



# **MUAR BAN LEE GROUP BERHAD**

(Company No.200601033829 (753588-P))

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS**

**FOR FIRST QUARTER ENDED 31 MARCH 2021**



# MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))  
(Incorporated in Malaysia)

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

	Individual Quarter		Cumulative Quarter	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Revenue	73,267	37,783	73,267	37,783
Cost of sales	(64,277)	(28,763)	(64,277)	(28,763)
<b>Gross profit</b>	<b>8,990</b>	<b>9,020</b>	<b>8,990</b>	<b>9,020</b>
Other income	1,196	77	1,196	77
Depreciation and amortisation	(419)	(384)	(419)	(384)
Distribution and administrative expenses	(7,279)	(6,210)	(7,279)	(6,210)
<b>Operating profit</b>	<b>2,488</b>	<b>2,503</b>	<b>2,488</b>	<b>2,503</b>
Interest Income	39	137	39	137
Interest expenses	(125)	(98)	(125)	(98)
<b>Profit before taxation</b>	<b>2,402</b>	<b>2,542</b>	<b>2,402</b>	<b>2,542</b>
Taxation	(714)	(804)	(714)	(804)
<b>Profit for the financial year</b>	<b>1,688</b>	<b>1,738</b>	<b>1,688</b>	<b>1,738</b>
Other Comprehensive income, net of tax	6,095	(2,537)	6,095	(2,537)
<b>Total Comprehensive Income for the financial year</b>	<b>7,783</b>	<b>(799)</b>	<b>7,783</b>	<b>(799)</b>
<b>Profit attributable to:</b>				
Owners of the parent	1,493	1,476	1,493	1,476
Non-controlling interests	195	262	195	262
<b>Profit for the financial year</b>	<b>1,688</b>	<b>1,738</b>	<b>1,688</b>	<b>1,738</b>
<b>Total Comprehensive Income attributable to:</b>				
Owners of the parent	7,619	(185)	7,619	(185)
Non-controlling interests	164	(614)	164	(614)
<b>Total Comprehensive Income for the financial year</b>	<b>7,783</b>	<b>(799)</b>	<b>7,783</b>	<b>(799)</b>
Earnings per share (sen)				
- Basic	0.72	1.49	0.72	1.49
- Diluted	0.64	1.29	0.64	1.29

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.



# MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))  
(Incorporated in Malaysia)

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

	(Unaudited) As at 31/03/2021 RM'000	(Audited) As at 31/12/2020 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	57,949	58,011
Investment properties	629	630
Intangible assets	23,280	23,280
Right of use assets	9,421	9,438
Deferred tax assets	396	396
Other investment	18,792	14,706
	110,467	106,461
<b>Current assets</b>		
Inventories	40,273	29,176
Trade and other receivables	60,011	52,687
Biological assets	66	66
Amount owing from contract customers	23,571	23,563
Tax recoverable	4,662	4,243
Fixed deposits with licensed banks	4,062	4,062
Cash and bank balances	19,228	20,804
	151,873	134,601
<b>Total assets</b>	262,340	241,062
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	67,633	67,633
Treasury shares	(9,054)	(9,054)
Revaluation reserve	6,271	6,271
Discount on shares	(10,103)	(10,103)
Warrant reserves	13,586	13,586
Foreign currency translation reserve	(930)	(897)
Fair value adjustment reserve	11,636	5,475
Retained profits	84,368	82,876
Shareholder's equity	163,407	155,787
Non-controlling interests	8,013	7,850
<b>Total equity</b>	171,420	163,637



# MUAR BAN LEE GROUP BERHAD

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(Incorporated in Malaysia)

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

	(Unaudited) As at 31/03/2021 RM'000	(Audited) As at 31/12/2020 RM'000
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Finance lease liabilities	4,667	4,719
Right-of-use lease liabilities	8,982	8,978
Bank borrowings	3,302	3,457
Deferred tax liabilities	2,661	2,661
	19,612	19,815
<b>Current liabilities</b>		
Trade and other payables	67,323	51,835
Finance lease liabilities	648	812
Right-of-use lease liabilities	621	624
Bank borrowings	2,126	4,339
Provision for taxation	590	-
	71,308	57,610
<b>Total liabilities</b>	90,920	77,425
<b>Total equity and liabilities</b>	262,340	241,062
Net assets per share (RM)	0.79	0.79

*The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.*



# MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))  
(Incorporated in Malaysia)

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

	Attributable to owners of the parent										
	Non-Distributable						Distributable				
	Share Capital	Treasury Shares	Revaluation Reserve	Discount On Shares	Warrant Reserves	Foreign Currency Translation Reserve	Fair Value Adjustment Reserve	Retained Profits	Subtotal	Non-controlling interests	Total Equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2021</b>	67,633	(9,054)	6,271	(10,103)	13,586	(897)	5,475	82,876	155,787	7,850	163,637
Profit for the financial year	-	-	-	-	-	-	-	1,493	1,493	195	1,688
Other Comprehensive Expenses	-	-	-	-	-	-	-	-	-	-	-
- Realisation of revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
- fair value on quoted investment	-	-	-	-	-	-	6,161	-	6,161	-	6,161
- Forex Translation Difference	-	-	-	-	-	(34)	-	-	(34)	(32)	(66)
<b>Total comprehensive loss for the financial year</b>	-	-	-	-	-	(34)	6,161	1,493	7,620	163	7,783
<i>Contributions by and distributions to owners of the Company</i>											
Proceed from issuance of Private	-	-	-	-	-	-	-	-	-	-	-
Proceed from conversion of warrants	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>67,633</b>	<b>(9,054)</b>	<b>6,271</b>	<b>(10,103)</b>	<b>13,586</b>	<b>(931)</b>	<b>11,636</b>	<b>84,369</b>	<b>163,407</b>	<b>8,013</b>	<b>171,420</b>
<b>At 1 January 2020</b>	63,064	(7,158)	6,343	(11,575)	15,566	(630)	751	73,033	139,394	6,920	146,314
Profit for the financial year	-	-	-	-	-	-	-	1,476	1,476	262	1,738
Other Comprehensive Expenses	-	-	-	-	-	-	-	-	-	-	-
- Realisation of revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
- fair value on quoted investment	-	-	-	-	-	-	(751)	-	(751)	-	(751)
- Forex Translation Difference	-	-	-	-	-	(910)	-	-	(910)	(876)	(1,786)
<b>Total comprehensive income for the financial year</b>	-	-	-	-	-	(910)	(751)	1,476	(185)	(614)	(799)
<i>Contributions by and distributions to owners of the Company</i>											
Proceed from issuance of Private	180	-	-	58	(78)	-	-	-	160	-	160
Proceed from conversion of warrants	-	(1,366)	-	-	-	-	-	-	(1,366)	-	(1,366)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	-
Dividends payable to owners of the Company	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	-	-	225	225
<b>Total transactions with owners of the Company</b>	180	(1,366)	-	58	(78)	-	-	-	(1,206)	225	(981)
<b>At 31 March 2020</b>	<b>63,244</b>	<b>(8,524)</b>	<b>6,343</b>	<b>(11,517)</b>	<b>15,488</b>	<b>(1,540)</b>	<b>-</b>	<b>74,509</b>	<b>138,003</b>	<b>6,531</b>	<b>144,534</b>

The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.



# MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

	Current Year To-date  31/03/2021 RM'000	Preceding Year Corresponding Period  31/03/2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	2,402	2,542
Adjustments for non-cash items:		
Depreciation and amortisation	1,037	943
Gain/(Loss) on disposal of other investment	(713)	936
Interest expenses	125	98
Interest income	(39)	(137)
Unrealised loss on foreign exchange	69	298
<b>Operating profit before working capital changes</b>	<b>2,881</b>	<b>4,680</b>
<b>Changes in working capital</b>		
Inventories	(11,097)	3,040
Receivables	(7,324)	(3,780)
Payables	15,419	4,906
Contract customers	(8)	(1,820)
<b>Cash (used in) / generated from operations</b>	<b>(129)</b>	<b>7,026</b>
Income tax paid	(542)	(1,407)
<b>Net cash (used in) / generated from operating activities</b>	<b>(671)</b>	<b>5,619</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of other investment	-	(8,255)
Acquisition of property, plant and equipment	(1,029)	(2,599)
Proceed from disposal of other investment	2,788	5,982
Interest received	39	137
<b>Net cash generated from / (used) in investing activities</b>	<b>1,798</b>	<b>(4,735)</b>



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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2021

	Current Year To-date  31/03/2021 RM'000	Preceding Year Corresponding Period  31/03/2020 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(125)	(98)
Purchase of treasury shares	-	(1,366)
(Repayment of) /proceeds from bankers acceptance	(2,170)	-
Net change of floor stocks	(75)	-
Repayment of term loans	(123)	(126)
Repayment of finance lease liabilities	(216)	(210)
Repayment of lease liabilities	17	-
Proceed from conversion of warrant to share capital	-	160
<b>Net cash used in financing activities</b>	<b>(2,692)</b>	<b>(1,640)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		
Effect of exchange translation differences	(11)	(246)
Cash and cash equivalents at the beginning of the financial year	20,804	32,500
<b>Cash and cash equivalents at the end of the financial year</b>	<b>19,228</b>	<b>31,498</b>
Note: <b><u>Cash and cash equivalents at the end of the financial year</u></b>		
Cash and bank balances	19,228	28,444
Short term deposits with licensed banks	4,062	5,459
Fixed deposits pledged	(4,062)	(2,405)
	<b>19,228</b>	<b>31,498</b>

*The Unaudited Condensed Statements of Cash Flows should be read in conjunction with the Annual Report of the Group for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.*



**MUAR BAN LEE GROUP BERHAD** (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL STATEMENTS**

**A1. BASIS OF PREPARATION**

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

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

**A2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2020 except for those standard, amendments and IC interpretation that had become effective 1 January 2021 and such adoptions do not have material impact on the financial statements of the Group and the Company.

**A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors’ report on the preceding audited financial statements was not subject to any qualification.

**A4. SEASONALITY OR CYCLICALITY FACTORS**

The performance of the Group is generally not affected by any seasonal or cyclical factors.

**A5. UNUSUAL ITEMS**

There were no unusual items for the current financial period under review.

**A6. CHANGES IN ESTIMATES**

There were no changes in estimates amount that had a material effect for the current financial period under review.





**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**A7. DEBT AND EQUITY SECURITIES**

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

Total treasury shares held as at 31 March 2021 is 16,015,600 shares. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

**A8. DIVIDEND PAID**

There was no dividend paid during the quarter under review.

**A9. SEGMENTAL INFORMATION**

Segmental reporting for the 3 months ended 31 March 2021

	Investment Holding	Manu- facturing	Bio- Engineering	Oil Milling	Plantation	Automotive	Elimination	Consolidated (Total)
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>								
External sales	-	16,361	-	32,585	36	24,285	-	73,267
Inter-company	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-
	-	16,361	-	32,585	36	24,285	-	73,267
<b>Segmental results</b>	612	1,721	-	563	(234)	(89)	(85)	2,488
Finance costs	-	(56)	-	-	-	(69)	-	(125)
Interest income	34	5	-	-	-	-	-	39
<b>Profit/(Loss) before Tax</b>	646	1,670	-	563	(234)	(158)	(85)	2,402
Taxation								(714)
<b>Profit for the year</b>								<u>1,688</u>

Segmental reporting for the 3 months ended 31 March 2020

	Investment Holding	Manu- facturing	Bio- Engineering	Oil Milling	Plantation	Automotive	Elimination	Consolidated (Total)
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>								
External sales	-	16,642	-	21,063	78	-	-	37,783
Inter-company	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-
	-	16,642	-	21,063	78	-	-	37,783
<b>Segmental results</b>	(1,181)	2,430	-	896	(261)	-	619	2,503
Finance costs	(74)	(24)	-	-	-	-	-	(98)
Interest income	6	131	-	-	-	-	-	137
<b>Profit/(Loss) before Tax</b>	(1,249)	2,537	-	896	(261)	-	619	2,542
Taxation								(804)
<b>Profit for the year</b>								<u>1,738</u>



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There was no valuation of property, plant and equipment for the financial period under review.

**A11. MATERIAL SUBSEQUENT EVENTS**

There was no material subsequent event occurred after the financial period under review.

**A12. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group in the financial period under review except:

On 3 March 2021, the Company incorporated a 100% owned subsidiary namely Theron Holdings Sdn. Bhd. under the Companies Act, 2016 as a private limited by shares with 2 ordinary shares for total consideration RM2. The company is principally involve in investment activity.

**A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities and contingent assets in the financial period under review.

**A14. CAPITAL COMMITMENTS**

There were no capital commitments in the financial period under review.



**MUAR BAN LEE GROUP BERHAD** (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**A15. RELATED PARTY TRANSACTIONS**

The Group's related party transactions for current quarter and financial year-to-date are as follows:

Transacting parties	Relationship	Nature of transactions	Current quarter RM	Financial Year-to-date RM
Directors	Which the directors owned the said property and have substantial financial interests in the Company	Rental	6,000	6,000
WP Technology Sdn Bhd	Which the directors have substantial financial interests in the Company	Rental	7,500	7,500

**A16. DISCLOSURE OF DERIVATIVES**

There was no outstanding forward contract at the end of the quarter under review.



**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. REVIEW OF PERFORMANCE**

	Individual Quarter (3 months ended)			Cumulative Quarter (3 months ended)		
	31/03/2021	31/03/2020	Changes	31/03/2021	31/03/2020	Changes
	RM '000	RM '000	%	RM '000	RM '000	%
Revenue	73,267	37,783	93.9	73,267	37,783	93.9
Operating profit	2,488	2,503	(0.6)	2,488	2,503	(0.6)
Profit before interest and tax	2,488	2,503	(0.6)	2,488	2,503	(0.6)
Profit before tax (PBT)	2,402	2,542	(5.5)	2,402	2,542	(5.5)
Profit after tax (PAT)	1,688	1,738	(2.9)	1,688	1,738	(2.9)
Profit attributable to Ordinary Equity Holders of the Parent	1,493	1,476	1.2	1,493	1,476	1.2

**For the current quarter under review**, the Group's revenue increased by 93.9% to RM73.27 million, while Profit Before Tax ("PBT") reduced by 5.5% to RM2.40 million as compared to the preceding year's corresponding quarter. In general, the higher topline was mainly contributed by the new automotive division and oil milling division. The performance review by segments is as follows:

**Manufacturing** division posted a revenue and PBT of RM16.36 million and RM1.67 million respectively in the current quarter as compared with RM16.64 million and RM2.54 million recorded in the preceding year's corresponding quarter. The revenue was marginally lower while PBT dropped 34.2% mainly due to lower project sales recorded and mute product mix.

**Oil milling** division's revenue jumped to RM32.59 million (2020: RM21.06 million) and registered a PBT of RM0.56 million (2020: PBT of RM0.90 million). The commendable result was mainly attributable to the increase in production output coupled with the higher average selling price of Crude Palm Kernel Oil ("CPKO") in the current quarter under review. Despite of the substantial improvement in revenue, the increasing production costs has partially offset the earnings of the division.

**Plantation** division's revenue reduced to RM0.04 million (2020: RM0.08 million) and registered a Loss before Tax ("LBT") of RM0.23 million (2020: LBT of RM0.26 million). The unfavorable result was mainly attributable to the shortage of manpower in operating the plantation in the current quarter under review.

**Automotive** division's revenue stood at RM24.29 million and registered a LBT of RM0.16 million. There is no comparative figure in prior year as the automotive division just commenced operation in 4<sup>th</sup> quarter of 2020. The unfavorable result was mainly attributable to the weak market sentiment and consumers spending caused by the Covid-19 pandemic. Despite that, shorter month in February coupled with the Chinese New Year holiday and shortage of ready stocks to meet customers' demand also affected the division's performance.



**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULT**

	Current Quarter	Immediate Preceding Quarter	
	31/03/2021	30/12/2020	Changes
	RM '000	RM '000	%
Revenue	73,267	83,423	(12.2)
Operating profit	2,488	3,148	(21.0)
Profit before interest and tax	2,488	3,148	(21.0)
Profit before tax (PBT)	2,402	2,994	(19.8)
Profit after tax (PAT)	1,688	2,349	(28.1)
Profit attributable to Ordinary Equity Holders of the Parent	1,493	2,139	(30.2)

For the current quarter under review, both revenue and PBT of the Group were lower at RM73.27 million and RM2.40 million respectively as compared to RM83.42 million and RM2.99 million recorded in the immediate preceding quarter. The Covid-19 pandemic has resulted a disruption in global supply chain and uncertainties in the market, which further dampen the global economic outlook. The Group was not spared from the impact of the pandemic and recorded declines in the revenue and PBT.

**Manufacturing** division posted a revenue and PBT at RM16.36 million and RM1.67 million respectively as compared to RM18.86 million and RM4.35 million reported in the immediate preceding quarter. The lower revenue was mainly due to lesser project and spare parts sales recorded coupled with the postponement of certain projects resulted from series of MCO as Government closed venues and restrict traffic flow across and within borders.

**Oil milling** division revenue was marginally lower at RM32.59 million as compared to RM34.71 million reported in the immediate preceding quarter, while PBT receded to RM0.56 million from RM0.89 million registered in immediate preceding quarter. It was mainly due to higher production costs resulted from the increased in raw materials' costs.

**Plantation** division reflected a minimum revenue and LBT of RM0.04 million and RM0.23 million respectively as compared to RM0.07 million and RM0.33 million reported in the immediate preceding quarter. The unfavorable result was mainly attributable to the shortage of manpower in operating the plantation in the current quarter under review.

**Automotive** division registered revenue of RM24.29 million and LBT of RM0.16 million respectively as compare with RM29.79 million and RM1.96 million recorded in immediate preceding quarter. The unfavorable result was mainly attributable to the weak market sentiment and consumers spending caused by the Covid-19 pandemic. Despite that, shorter month in February coupled with the Chinese New Year holiday and shortage of ready stocks to meet customers' demand also affected the division's performance.



**B3. COMMENTARY ON PROSPECTS**

The outlook for the financial year ending 2021 remains challenging and uncertain amid the lingering effect of the Covid-19 pandemic. However, the Group believes that the global economy and market sentiment will soon improve with the mass vaccination of Covid-19.

The Covid-19 pandemic will undeniably has an adverse impact to the globally markets and businesses including us. However, the Management believes the impact by the pandemic to the Group is manageable as most of our on-going projects are expected to carry us through 2021. With the strong financial backing, the Board is confident the Group is well positioned to ride through the current volatilities and uncertainties.

The Management will continue to focus on the Group's core business, i.e. manufacturing segment and to further strengthen our market position by expanding of customer base and market shares.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that the performance of the Group will remain satisfactory for the financial year ending 2021 amid a very challenging global economic environment.

**B4. VARIANCE FROM PROFIT FORECAST**

There is no profit forecast issued for the current financial period under review.

**B5. TAXATION**

Taxation for the quarter and year to date comprises:

	Current Quarter RM '000	Current YTD RM '000
Taxation		
- Current year	(714)	(714)
	<u>(714)</u>	<u>(714)</u>

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

**B6. STATUS OF CORPORATE PROPOSALS**

As at 5 April 2021, the Group has acquired a total of 49,916,081 of Symphony Life Berhad ("SLB") ordinary shares, representing 7.9% of its equity interest with the total investment costs of RM32.6 million through internal generated funds.

Further, the Group has entered into the SSA with the vendor for the proposed acquisition which entails acquisition of 67,000,000 SLB shares, representing approximately 10.6% equity interest for a cash consideration of RM62,812,500 or RM0.9375 per SLB shares.

Circular has been dispatched to MBL's shareholders to seek shareholders mandate at the forthcoming Extraordinary General Meeting ("EGM") on 28 July 2021 for the proposed acquisition of the 67,000,000 shares and proposed diversification of existing business into property investment and property development business.



**B7. GROUP BORROWINGS AND DEBT SECURITIES**

The Group's borrowings as at 31 March 2021 and 31 March 2020 are as follows:

	As at First Quarter ended 2021					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD Fx Rate 4.16 RM '000	RM RM '000	USD Fx Rate 4.16 RM '000	RM RM '000	USD Fx Rate 4.16 RM '000	RM RM '000
<b>Secured</b>						
- Term loans	-	3,302	-	388	-	3,690
- Bankers acceptance	-	-	-	1,738	-	1,738
- Floor stocks	-	-	-	-	-	-
<b>Total</b>	-	3,302	-	2,126	-	5,428

	As at First Quarter ended 2020					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD Fx Rate 4.13 RM '000	RM RM '000	USD Fx Rate 4.13 RM '000	RM RM '000	USD Fx Rate 4.13 RM '000	RM RM '000
<b>Secured</b>						
- Term loans	-	1,025	-	125	-	1,150
- Bankers acceptance	-	-	-	-	-	-
- Floor stocks	-	-	-	-	-	-
<b>Total</b>	-	1,025	-	125	-	1,150

The effective interest rates per annum at the end of the reporting period for the Group's borrowings were as follows:

	(Unaudited) 2021 %	(Audited) 2020 %
Term loans	3.44 - 3.52	3.44 - 3.52
Bankers acceptance	3.02	3.02
Floor stocks	4.77 - 4.87	4.77 - 4.87

There were no significant changes in Group's borrowing for the financial period under review.

**B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

As at the date of this report, the Group did not have any financial instruments with off balance sheet risks.

**B9. MATERIAL LITIGATION**

There was no material litigation for the current financial period to date.

**B10. DIVIDEND DECLARED**

There was no dividend declared for the current quarter under review.



NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021

**B11. EARNINGS PER SHARE**

The basic earnings per share (“EPS”) is calculated by dividing the profit for the financial year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the financial year held by the Company calculated as follows:

	Current Quarter RM '000	Current YTD RM '000
a) <b><u>Basic EPS</u></b>		
Profit attributable to ordinary shareholders of the Company	1,493	1,493
Weighted average number of ordinary shares (000)	208,565	208,565
Basic EPS (Sen)	<u>0.72</u>	<u>0.72</u>
b) <b><u>Diluted EPS</u></b>		
Profit attributable to ordinary shareholders of the Company	1,493	1,493
Weighted average number of ordinary shares (000)	231,713	231,713
Basic EPS (Sen)	<u>0.64</u>	<u>0.64</u>

**B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the preceding audited financial statements was not subject to any qualification.

**B13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME**

	Current Quarter RM'000	Current YTD RM'000
<b>Profit before tax is arrived at after (crediting)/charging:</b>		
Interest income	(39)	(39)
Interest expense	125	125
Depreciation and amortization	1,037	1,037
(Gain)/Loss on disposal or unquoted investments or properties	(713)	(713)
Foreign exchange gain	<u>240</u>	<u>240</u>





**MUAR BAN LEE GROUP BERHAD** (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**B14. AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors dated 24 June 2021.

**By Order of the Board**

Tan Hui Lun (LS 0010066)  
Company Secretary  
Muar