

**Condensed Consolidated Income Statement
For The Quarter Ended 31 December 2020**

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Dec 2019 (Unaudited)	Current Year 12 months ended 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Period 31 Dec 2019 (Audited)
	RM'000	RM'000	RM'000	RM'000
Revenue	45,304	36,571	153,794	118,600
Cost of sales	(33,104)	(23,723)	(104,589)	(98,750)
Gross profit	<u>12,200</u>	<u>12,848</u>	<u>49,205</u>	<u>19,850</u>
Other operating income	1,718	1,336	2,253	2,748
Other operating expenses	(1,361)	(955)	(3,970)	(4,277)
Operating profit	<u>12,557</u>	<u>13,229</u>	<u>47,488</u>	<u>18,321</u>
Finance costs	-	(470)	(340)	(39)
Interest income	172	7	420	27
Profit before tax	<u>12,729</u>	<u>12,766</u>	<u>47,568</u>	<u>18,309</u>
Income tax expense	(2,897)	(3,256)	(10,670)	(3,588)
Profit for the period attributable to equity holders of the company	<u>9,832</u>	<u>9,510</u>	<u>36,898</u>	<u>14,721</u>
Earnings per share attributable to equity holders of the Company:	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic	2.05	1.99	7.71	3.07
Diluted	2.05	1.98	7.71	3.07

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Comprehensive Income
For The Quarter Ended 31 December 2020**

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Dec 2019 (Unaudited)	Current Year 12 months ended 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Period 31 Dec 2019 (Unaudited)
	RM'000	RM'000	RM'000	RM'000
Profit for the period	9,832	9,510	36,898	14,721
Other comprehensive income	-	-	-	-
Total comprehensive income for the period attributable to equity holders of the company	<u><u>9,832</u></u>	<u><u>9,510</u></u>	<u><u>36,898</u></u>	<u><u>14,721</u></u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Financial Position
As at 31 December 2020**

	(Unaudited)	(Audited)
	End of Current Quarter 31 Dec 2020	Preceding Financial Year Ended 31 Dec 2019
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	353,190	363,130
Right-of-use assets	2,203	3,105
Biological assets	2,360	-
Other receivables	1,356	1,435
	<u>359,109</u>	<u>367,670</u>
Current Assets		
Inventories	6,182	5,755
Biological assets	5,875	3,856
Trade receivables	1,137	3,169
Other receivables	1,116	1,965
Tax recoverable	124	55
Fixed deposits with a licensed bank	8,701	542
Cash and bank balances	21,521	9,550
	<u>44,656</u>	<u>24,892</u>
TOTAL ASSETS	<u>403,765</u>	<u>392,562</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	239,675	239,675
Other Reserve	-	247
Retained earnings	94,131	78,535
Total equity	<u>333,806</u>	<u>318,457</u>

**Condensed Consolidated Statement of Financial Position
As at 31 December 2020 (Cont'd)**

	(Unaudited)	(Audited)
	End of Current Quarter 31 Dec 2020	Preceding Financial Year Ended 31 Dec 2019
	<u>RM'000</u>	<u>RM'000</u>
EQUITY AND LIABILITIES (CONT'D)		
Non-current liabilities		
Deferred tax liabilities	51,527	40,857
Lease liabilities	2,160	2,199
	<u>53,687</u>	<u>43,056</u>
Current liabilities		
Trade payables	2,603	3,540
Other payables	13,627	12,434
Lease liabilities	42	74
Loans and borrowings	-	15,000
Income tax payable	-	1
	<u>16,272</u>	<u>31,049</u>
Total liabilities	<u>69,959</u>	<u>74,105</u>
TOTAL EQUITY AND LIABILITIES	<u><u>403,765</u></u>	<u><u>392,562</u></u>

The Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity
For the Financial Quarter ended 31 December 2020**

	Share capital	Other reserve	Retained earnings	Total equity
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 1 January 2020	239,675	247	78,535	318,457
Total comprehensive income for the period	-	-	36,898	36,898
Expiry of employee share option	-	(247)	247	-
Dividend on ordinary shares	-	-	(21,549)	(21,549)
At 31 December 2020	<u>239,675</u>	<u>-</u>	<u>94,131</u>	<u>333,806</u>
At 1 January 2019	239,675	391	68,459	308,525
Total comprehensive income for the period	-	-	14,721	14,721
Lapse of employee share option	-	(144)	144	-
Dividends on ordinary shares	-	-	(4,789)	(4,789)
At 31 December 2019	<u>239,675</u>	<u>247</u>	<u>78,535</u>	<u>318,457</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Cash Flows
For the Quarter ended 31 December 2020**

	12 months ended 31 Dec 2020 (Unaudited) <u>RM'000</u>	12 months ended 31 Dec 2019 (Audited) <u>RM'000</u>
Operating activities		
Profit before tax	47,568	18,309
<u>Adjustments for :-</u>		
Depreciation of property, plant and equipment	21,558	21,033
Depreciation of right-of-use assets	42	201
Interest income	(420)	(27)
Interest expense	340	39
Property, plant and equipment written off	8	-
(Gain)/loss on disposal of equipment	(57)	7
Impairment loss on other receivable	-	470
Fair value changes of biological assets	<u>(4,379)</u>	<u>(2,519)</u>
Total adjustments	<u>17,092</u>	<u>19,204</u>
Operating cash flows before changes in working capital	64,660	37,513
<u>Changes in working capital:</u>		
Increase in inventories	(427)	(1,621)
Decrease/(increase) in receivables	2,960	(1,375)
Increase in payables	256	65
Total changes in working capital	<u>2,789</u>	<u>(2,931)</u>
Cash generated from operating activities	67,449	34,582
Interest received	420	27
Interest paid	(340)	(1,278)
Income tax paid	(70)	(61)
Income tax refunded	-	198
Net cash generated from operating activities	<u>67,459</u>	<u>33,468</u>
Investing activities		
Placement of fixed deposits	(8,159)	(17)
Purchase of property, plant and equipment	(10,796)	(10,644)
Proceeds from disposal of property, plant and equipment	87	22
Net cash used in investing activities	<u>(18,868)</u>	<u>(10,639)</u>

**Condensed Consolidated Statement of Cash Flows
For the Quarter ended 31 December 2020 (Cont'd.)**

	12 months ended 31 Dec 2020 (Unaudited) <u>RM'000</u>	12 months ended 31 Dec 2019 (Audited) <u>RM'000</u>
Financing activities		
Drawdown of revolving credits	-	3,000
Repayment of revolving credits	(15,000)	-
Drawdown of invoice financing	-	5,698
Repayment of invoice financing	-	(5,698)
Repayment of term loans	-	(12,500)
Payment of principal portion of lease liabilities	(71)	(515)
Dividend paid	(21,549)	(4,789)
Net cash used in financing activities	<u>(36,620)</u>	<u>(14,804)</u>
Net increase in cash and cash equivalents	11,971	8,025
Cash and cash equivalents at beginning of year	9,550	1,525
Cash and cash equivalents at end of year	<u><u>21,521</u></u>	<u><u>9,550</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard MFRS 134: Interim Financial Reporting and with IAS 34: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2019.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following new/revised MFRSs and amendments to MFRSs:

	Effective for annual periods beginning or after
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Revised Conceptual Framework for Financial Reporting	1 January 2020
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

These new standards and amendments are not expected to have significant impact on the Group’s financial statements.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2019 was not qualified.

4. SEGMENTAL INFORMATION

No segment information has been prepared as the Group is primarily engaged in the cultivation of oil palm and processing and sale of crude palm oil and palm kernel.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 December 2020.

6. CHANGES IN ESTIMATES

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

7. SEASONAL OR CYCLICAL FACTORS

The effects of seasonal or cyclical fluctuations, if any, are explained under Paragraphs 1 and 2 of Part B i.e. Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

8. DIVIDENDS PAID

The amount of dividend paid during the twelve months period ended 31 December 2020:

	2020
	<u>RM'000</u>
In respect of financial year ended 31 December 2019:	
A final single tier dividend of RM 2.0 sen per ordinary share paid on 2 September 2020	9,577
In respect of financial year ended 31 December 2020:	
A first interim single tier dividend of RM 2.5 sen per ordinary share paid on 3 November 2020	11,972
	<hr/>
	21,549
	<hr/>

9. CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT

There were no brought forward valuations of property, plant and equipment from the financial year ended 31 December 2019 and there were no valuations of property, plant and equipment carried out during the financial period ended 31 December 2020.

10. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale, and repayments of debt and equity securities during the financial period ended 31 December 2020.

11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial quarter.

12. DISCONTINUED OPERATION

There were no discontinued operations for the Group during the current financial quarter.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

13. CAPITAL COMMITMENTS

The amount of capital commitments not provided for in the interim financial statements as at 31 December 2020 are as follows:

Capital expenditure:	2020
Property, plant and equipment:	<u>RM'000</u>
Approved and contracted for	<u>2,939</u>

14. CONTINGENT ASSETS AND LIABILITIES

Contingent asset

On 3 June 2014, Serijaya Industri Sdn. Bhd. (SJI), a wholly-owned subsidiary of the Company, filed a notice of arbitration against Asiatic Lumber Industries Sdn. Bhd. (ALISB) for a claim approximately RM14,631,516 arising from a shortfall in guaranteed volume of log production under a Logging Sub-Contract agreement between SJI and ALISB.

The Arbitrator had on 6 October 2016 awarded SJI the whole claim amounted to RM11,619,123 for shortfall from 2011 to 2013 with interest at 10% per annum.

ALISB failed to pay the sums under the arbitration award. On 14 August 2017, the High Court of Sabah and Sarawak has ordered that ALISB be wound up and the Director General of Insolvency be appointed as the liquidator of ALISB. On 5 March 2019, SJI was informed by the Insolvency Department that there might be payment to be made to SJI. However, there was no amount being received as of to date.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020

14. CONTINGENT ASSETS AND LIABILITIES (CONT'D)

Contingent liabilities

Claim made by Benta Wawasan Sdn. Bhd.

Based on the Agreement of Oil Palm Plantation (“AOPP”) entered between Benta Wawasan Sdn. Bhd. (Benta) and SJI dated 18 November 2005 together with the second supplementary agreement of the AOPP, SJI would need to pay a variable lease payment based on FFB production starting 2017. On 9 July 2018, SJI and Benta entered into a third supplementary agreement of the AOPP, whereby both parties mutually agreed that SJI should pay rental on the land for oil palm plantation of RM2,201,502 covering the period from year 2018 to year 2070 in an equal annual payment of RM41,538 and interest on the total outstanding rental sum at the rate of 8% per annum on a reducing balance basis.

Via a letter dated 10 January 2019, Benta has informed SJI that the third supplementary agreement of the AOPP was not approved by the board of directors of Benta. Subsequently, Benta has issued a letter dated 6 March 2019 and an invoice dated 8 March 2019, claiming the variable lease payment for year 2017 and year 2018 amounting to RM5,288,459 and RM4,261,721 respectively, based on the terms of the AOPP and second supplementary agreement. The rental for year 2017 of RM5,288,459 has been recognised by the Group. For the financial year ended 2018, other than the fixed rental amount of RM41,538, no variable lease payment was recognised. The variable lease payment for the financial year ended 2019, should the terms in AOPP and second supplementary agreement are applied, approximates to RM3,210,593. This amount is also not recognised in these interim financial statements.

Subsequently, there were various correspondences between the parties and a meeting has been arranged to discuss the matter. Based on latest correspondences, both parties are interested to arrive at a sound and sensible solution to the issue without further delay and expense.

SJI has been advised by its legal counsel that SJI has a strong case to continue and to maintain that the third supplemental agreement is valid and binding. Accordingly, no additional provision on variable lease payments for year 2018 to year 2070 has been made in these interim financial statements.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

15. MATERIAL RELATED PARTY TRANSACTIONS

Group	2020
	<u>RM'000</u>
Trade transactions	
Transaction with related parties:	
Rental paid to TSH Resources Bhd., a company in which a director of the Company has an interest.	113
Sales of crude palm oil to TSH-Wilmar Sdn. Bhd.	141,657
Sales of palm kernel to TSH-Wilmar Sdn. Bhd.	10,975
Purchase of oil palm fresh fruit bunches from Benta Wawasan Sdn. Bhd.	3,738
Purchase of seedlings from TSH Biotech Sdn. Bhd.	533
 Company	
Trade transactions:	
Management fees paid to subsidiary - Serijaya Industri Sdn. Bhd.	109
Transaction with related party - Rental paid to Yayasan Sabah	43

16. MATERIAL LITIGATION

There were no material litigation at the end of this quarter and as at the date of this report.

17. MATERIAL EVENTS SUBSEQUENT TO THE END OF PERIOD REPORTED

There were no material events subsequent to the end of the period that have not been reflected in the interim financial statements for the period.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSAMALAYSIA SECURITIES BERHAD

1. PERFORMANCE REVIEW

	INDIVIDUAL QUARTER			CUMMULATIVE YEAR TO DATE		
	Current Year Quarter 31 Dec 2020	Preceding Year Quarter 31 Dec 2019	Variance	Current Year 12 months ended 31 Dec 2020	Preceding Year Period 31 Dec 2019	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
FINANCIAL INFORMATION:						
Revenue	45,304	36,571	24%	153,794	118,600	30%
Operating Profit	12,557	13,229	(5%)	47,488	18,321	159%
Profit Before Tax	12,729	12,766	-	47,568	18,309	160%
Profit After Tax	9,832	9,510	3%	36,898	14,721	151%
Profit Attributable to Equity Holders of the Company	9,832	9,510	3%	36,898	14,721	151%
OPERATION STATISTICS:						
Palm Products:						
FFB Production (MT)	57,094	68,275	(16%)	233,875	224,517	4%
CPO Production (MT)	12,242	14,499	(16%)	52,083	52,394	(1%)
PK Production (MT)	1,858	2,176	(15%)	7,701	8,016	(4%)
CPO Sold (MT)	14,327	13,555	6%	52,920	51,940	2%
PK Sold (MT)	2,027	2,156	(6%)	7,773	7,962	(2%)
CPO Oil Extraction Rate (%)	20.46	21.88	(6%)	21.60	22.79	(5%)
PK Extraction Rate (%)	3.11	3.28	(5%)	3.19	3.49	(9%)
Average CPO Price Per MT (RM)	2,914	2,426	20%	2,680	2,086	28%
Average PK Price Per MT (RM)	1,757	1,321	33%	1,518	1,183	28%

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020

1. PERFORMANCE REVIEW (CONT'D.)

The Group recorded revenue of RM45.304 million for the current quarter ended 31 December 2020 representing an increase of 24% compared to preceding financial year corresponding quarter. The increase was mainly due to higher average selling prices of CPO and PK by 20% and 33% respectively. The Group achieved a profit before tax of RM12.729 million for the current quarter as compared to preceding financial year corresponding quarter of RM12.766 million.

For the current year-to-date, the Group recorded revenue of RM153.794 million compared to RM118.600 million in preceding year corresponding period, an increase of 30%. Profit before tax for the year-to-date increased to RM47.568 million compared to preceding year corresponding period of RM18.309 million, an increase of 160%. The increase in revenue and profit before tax was due to higher average selling prices of CPO and PK.

2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION

	INDIVIDUAL QUARTER		
	Current Year Quarter 31 Dec 2020	Immediate Preceding Quarter 30 Sep 2020	Variance
	RM'000	RM'000	%
FINANCIAL INFORMATION:			
Revenue	45,304	34,564	31%
Operating Profit	12,557	13,295	(5%)
Profit Before Tax	12,729	13,374	(5%)
Profit After Tax	9,832	10,372	(5%)
Profit Attributable to Equity of the Company	9,832	10,372	(5%)
OPERATION STATISTICS:			
FFB Production (MT)	57,094	62,669	(9%)
CPO Production (MT)	12,242	13,585	(10%)
PK Production (MT)	1,858	1,997	(7%)
CPO Sold (MT)	14,327	12,147	18%
PK Sold (MT)	2,027	1,954	4%
CPO Oil Extraction Rate (%)	20.46	21.17	(3%)
PK Extraction Rate (%)	3.11	3.11	-
Average CPO Price Per MT (RM)	2,914	2,621	11%
Average PK Price Per MT (RM)	1,757	1,393	26%

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020

2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION (CONT'D)

Profit before tax for the current quarter at RM12.729 million was 5% lower compared to RM13.374 million in the immediate preceding quarter. The decrease was due to lower FFB crop compared to the preceding quarter as the usual year end peak was unexpectedly affected by adverse weather in prior months. This was in-line with industry trend in Sabah. Higher road and bridges maintenance cost which were badly affected by bad weather also contributed to lower profit.

3. COMMENTARY ON PROSPECT FOR 2020

FFB production in coming quarter is expected to decrease due to seasonal trend. On the other hand, palm oil prices are expected to remain strong in coming months due to high demand and lower crop throughout Malaysia. Given the current level of CPO and PK prices, the Board is confident of achieving reasonably good profit in the coming quarter.

Management will continue to focus on productivity and efficiency improvement to reduce unit cost of production.

4. PROFIT FORECAST OR PROFIT GUARANTEE

There were no profit forecasts or profit guarantees released to the public.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**
5. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Dec 2019 (Unaudited)	Current Year 12 months ended 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Period 31 Dec 2019 (Audited)
	RM'000	RM'000	RM'000	RM'000
Current year tax:				
Malaysian income tax	-	-	-	1
Deferred tax	2,897	3,256	10,670	3,507
	<u>2,897</u>	<u>3,256</u>	<u>10,670</u>	<u>3,508</u>
(Over)/underprovided in prior years:				
Malaysian income tax	-	-	-	-
Deferred tax	-	-	-	80
	<u>-</u>	<u>-</u>	<u>-</u>	<u>80</u>
Total	<u>2,897</u>	<u>3,256</u>	<u>10,670</u>	<u>3,588</u>

6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales/disposals of unquoted investments and properties during the current financial quarter and period ended 31 December 2020.

7. QUOTED SECURITIES

- (a) There were no purchase and sale of quoted securities for the current financial quarter ended 31 December 2020.
- (b) There were no investments in quoted shares as at 31 December 2020.

8. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals for the current financial quarter ended 31 December 2020.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

9. UTILISATION OF PROCEEDS

No proceed were raised by the Company from any corporate exercise during the period.

10. LOANS AND BORROWINGS

	As at end of current quarter 31 Dec 2020 (Unaudited) RM'000	As at 31 Dec 2019 (Audited) RM'000
Short term borrowings		
Secured:		
Revolving credits	<u> -</u>	<u> 15,000</u>

Loans and borrowings of the Group are secured by the following:

- (a) Corporate guarantee given by the Company.
- (b) Assignment of rights, title and interest including but not limited to the right to occupy and develop a parcel of land.
- (c) Pledge of deposits with licensed bank (RM559,964)

All borrowings are denominated in Ringgit Malaysia.

11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 31 December 2020.

12. DIVIDEND

A second interim single-tier dividend of RM0.04 in respect of financial year ended 31 December 2020 amounting to RM19,154,318 was declared on 22 February 2021 and will be payable on 26 March 2021.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**
13. EARNINGS PER SHARE
(a) Basic earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period:

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Dec 2019 (Unaudited)	Current Year 12 months ended 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Period 31 Dec 2019 (Audited)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit attributable to ordinary equity holders of the parent	9,832	9,510	36,898	14,721
Weighted average number of ordinary shares in issue ('000)	478,858	478,858	478,858	478,858
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic earnings per share	<u>2.05</u>	<u>1.99</u>	<u>7.71</u>	<u>3.07</u>

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**
13. EARNINGS PER SHARE (CONT'D)
(b) Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Quarter 31 Dec 2019 (Unaudited)	Current Year 12 months ended 31 Dec 2020 (Unaudited)	Preceding Year Corresponding Period 31 Dec 2019 (Audited)
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit attributable to ordinary equity holders of the parent	9,832	9,510	36,898	14,721
Weighted average number of ordinary shares in issue ('000)	478,858	478,858	478,858	478,858
Effect of ESOS ('000)	-	711	-	18
Weighted average number of ordinary shares in issue ('000)	478,858	479,569	478,858	478,876
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Diluted earnings per share	2.05	1.98	7.71	3.07

The diluted earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

The share options was calculated based on the number of shares which would have been acquired at the market price (average annual share price of the company's share) based on the monetary value of the subscription rights attached to the outstanding share options. No adjustment is made to the net profit attributable to shareholders for the share options calculations.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020**

14. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 February 2021.