



## **SIN HENG CHAN (MALAYA) BERHAD**

(Reg. No. 196201000185 (4690-V))  
(Incorporated in Malaysia)

### **INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 March, 2021**

#### **CONTENTS**

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	1
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS	4
NOTES TO THE QUARTERLY FINANCIAL REPORT	5 - 15

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	31 MAR 2021	31 MAR 2020	31 MAR 2021	31 MAR 2020
	RM'000	RM'000	RM'000	RM'000
Revenue	11,095	9,485	11,095	9,485
Cost of Sales	(6,794)	(6,657)	(6,794)	(6,657)
<b>Gross profit</b>	<b>4,301</b>	<b>2,828</b>	<b>4,301</b>	<b>2,828</b>
Other income	929	1,033	929	1,033
Distribution cost	(271)	(376)	(271)	(376)
General and administrative expenses	(1,316)	(994)	(1,316)	(994)
Other operating expenses	(432)	(339)	(432)	(339)
	3,211	2,152	3,211	2,152
Finance cost	(1,580)	(1,140)	(1,580)	(1,140)
<b>Profit / (Loss) before tax</b>	<b>1,631</b>	<b>1,012</b>	<b>1,631</b>	<b>1,012</b>
Tax credit/(expense)	76	76	76	76
<b>Profit / (Loss) from operations</b>	<b>1,707</b>	<b>1,088</b>	<b>1,707</b>	<b>1,088</b>
Equity holders of the parent	1,707	1,088	1,707	1,088
	1,707	1,088	1,707	1,088
<b>Earnings per ordinary share</b>				
<i>Basic (sen)</i>	1.29	0.83	1.29	0.83
<i>Diluted (sen)</i>	1.29	0.83	1.29	0.83

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this report)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

(The figures have not been audited)

	<b>AS AT 31 MARCH 2021 RM'000</b>	<b>AS AT 31 DECEMBER 2020 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	78,547	77,384
Investment Properties	363	365
Concession Financial Assets	50,270	50,270
Prepaid Lease Rental	16,757	16,875
Intangible Assets	23,293	23,443
<b>Current Assets</b>		
Inventories	1,475	1,572
Concession Financial Assets	1,445	1,927
Trade Receivables	4,716	4,835
Other Receivables, Deposits and Prepayments	4,750	3,757
Biological Assets	907	907
Fixed Deposits, Cash and Cash Balances	25,727	21,856
	39,020	34,854
<b>TOTAL ASSETS</b>	208,250	203,191
<b>EQUITY &amp; LIABILITIES</b>		
Share Capital	123,992	123,992
Reserves	(36,627)	(38,334)
Equity Attributable To Equity Holders Of The Parent	87,365	85,658
<b>Non-Current Liabilities</b>		
Borrowings	93,940	91,551
Hire-Purchase Payables	2,164	1,248
Other Payables	6	6
Deferred Tax Liability	7,155	7,231
	103,265	100,036
<b>Current Liabilities</b>		
Bank Overdrafts	1,234	74
Trade Payables	3,446	3,113
Other Payables and Accruals	9,271	9,414
Borrowings	3,174	4,390
Hire-Purchase Payables	477	481
Tax liabilities	18	25
	17,620	17,497
<b>TOTAL EQUITY AND LIABILITIES</b>	208,250	203,191
<b>Net assets per share (RM)</b>	0.66	0.65
<b>Number of shares ('000)</b>	131,867	131,867

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this report)*

**SIN HENG CHAN (MALAYA) BERHAD (Registration No. 196201000185 (4690-V))**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

(The figures have not been audited)

	Share Capital RM'000	Distributable Accumulated Loss RM'000	Total RM'000
<b><u>3 months quarter ended 31 March 2021</u></b>			
<b>At 1 January 2021</b>	123,992	(38,334)	85,658
Net profit for the financial period	-	1,707	1,707
<b>At 31 March 2021</b>	<u>123,992</u>	<u>(36,627)</u>	<u>87,365</u>
<b><u>3 months quarter ended 31 March 2020</u></b>			
<b>At 1 January 2020</b>	123,992	(42,545)	81,447
Net profit for the financial period	-	1,088	1,088
<b>At 31 March 2020</b>	<u>123,992</u>	<u>(41,457)</u>	<u>82,535</u>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this report)*

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

(The figures have not been audited)

	<b>3 MONTHS PERIOD ENDED 31 MARCH 2021 RM'000</b>	<b>3 MONTHS PERIOD ENDED 31 MAR 2020 RM'000</b>
Profit / (Loss) before tax	1,631	1,012
Adjustment for :		
Amortisation of Prepaid Lease and Intangible Assets	269	269
Depreciation of Property, Plant & Equipment	1,376	1,224
Finance costs	1,580	1,140
Finance income from concession financial asset	(818)	(846)
Interest income	(65)	(52)
Operating Profit before working capital changes	3,973	2,747
Decrease in concession financial assets	1,300	1,300
Decrease in inventories	97	114
(Increase) in trade and other receivables	(873)	(827)
Increase/(decrease) in trade and other payables	190	(1,330)
Cash from operations	4,687	2,004
Interest paid	(36)	(14)
Tax paid	(7)	(1)
Net cash from operating activities	4,644	1,989
<b>Cash flows from/(used in) investing activities</b>		
Purchase of property, plant and equipment	(2,539)	(846)
Interest received - License bank	65	52
Net (cash used) in investing activities	(2,474)	(794)
<b>Cash flows from/(used in) financing activities</b>		
Proceeds from long term borrowings	2,000	-
Repayment of term loan - net	(827)	(2,103)
Proceed/(Repayment) of hire-purchase - net	912	(17)
Interest paid	(1,544)	(1,126)
Net cash from/(used in) financing activities	541	(3,246)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,711	(2,051)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	21,782	(8,676)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR</b>	24,493	(10,727)
<b>Cash and Cash Equivalents at end of period consist of:-</b>	-	-
Deposits with licensed banks	25,090	11,414
Cash and bank balances	637	296
Less : Bank Overdrafts	(1,234)	(22,437)
	24,493	(10,727)
Less : Deposits pledged as security	(2,000)	-
	22,493	(10,727)

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this report)*

**INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

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**PART A : EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the audited financial statements of the Group for the financial 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 financial year ended 31 December 2020.

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 last audited financial statements for the financial year ended 31 December 2020.

In conjunction with the planned convergence of Financial Reporting Standards (“FRS”) with International Financial Reporting Standard as issued by the International Accounting Standards Board, the MASB issued a new approved accounting standard framework, the MFRSs, for application in the annual periods beginning on or after 1st January 2012.

The MFRS Framework is a mandatory for adoption by all Entities Other Than Private Entities, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Int 15 Agreement for the Construction of Real Estate (“Transitioning Entities”). The Group falls within the definition of Transitioning Entities and the financial statements for the annual period beginning on 1 January 2017 will be prepared in accordance with the MFRS and International Financial Reporting Standards.

The significant accounting policies and methods of computation adopted are consistent with those of the most recent audited financial statements for the year ended 31 December 2020 except for the adoption of new and amended FRSS, IC Interpretations and new MFRSs which are relevant to its operations and effective for the financial periods beginning on or after 1 January 2021. The standards and amendments that have been issued and effectively beginning on or after 1 January 2021 are as follows:

- a) **Standards, amendments to published standards and interpretations that are effective and adopted during the financial year**
- Amendments to MFRS 9, MFRS 139, and MFRS 7 “Interest Rate Benchmark Reform – Phase 2”
  - Amendments to MFRS 16 “Interest Rate Benchmark Reform – Phase 2”

**A1 Basis of preparation (Cont'd)**

**b) Standards and amendments that have been issued but not yet effective**

Effective for financial year beginning on or after 1 January 2022

- Amendments to MFRS 3, "Reference to Conceptual Framework"
- Amendments to MFRS 116, "Proceeds Before Intended Use"
- Amendments to MFRS 137, "Onerous Contracts - Cost of Fulfilling a Contract"
- Amendments to MFRS 9, "Fees in the 10% Test for Derecognition of Financial Liabilities"

Effective for financial year beginning on or after 1 January 2023

- Amendments to MFRS 101, "Classification of Liabilities as Current or Non-Current"

The above procurements are either not relevant or do not have any impact on the financial statements of the Company.

**A2 Auditors' Report on Preceding Annual Financial Statements**

There was no qualification in the audit report of the preceding annual financial statements.

**A3 Seasonal or cyclical factors of the Group's operations**

The prices for the Group's plantation products are not within the control of the Group but are determined by the price of Crude Palm Oil (CPO), which in turn depends on several factors including the global supply and demand of competing vegetable oils, crude oil prices, and general global economic growth conditions.

Crop production is seasonal. Based on statistics, the Group's production of Fresh Fruit Bunches (FFB) gradually increases in the second quarter and reaches its peak during the third and fourth quarters. This pattern can be affected by rainfall in the Group's estates and severe global weather conditions such as El-Nino.

The profits for this segment of the Group are primarily determined by the price of FFB and the volume of production from the Group's estates.

The Group's other businesses in energy and facilities management are not affected by seasonal or cyclical factors.

**A4 Unusual items**

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

**A5 Changes in estimates**

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

**A6 Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

**A7 Dividend**

There was no dividend paid, declared or proposed in the current quarter.

**A8 Segmental analysis**

The Group is organised into the following operating divisions:

- (i) Oil Palm Plantations
- (ii) Energy and Facilities Management
- (iii) Investment Holding
- (iv) Others

**The Segmental Information for the period ended 31 March 2021 :**

	<b>Oil Palm Plantations</b>	<b>Energy &amp; Facilities Management</b>	<b>Investment Holding</b>	<b>Others</b>	<b>Elimination</b>	<b>Group Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	7,992	3,103	-	-	-	11,095
<b><u>Segment results</u></b>						
Profit / (loss) from operations	2,425	1,899	(292)	(7)	(814)	3,211
Finance cost	(565)	(1,508)	(4)	-	497	(1,580)
Profit / (Loss) before tax	1,860	391	(296)	(7)	(317)	1,631
Tax credit / (expenses)	-	-	-	-	76	76
Profit / (Loss) for the period	1,860	391	(296)	(7)	(241)	1,707



**A9 Valuations of property, plant and equipment**

There were no amendments in the valuations of property, plant and equipment during the financial period. The valuations have been brought forward without adjustment from the audited financial statements for the year ended 31 December 2020.

**A10 Material events subsequent to the end of the interim period**

Save as disclosed in Section B10 below, there were no material events subsequent to 31 March 2021 and up to the date of the issuance of this quarterly report that have not been reflected in this quarterly report.

**A11 Changes in the Composition of the Group**

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations for the current quarter.

**A12 Contingent liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets as at 31 March 2021.

**A13 Capital Commitments**

There are no capital commitments approved or contracted as at 31 March 2021.

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES  
BERHAD'S LISTING REQUIREMENTS**

**B1 Review of Performance**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter	Change	Current Year Quarter	Preceding Year Corresponding Quarter	Change
	31 Mar 2021 RM '000	31 Mar 2020 RM '000		31 Mar 2021 RM '000	31 Mar 2020 RM '000	
<b>Revenue</b>						
Oil Palm Plantations	7,992	6,205	28.8%	7,992	6,205	28.8%
Energy and Facility Management	3,103	3,280	-5.4%	3,103	3,280	-5.4%
<b>Total Revenue</b>	<b>11,095</b>	<b>9,485</b>	<b>17.0%</b>	<b>11,095</b>	<b>9,485</b>	<b>17.0%</b>
<b>Segment results</b>						
Oil Palm Plantations	1,860	301	517.9%	1,860	301	517.9%
Energy and Facility Management	391	918	-57.4%	391	918	-57.4%
Investment Holding	(296)	114	-359.6%	(296)	114	-359.6%
Others	(7)	(5)	-40.0%	(7)	(5)	-40.0%
Eliminations	(317)	(316)	-0.3%	(317)	(316)	-0.3%
<b>Profit / (Loss) Before Tax</b>	<b>1,631</b>	<b>1,012</b>	<b>61.2%</b>	<b>1,631</b>	<b>1,012</b>	<b>61.2%</b>
<b>Operational Statistics</b>						
Production (MT)	10,070	11,840	-14.9%	10,070	11,840	-14.9%
Ave. CPO Price*	3,896	2,704	44.1%	3,896	2,704	44.1%
Ave. FFB Price	792	525	50.9%	792	525	50.9%

\*Extracted from MPOB Peninsular Malaysia Average

**(A) Performance of the current quarter and financial year-to-date**

**Revenue**

The Group's total revenue for the current quarter ended 31 March 2021 was RM11.10 million, representing an increase of 17.0% as compared to the revenue of RM9.49 million in the preceding year corresponding quarter. The increase in revenue was mainly due to the increase in revenue from the plantations segment.

***Oil Palm Plantations***

For the current quarter under review, the Group's plantations segment recorded a total revenue of RM7.99 million, a 28.8% increase as compared to the preceding year corresponding quarter. This was mainly contributed from significant increases in the average prices of Crude Palm Oil (CPO) and Fresh Fruit Bunches (FFB), which increased by 44.1% and 50.9% respectively compared to the same quarter in 2020. The increase in average CPO and FFB prices has mitigated the decrease in the Group's FFB production, which declined by 1,770mt or 14.9% compared to the preceding year corresponding quarter ended 31 December 2020. This decline in the Group's production compared to the preceding year quarter was due to seasonal variation in crop production trends and adverse weather conditions in the early part of the quarter.

**B1 Review of Performance (Cont'd)**

**(A) Performance of the current quarter and financial year-to-date (Cont'd)**

*Energy and Facilities Management*

For the current quarter under review, this segment contributed RM3.10 million to the Group's revenue, representing a decrease of 5.4% as compared to RM3.28 million in the preceding year corresponding quarter. This decrease in revenue was due to reduced consumption of chilled water from the Group's cooling system in Melaka.

Profit / (Loss) before tax

The Group recorded a profit before tax of RM1.63 million as compared to a profit before tax of RM1.01 million in the preceding year corresponding quarter ended 31 March 2020. The increase in the Group's profitability compared to the preceding year corresponding quarter was mainly contributed by the strong and positive results from oil palm plantations segment on the back of higher CPO and FFB prices.

**B2 Material Changes in Current Quarter Results Compared with Preceding Quarter**

	Current Quarter	Immediate Preceding Quarter	Variance	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	Amount RM'000	%
<b>Production (MT)</b>	10,070	11,168	(1,098)	-9.8%
<b>Ave. CPO Price*</b>	3,896	3,348	548	16.4%
<b>Ave. FFB Price</b>	792	662	130	19.6%
<b><u>Revenue</u></b>				
Oil Palm Plantations	7,992	7,366	626	8.5%
Energy and Facility Management	3,103	3,312	(209)	-6.3%
<b>Total Revenue</b>	<b>11,095</b>	<b>10,678</b>	<b>417</b>	<b>3.9%</b>
<b><u>Segment results</u></b>				
Oil Palm Plantations	1,860	1,886	(26)	-1.4%
Energy and Facility Management	391	1,282	(891)	-69.5%
Investment Holding	(296)	(160)	(136)	-85.0%
Others	(7)	(20)	13	65.0%
Eliminations	(317)	(286)	(31)	-10.8%
<b>Profit / (Loss) before tax</b>	<b>1,631</b>	<b>2,702</b>	<b>(1,071)</b>	<b>-39.6%</b>

For the three months period ended 31 March 2021, the Group recorded revenue of RM11.10 million as compared to RM10.68 million recorded in the immediate preceding quarter ended 31 December 2020. The increase in revenue was mainly due to the increase in revenue contribution from the oil palm plantations segment on the back of increases in average CPO and FFB prices by 16.4% and 19.6% respectively compared to the immediate preceding quarter.

**B2 Material Changes in Current Quarter Results Compared with Preceding Quarter (Cont'd)**

The Group recorded a profit before taxation of RM1.63 million for the current quarter as compared to a profit before tax of RM2.70 million in the immediate preceding quarter ended 31 December 2020. The decrease in profit was mainly due to increased finance costs incurred as a result of the completed issuance of Islamic Medium Term Notes (“Sukuk Wakalah”) amounting to RM80.0 million in December 2020.

**B3 Prospects**

In year 2021, the Group’s performance in the oil palm plantations segment will be primarily influenced by CPO and Palm Kernel (“PK”) prices and our FFB production. Both the CPO and PK prices is largely dependent on various factors such as the supply and demand of palm oil, including global weather conditions, prices and production of substitute vegetable oils, crude oil prices, and general global economic conditions. The rate of vaccinations and the pace of economic recovery from the Covid-19 pandemic will also have significant direct and indirect effects on prices. Commodities may also do well in an inflationary environment brought about by a combination of global government stimulus, recovering demand from reopening of economies, and widespread supply disruption.

Notwithstanding this, the Group will continue to focus on increasing the production of FFB from its estates. The Group remains fundamentally optimistic about the long-term prospects of the palm oil industry.

For the energy and facilities management segment, the recently completed acquisition of 100% equity interest in Tunas Selatan Pagoh Sdn Bhd will provide strong and recurring earnings contributions to the Group. The Group will continue to focus on cost and operational efficiencies to maintain the segment’s performance.

As always, the Group continues to prospect for new opportunities and sustainable businesses which can grow shareholder value in the long run.

**B4 Profit Forecast or Profit Guarantee**

The Group has not issued any profit forecasts for the quarter under review.

**B5 Dividends**

No interim dividend has been paid, declared or proposed for the period ending 31 March 2021.

**B6 Taxation**

	<b>Current Quarter <u>31.03.2021</u> RM'000</b>	<b>Cumulative Quarter <u>31.03.2021</u> RM'000</b>
On current year's results		
- Transfer from / (to) deferred taxation	76	76
	<u>76</u>	<u>76</u>

**B7 Group Borrowings**

**Details of the Group's borrowings as at 31 March 2021 were as follows:-**

<b>Borrowings</b>	<b>Short Term RM'000</b>	<b>Long Term RM'000</b>	<b>Total RM'000</b>
Secured	<u>3,174</u>	<u>93,940</u>	<u>97,114</u>

The credit facilities of the group are obtained by a charge over all its assets and corporate guarantee.

Borrowings are denominated in Ringgit Malaysia.

**B8 Material litigation**

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the Group for the current financial year.

**B9 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk at the date of the issue of this quarterly report.

## **B10 Status of Corporate Proposals**

### **(i) Private Placement of Up To 10% of the Total Number of Issued Shares of SHC**

On 13 February 2020, the Company announced that it proposes to undertake a Private Placement of up to 10% of the total number of issued shares of SHC to third party investors to be identified at a later date. On 27 February 2020, the Company received approval from Bursa Malaysia Securities Berhad to implement the Proposed Private Placement. Further on 11 August 2020, the Company submitted an application to Bursa Securities to seek its approval for an extension of time of 6 months up to 26 February 2021 to complete the implementation of the Private Placement.

On 24 August 2020, Bursa Malaysia Securities Berhad has resolved to grant the Company an extension of time up to 26 February 2021 to complete the implementation of the Private Placement.

Subsequently, on 8 February 2021, the Company submitted an application to Bursa Securities to seek its approval for a further extension of time of 6 months up to 26 August 2021 to complete the implementation of the Private Placement.

On 17 February 2021, Bursa Malaysia Securities Berhad resolved to grant the Company a further extension of time of 6 months until 26 August 2021 to complete the implementation of the Private Placement.

### **(ii) Proposed acquisition of the entire equity Interest in Tunas Selatan Pagoh Sdn Bhd, a wholly-owned subsidiary of Tunas Selatan Construction Sdn Bhd**

On 7 August 2020, the Company entered into a Heads of Agreement with Tunas Selatan Construction Sdn Bhd ("TSC"), to explore and pursue a potential acquisition of the entire equity interest in Tunas Selatan Pagoh Sdn Bhd ("TSP"), a wholly-owned subsidiary of TSC, for a purchase consideration to be determined at a later date which will be satisfied via a combination of cash and issuance of ordinary shares of the Company at RM0.330.

On 4 September 2020, the Company and TSC had mutually agreed to extend the exclusivity period in the HOA for a further 1 month ending 6 October 2020 ("Extension"). The Extension was made in order to grant the parties an additional time to negotiate on the terms and conditions of the definitive agreement(s) for the Proposed Acquisition to be entered into.

On 30 September 2020, the Company entered into a conditional share sale agreement ("SSA") with TSC for the proposed acquisition by the Company of 4,000,002 ordinary shares in TSP, representing the entire equity interest in TSP, from TSC for a purchase consideration of RM145,900,000.

On 6 November 2020, the listing application in relation to the Proposals has been submitted to Bursa Malaysia Securities Berhad.

On 9 December 2020, the Company announced that Bursa Malaysia Securities Berhad had, vide its letter dated 8 December 2020, resolved to approve the listing and quotation for the Consideration Shares and ICPS to be issued pursuant to the Proposed Acquisition subject to several conditions.

**B10 Status of Corporate Proposals (Cont'd)**

**(ii) Proposed acquisition of the entire equity Interest in Tunas Selatan Pagoh Sdn Bhd, a wholly-owned subsidiary of Tunas Selatan Construction Sdn Bhd (Cont'd)**

On 22 March 2021, the Company announced that an Extraordinary General Meeting will be held on fully virtual and entirely via remote participation and voting at Broadcast venue at Board Room of SHC, Level 3, Wisma E&C, No. 2, Lorong Dungun Kiri, Damansara Heights, 50490 Kuala Lumpur on Friday, 16 April 2021 at 2.00 p.m.

On 23 March 2021, the Company submitted the Circular to Shareholders in relation to I. Proposed Acquisition; II. Proposed Amendment; and III. Proposed Exemption to Bursa Malaysia Securities Berhad.

On 30 March 2021, the Company entered into a supplemental letter with TSC to extend the cut-off date to fulfil the conditions precedent of the SSA to 30 June 2021.

On 16 April 2021, the Company announced that all the resolutions as set out in the Notice of the Extraordinary General Meeting dated 23 March 2021 were duly passed and carried.

On 28 April 2021, the Company announced that all the conditions precedent set out in the SSA have been fulfilled. Hence, the SSA has become unconditional.

On 5 May 2021, the Company has allotted 110,000,000 new ordinary shares at an issue price of RM0.33 each and 120,000,000 non-listed Irredeemable Convertible Preference Shares ("ICPS") at an issue price of RM0.33 each.

Subsequently, the issued shares of the Company be hereby increased from:-

- (i) 131,866,787 ordinary shares to 241,866,787 ordinary shares; and
- (ii) 120,000,000 non-listed ICPS

On 7 May 2021, the Company announced that the Consideration Shares of 110,000,000 issued pursuant to the Acquisition were listed and quoted on the Main Market of Bursa at an issue price of RM0.33 each.

On 21 May 2021 the Company announced that the SSA in respect of the acquisition has been completed which marks the completion of the proposal

**B10 Status of Corporate Proposals (Cont'd)**

- (iii) **Issuance of Unrated Islamic Medium Term Note ("Sukuk Wakalah") Programme of RM60.0 million in nominal value ("Sukuk Wakalah Programme") under the Shariah principle of Wakalah Bi Al-Istithmar**

On 20 May 2021, the Company announced that it has successfully issued an Unrated Islamic Medium Term Note ("Sukuk Wakalah") Programme of RM60.0 million in nominal value ("Sukuk Wakalah Programme") under the Shariah principle of Wakalah Bi Al-Istithmar.

**B11 Earnings / (Loss) per Share (EPS)**

Basic EPS and diluted EPS are calculated by dividing the net profit attributable to the ordinary equity holders of the Company of RM1.71 million for the financial year by the number of ordinary shares of 131,866,787 in issue during the financial year.

**B12 Gains / (losses) arising from fair value changes of financial liabilities**

There were no gains / (losses) during this quarter arising from fair value changes of financial liabilities.