ordinary share

The market price of the listed Company closed at 45.5 sens- or 5.5 sens above the exercisable price (40 sens) of its 66,947,418 outstanding listed warrants - at the end of the current financial quarter. Assuming that these warrants are exercised, the diluted earnings per share of the Group are as follows:

	Current year quarter 31/03/2021	Preceding year corresponding quarter 31/03/2020 *	Current year to date 31/03/2021	Preceding year corresponding period 31/03/2020 *
Profit attributable to owners of the Company (RM'000)	13,915	N/A	32,852	N/A
Total number of ordinary shares in issue ('000)	426,365	N/A	426,365	N/A
Diluted earnings per share (sen)	**3.26**	**N/A**	**7.71**	**N/A**

* No diluted loss per share is presented in the preceding year corresponding quarter/period as the issued and listed warrants were in an anti-dilutive position.

This interim financial report has been authorised for issue by the Board of Directors on the date set-forth below.

By order of the Board
LILY YIN KAM MAY (MAICSA 0878038)
Secretary
Kuala Lumpur
27 May 2021