

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

	Individual Period		Cumulative Period	
	(1st Quarter)		Unaudited	Audited
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	46,112	15,207	46,112	15,207
Cost of sales	(37,617)	(16,239)	(37,617)	(16,239)
<b>Gross Profit / (Loss)</b>	<b>8,495</b>	<b>(1,032)</b>	<b>8,495</b>	<b>(1,032)</b>
Other income	805	207	805	207
Other operating expenses	-	(11)	-	(11)
Administrative expenses	(673)	(939)	(673)	(939)
Operating expenses	(628)	-	(628)	-
Selling and distribution expenses	(3)	(532)	(3)	(532)
Finance costs	(21)	(42)	(21)	(42)
<b>Profit/(loss) before taxation</b>	<b>7,975</b>	<b>(2,349)</b>	<b>7,975</b>	<b>(2,349)</b>
Income tax expenses	-	-	-	-
<b>Profit/(loss) after taxation</b>	<b>7,975</b>	<b>(2,349)</b>	<b>7,975</b>	<b>(2,349)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Company	7,975	(2,349)	7,975	(2,349)
<b>Profit/(Loss) after taxation for the financial period attributable to:</b>				
Owners of the Company	7,975	(2,349)	7,975	(2,349)
Non-controlling interest	-	-	-	-
	7,975	(2,349)	7,975	(2,349)
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Company	7,975	(2,349)	7,975	(2,349)
Non-controlling interest	-	-	-	-
<b>Total comprehensive profit/(loss) for the period</b>	<b>7,975</b>	<b>(2,349)</b>	<b>7,975</b>	<b>(2,349)</b>
<b>Earning per share attributable to owners of the Company:</b>				
Basic (Sen)	10.63	(3.20)	10.63	(3.20)

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the quarterly reports.

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

	<b>As at 31.03.2021 (Unaudited) RM'000</b>	<b>As at 31.12.2020 (Audited) RM'000</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	15,504	15,841
Right of use assets	1,527	1,538
<b>Total Non-Current Assets</b>	<b>17,031</b>	<b>17,379</b>
<b>CURRENT ASSETS</b>		
Trade receivables	46,334	25,624
Other receivables	33,684	22,051
Tax refundable	489	498
Fixed deposit with licensed bank	51	51
Cash and bank balances	6,303	1,115
	<b>86,861</b>	<b>49,339</b>
<b>TOTAL ASSETS</b>	<b>103,892</b>	<b>66,718</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	93,460	92,374
Treasury shares	(3)	(694)
Accumulated losses	(32,064)	(40,562)
<b>Total equity</b>	<b>61,393</b>	<b>51,118</b>
<b>NON-CURRENT LIABILITIES</b>		
Loans and borrowings	1,151	1,151
Deferred tax liabilities	664	664
	<b>1,815</b>	<b>1,815</b>
<b>CURRENT LIABILITIES</b>		
Loans and borrowings	687	3,177
Trade payables	31,876	655
Other payables	8,121	9,953
<b>Total current liabilities</b>	<b>40,684</b>	<b>13,785</b>
<b>Total liabilities</b>	<b>42,499</b>	<b>15,600</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>103,892</b>	<b>66,718</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.82</b>	<b>0.70</b>

The above Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes to the quarterly report.

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

	Attributable to Equity Holders of the Company			
	Non-Distributable			Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Accumulated Profit/(Losses) RM'000	
<b>At 1 January 2020</b>	92,374	(694)	(44,517)	
Total comprehensive profit for the financial year	-	-	3,955	3,955
<b>At 31 December 2020</b>	92,374	(694)	(40,562)	51,118
<b>At 1 January 2021</b>	92,374	(694)	(40,562)	51,118
Reversal of (profit) /loss from discontinued operation	-	-	523	523
Share buy back	1,086	-	-	1,086
Total comprehensive profit for the year	-	-	7,975	7,975
(Purchase) /disposal of treasury shares	-	691	-	691
<b>At 31 March 2021</b>	93,460	(3)	(32,064)	61,393

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes to the quarterly report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR  
 THE FIRST QUARTER ENDED 31 MARCH 2021**

	<b>Current Year To Date 31.03.2021 RM'000</b>	<b>Corresponding Year To Date 31.03.2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation from continuing operation	7,975	(2,349)
Profit before taxation, total	<u>7,975</u>	<u>(2,349)</u>
Adjustments for:		
Depreciation of property, plant and equipment	443	536
Reversal of accumulated losses of disposed subsi	523	-
Interest expenses	13	42
Interest income	-	(1)
Operating profit/(loss) before working capital changes	<u>8,954</u>	<u>(1,772)</u>
Change in inventories	-	7,826
Change in receivables	(32,343)	6,191
Change in payables	29,390	(5,341)
Cash (used in) operations	<u>6,001</u>	<u>6,904</u>
Interest paid	(13)	(42)
Net tax paid	9	(115)
Net cash generated from operating activities	<u>5,997</u>	<u>6,747</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(95)	(693)
Disposal of treasury shares	1,776	-
Interest received	-	1
Net cash used in investing activities	<u>1,681</u>	<u>(692)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bankers' acceptance drawn down	-	1,346
Repayment of hire purchase	(15)	(39)
Repayment of term loan	-	(44)
Repayment of bankers' acceptance	(1,950)	(5,343)
Net cash used in financing activities	<u>(1,965)</u>	<u>(4,080)</u>
<b>Net change in cash and cash equivalents</b>	<b>5,713</b>	<b>1,975</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>638</b>	<b>1,085</b>
<b>Cash and cash equivalents at end of financial period</b>	<b><u>6,351</u></b>	<b><u>3,060</u></b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR  
THE FIRST QUARTER ENDED 31 MARCH 2021 (C'td)**

Cash and cash equivalents at the end of financial period comprise of the followings:

	<b>Current Year To Date 31.03.2021 RM'000</b>	<b>Corresponding Year To Date 31.03.2020 RM'000</b>
Cash and bank balances	6,354	3,613
Less: Bank overdrafts	(3)	(553)
	<u>6,351</u>	<u>3,060</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes to the quarterly report.

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) NO. 134 – INTERIM FINANCIAL REPORTING**

**1. Basis of Preparation**

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

The financial statements should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31 December 2020 and the accompanying explanatory notes attached.

These explanatory notes attached to the 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.

**2. Significant Accounting Policies**

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2020 except for the adoption of the new and amended MFRSs and IC Interpretations effective for annual financial period beginning on or after 1 January 2021. The initial application of these new and amended MFRSs and IC Interpretations have no material impact on this interim financial reporting.

The following Standards have been adopted in the most recent audited financial statements for the year ended 31 December 2020. Unless otherwise disclosed, their adoption has had no material impact on the amounts reported in these financial statements.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 2 Share-based Payment	1-Jan-20
Amendments to MFRS 3 Definition of a Business	1-Jan-20
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1-Jan-20
Amendments to MFRS 101 and MFRS 108 Definition of Material	1-Jan-20
Amendments to MFRS 16: Covid -19-Related Rent Concessions	1-Jun-20

### Standards Issued but not Yet Effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1-Jan-21
Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139: Interest Rate Benchmark Reform Phase 2	1-Jan-21
Amendments to MFRS 3: Reference to Conceptual Framework	1-Jan-22
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1-Jan-22
Amendments to MFRS 116: Property, Plant and Equipment- Proceeds before Intended Use	1-Jan-22
Amendments to MFRS 137: Onerous Contracts-Cost of Fulfilling a Contract	1-Jan-22
Annual improvements to MFRS 2018-2020	1-Jan-22
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 the above standards and interpretations will have no material impact on the financial statement in the year of initial applications.

### 3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the year ended 31 December 2020 was not qualified.

### 4. Seasonality of operations

The Group's business operation and performance are to a certain extent affected by weather conditions especially on the supply of logs.

### 5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current year quarter under review.

**6. Changes in Estimates**

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

**7. Debt and Equity Securities**

On 12 March 2021, all 1,658,600 units out of 1,664,600 units of the treasury shares have been disposed for a total consideration of RM 1,776,802. The minimum price and the maximum price at which the treasury shares were sold were RM 1.070 and RM 1.080, respectively.

As at 31 March 2021, the number of shares retained as treasury shares amounted to 6,000 units.

Save for the above, there were no cancellation, repurchases, resale and repayments of debts and equity securities during the quarter under review 31 March 2021.

**8. Dividend Paid**

There was no dividend paid by the Group during the current year quarter under review and year to date.

**9. Segmental Information**

No segmental information has been presented as the Group activities are predominantly in Malaysia.

**10. Valuations of Property, Plant and Equipment**

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. There were no valuations of property, plant and equipment carried out since the last audited financial statements for the financial year ended 31 December 2020.

**11. Significant Events**

**Covid-19 outbreak**

Up to the date of these financial statements, the Group has seen an impact of Covid-19 outbreak on the Group's revenue, earnings, cash flows and financial condition. At this juncture, it is not possible to estimate the full impact of the outbreak's short-term and long-term effects or the Government's varying efforts to combat the outbreak and support businesses.



However, there is an uncertainty about the length and severity of Government or regulatory intervention which could have unexpected impact. A prolonged economic downturn could also lead to further Government or regulatory intervention and more adverse outcomes to the Group's business.

The Group will continue to monitor the development of these events and have implemented measures to mitigate the impact of Covid-19 to the Group's business, including prudent management of its cash flows on the operating, investing and financing activities.

## **12. Subsequent Events**

On 15 April 2021, KAF Investment Bank Berhad ("KAF") on behalf of the Board, announced that the Group proposed to undertake the following multiple proposals: -

- (i) Proposed Share Split; and
- (ii) Proposed Rights Issue of ICULS with Warrants; and
- (iii) Proposed Amendments to the Constitutions.

Save for the above, there were no material events subsequent to the end of the current quarter that have not been reflected in this report.

## **13. Changes in the Composition of the Group**

A new fully owned subsidiary, Annum Builder Sdn Bhd (ABSB) was incorporated on 9 Feb 2021. ABSB is a private company limited by shares. The principal activity is to carry on all or any business of general contractors, contractors, general construction contractors, engineering contractors, plumbers, haulers, surveyors and planners, developers and property developers.

Other than the above, there were no material changes in the composition of the Group for the current quarter under review.

## **14. Discontinued Operations**

There were no discontinued operations during the current year quarter under review.

## **15. Capital Commitments**

There were no capital commitments for the quarter ended 31 March 2021.

## **16. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last statements of financial position as at 31 December 2020 and up to the date of this report.

**ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

**17. Review of Performance**

**Comparison of Quarterly Results for Current Quarter and Financial Year to Date**

For the current year quarter and financial year to date, the Group achieved a total revenue of RM 46.11 million, representing an increase of RM 30.91 million or 203.23% as compared to RM 15.20 million in the preceding year corresponding quarter. This was mainly due to higher revenue on sales of plywood and polyester plywood during the current year quarter and year to date.

Group recorded a profit before taxation of RM 7.98 million for the current year quarter and financial year to date, as compared to a loss before taxation of RM 2.35 million in the preceding year corresponding quarter. The profit was mainly due to higher gross profit margin and lower administrative and distribution expenses compared to preceding year corresponding quarter.

**Comparison of Quarterly Results for Current Quarter with Immediate Preceding Quarter**

	Current Quarter	Immediate Preceding Quarter	Changes	
	31.03.2021	31.12.2020	RM'000	(%)
Revenue	46,112	23,916	22,196	92.81
Operating Profit	7,975	9,355	(1,380)	14.75
Profit Before Interest and Tax	7,975	9,355	(1,380)	14.75
Profit Before Tax	7,975	9,355	(1,380)	14.75
Profit After Tax	7,975	9,355	(1,380)	14.75
Profit Attributable to Ordinary Equity Holders of the Parent	10.63	12.76	(2.13)	16.64

The Group achieved a total revenue of RM 46.11 million, representing an increase of RM 22.19 million or 92.81% as compared to RM 23.92 million in the immediate preceding quarter. This was mainly due to higher revenue on sales of plywood and polyester plywood during the current quarter.

Group recorded a profit before taxation of RM 7.98 million for the current quarter as compared to a profit before taxation of RM 9.35 million in the preceding quarter. The higher profit in the immediate preceding quarter was mainly due to the gain on disposal of investment in subsidiary in Dec 2020.

**18. Prospects**

The unprecedented outbreak of Covid-19 has caused economic activities to be affected significantly. The economic conditions in the next 9 months remain uncertain. The Board is taking a cautious view over the outlook for the second quarter of financial year 2021 due to preserving effects of Covid-19 and the measures necessary to control the pandemic. The Group will continue to monitor, reassess the financial position, take appropriate and timely action to minimize the possible impacts caused by Covid-19 pandemic.

Further to the proposed diversification, the Group is going to secure more construction-related contracts. Besides the plywood business, the Group will perpetually concentrate on trading of construction material which is profitable to the Group.

**19. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee**

The Group did not publish any profit forecast for the current year quarter.

**20. Taxation**

	<b>Current quarter</b>	<b>Year To-date</b>
	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2021</b>	<b>31.03.2021</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RM' 000</b>	<b>RM' 000</b>
Income tax:		
Current Taxation	-	-
Deferred Tax	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit. Hence, there is no provision of taxation for the current quarter.

## **21. Status of Corporate Proposals**

Save as disclosed below, there were no other corporate proposals announced but not completed, as at the date of this report.

On 15 April 2021, KAF Investment Bank Berhad (“KAF”) on behalf of the Board, announced that the Group proposed to undertake the following multiple proposals: -

- (i) Proposed Share Split; and
- (ii) Proposed Rights Issue of ICULS with Warrants; and
- (iii) Proposed Amendments to the Constitutions.

On 20 April 2021, KAF on behalf of the Board, announced that the following have been submitted to Bursa Securities: -

- (i) The draft circular to the shareholders of the Company in relation to the Proposals; and
- (ii) The listing application in relation to the Proposed Share Split and the Proposed Rights Issue of ICULS with Warrants; and
- (iii) The application in relation to the Proposed Rights Issue of ICULS with Warrants has been submitted to the Securities Commission (SC).

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## 22. Bank Borrowings

	<b>Current Year</b>	<b>Preceding Year</b>
	<b>To Date</b>	<b>To Date</b>
	<b>31.03.2021</b>	<b>31.03.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Secured</u></b>		
<b>Long Term Borrowings</b>		
Obligations under finance leases	151	-
Lease liabilities	1,000	-
Term Loan	-	1,710
	1,151	1,710
<b><u>Secured</u></b>		
<b>Short Term Borrowings</b>		
Bank overdraft	3	553
Bankers' acceptance	-	3,498
Obligations under finance leases	68	118
Lease liabilities	616	-
	687	4,169
<b>Total Borrowings</b>	<b>1,838</b>	<b>5,879</b>

There were no borrowings denominated in foreign currency. There were no unsecured borrowings.

## 23. Material Litigation

There is no pending material litigation as at the date of this announcement.

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## 24. Earnings Per Share

The basic earnings per share is calculated by dividing the Group's profit/(loss) attributable to the ordinary equity holders of the parent for the current year quarter / year to date by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	<b>Current Year Quarter 31.03.2021</b>	<b>Preceding Year Quarter 31.03.2020</b>	<b>Current Year To Date 31.03.2021</b>	<b>Preceding Year To Date 31.03.2020</b>
Profit/(Loss) attributable to ordinary equity holders of the parent (RM' 000)	7,975	(2,349)	7,975	(2,349)
Weighted average number of shares in issue ('000)	74,994	73,335	74,994	73,335
Basic profit/(loss) per share (Sen)	10.63	(3.20)	10.63	(3.20)

## 25. Notes to The Condensed Consolidated Statement of Comprehensive Income

Profit Before Taxation is derived at after charging / (crediting):

	<b>Current Year Quarter 31.03.2021</b>	<b>Current Year To Date 31.03.2021</b>
	<b>RM' 000</b>	<b>RM' 000</b>
Depreciation and amortization	443	443
Interest expense	13	13

There was no impairment loss on receivables, gain or loss on disposal of quoted or unquoted investment and other exceptional items for the current quarter under review and financial year-to-date.