



4th QUARTER
INTERIM REPORT
FOR THE FINANCIAL PERIOD ENDED 30 June 2021

BCB BERHAD
(Registration No. 198801004645 (172003-W))
(Incorporated in Malaysia)



Interim Report For The Financial Period Ended 30 June 2021
(The figures have not been audited)

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(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE
FINANCIAL PERIOD ENDED 30 JUNE 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30.06.2021 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30.06.2020 RM'000 (RESTATED)	CURRENT PERIOD TO-DATE 30.06.2021 RM'000	PRECEDING PERIOD CORRESPONDING PERIOD 30.06.2020 RM'000 (RESTATED)
Revenue	17,052	24,585	198,829	253,915
Operating expenses	(8,531)	(23,737)	(165,312)	(206,677)
Other operating income	4,982	315	7,680	4,673
Profit from operations	13,503	1,163	41,197	51,911
Finance income	-	-	42	232
Finance cost	(5,258)	(5,571)	(20,304)	(22,270)
Profit/(Loss) before taxation	8,245	(4,408)	20,935	29,873
Taxation	(4,553)	(8,771)	(7,549)	(15,598)
Profit/(Loss) after taxation	3,692	(13,179)	13,386	14,275
Other Comprehensive Loss	(6,788)	-	(6,788)	-
Total comprehensive (loss)/income for the financial period	(3,096)	(13,179)	6,598	14,275
Profit/(Loss) attributable to:				
Owners of the Company	5,522	(8,352)	15,645	11,557
Non-Controlling Interest	(1,830)	(4,827)	(2,259)	2,718
	3,692	(13,179)	13,386	14,275
Total comprehensive (Loss)/Profit attributable to:				
Owners of the Company	(1,266)	(8,352)	8,857	11,557
Non-Controlling Interest	(1,830)	(4,827)	(2,259)	2,718
	(3,096)	(13,179)	6,598	14,275
EPS - Basic (sen)	1.38	(2.09)	3.92	2.89

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2020)

Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	(UNAUDITED) AS AT 30.06.2021 RM'000	(RESTATED) AS AT 30.06.2020 RM'000	(RESTATED) AS AT 01.07.2019 RM'000
Non-Current Assets			
Property, plant, and equipment	51,816	55,989	50,361
Investment properties	57,218	54,647	57,775
Inventories	367,415	366,633	337,664
Deferred tax assets	3,546	4,713	3,853
	479,995	481,982	449,653
Current assets			
Inventories	581,024	615,001	619,672
Tax recoverable	5,547	8,277	10,324
Trade and other receivables	115,467	123,196	122,664
Contract assets	8,765	17,488	20,591
Cash and bank balances	17,030	30,557	23,023
	727,833	794,519	796,274
Total Assets	1,207,828	1,276,501	1,245,927
Equity and liabilities			
Equity			
Share capital	206,250	206,250	206,250
Treasury shares	(3,373)	(3,373)	(3,371)
Revaluation reserves	-	6,788	6,788
Retained earnings	262,634	246,989	235,428
Equity attributable to owners of the Parent	465,511	456,654	445,095
Non-Controlling Interest	36,143	38,402	35,688
	501,654	495,056	480,783
Non-current liabilities			
Borrowings	180,773	185,196	235,396
Lease liabilities	4,278	3,661	-
Deferred tax liabilities	-	45	-
	185,051	188,902	235,396
Current liabilities			
Trade and other payables	245,217	263,543	257,653
Contract liabilities	129,501	136,242	59,347
Borrowings	137,983	183,555	211,712
Lease liabilities	5,947	1,427	-
Current tax liabilities	2,475	7,776	1,036
	521,123	592,543	529,748
Total liabilities	706,174	781,445	765,144
Total equity and liabilities	1,207,828	1,276,501	1,245,927
Net assets per share (RM)	1.13	1.11	1.08

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2020)

Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	Non-distributable			Distributable		Non-Controlling Interest RM'000	Total Equity RM'000
	Share capital RM'000	Revaluation surplus RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000		
At 01.07.2020	206,250	6,788	(3,373)	270,260	479,925	48,030	527,955
Effect of adoption of Agenda Decision	-	-	-	(23,271)	(23,271)	(9,628)	(32,899)
At 01.07.2020 (restated)	206,250	6,788	(3,373)	246,989	456,654	38,402	495,056
Total comprehensive income	-	(6,788)	-	15,645	8,857	(2,259)	6,598
At 30.06.2021	206,250	-	(3,373)	262,634	465,511	36,143	501,654
At 01.07.2019	206,250	6,788	(3,371)	252,950	462,617	42,394	505,011
Effect of adoption of Agenda Decision	-	-	-	(17,522)	(17,522)	(6,706)	(24,228)
At 01.07.2019 (restated)	206,250	6,788	(3,371)	235,428	445,095	35,688	480,783
Share buy-back	-	-	(2)	-	(2)	-	(2)
Dilution of interest	-	-	-	4	4	(4)	-
Total comprehensive income	-	-	-	11,557	11,557	2,718	14,275
At 30.06.2020	206,250	6,788	(3,373)	246,989	456,654	38,402	495,056

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2020)

Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021

	12 MONTHS ENDED 30.06.2021 RM'000	(RESTATED) 12 MONTHS ENDED 30.06.2020 RM'000
Operating activities		
Profit before taxation	20,935	29,873
Adjustments for non-cash items	23,832	29,870
Operating profit before working capital changes	44,767	59,743
Trade & other receivables	6,745	(3,284)
Contract asset	9,137	2,285
Land held for property development	674	-
Inventories	25,484	20,469
Property development cost	13,468	(41,371)
Trade payables and other payables	(18,326)	5,889
Contract liabilities	(6,741)	76,895
Net change in working capital	75,208	120,626
Tax paid	(8,998)	(7,627)
Net cash from operating activities	66,210	112,999
Investing activities		
Interest received	42	232
Additions to land held for development	(6,431)	(3,613)
Proceeds from disposal of investment properties	1,471	458
Proceeds from disposal of property, plant, and equipment	727	2,371
Purchase of property, plant, and equipment	(843)	(3,911)
Net cash used in investing activities	(5,034)	(4,463)
Financing activities		
Interest paid	(20,304)	(22,269)
Drawdown of borrowings	23,200	-
Repayments of borrowings	(69,282)	(74,661)
Repayments of lease liabilities	(4,403)	(1,359)
Purchase of treasury shares	-	(2)
Withdrawal/(Placement) of fixed deposits pledged to licensed bank	78	(475)
Net cash used in financing activities	(70,711)	(98,766)
Net (decrease) / increase in cash and cash equivalents for the financial period	(9,535)	9,770
Cash and cash equivalents at beginning of financial period	(17,452)	(27,222)
Cash and cash equivalents at end of financial period	(26,987)	(17,452)
Cash and cash equivalent comprise the following:		
Deposits	562	640
Cash and bank balances	16,468	29,917
Bank overdrafts	(43,455)	(47,369)
	(26,425)	(16,812)
Less: Deposit pledged to licensed banks	(562)	(640)
	(26,987)	(17,452)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Report for the year ended 30th June 2020)

Notes to the Interim Report For The Financial Period Ended 30 June 2021
(The figures have not been audited)

A. EXPLANATORY NOTES

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2020.

The following are Standards and Amendments of the MFRS Framework that have been issued by the MASB have been adopted by the Group:

<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020
<i>Amendments to MFRS 4 Insurance Contract - Extension of the Temporary Exemption from Applying MFRS 9</i>	17 August 2020
<i>Interest Rate Benchmark Reform – Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)</i>	1 January 2021
<i>Amendments to MFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021

The adoption of the above amendments of MFRS did not have any material impact to the condensed financial statement.

IFRIC Agenda Decision on MFRS 123 Borrowing Costs

In March 2019, the IFRS Interpretations Committee (‘IFRIC’) published an Agenda Decision on borrowing costs confirming, receivables, contract assets and inventories for which revenue is recognised over time are non-qualification assets. On 20 March 2019, the Malaysian Accounting Standard Board announced that an entity shall apply the change in accounting policy as a result of this Agenda Decision to financial statement of annual periods beginning on or after 1 July 2020.

The Group has adopted the IFRIC Agenda Decision retrospectively in its financial position as at 1 July 2019 and throughout all comparative interim periods presented, as if these policies had always been in effect. Comparative information in these interim financial statements have been restated to give effect to the above changes.

As a result, the following comparatives in the interim financial report have been restated.

i. Impact on condensed consolidated statement of financial position as at 1 July 2019 (date of transition):

	As previously reported 01.07.2019 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated as at 01.07.2019 RM'000
Assets			
Deferred tax assets	2,225	1,628	3,853
Inventories – Property development costs	553,652	(25,978)	527,674
Inventories – Completed inventories	95,383	(3,385)	91,998
Liability			
Deferred tax liabilities	3,507	(3,507)	-
Equity			
Retained earnings	252,950	(17,522)	235,428
Non-controlling interests	42,394	(6,706)	35,688

Notes to the Interim Report For The Financial Period Ended 30 June 2021
(The figures have not been audited)

A. EXPLANATORY NOTES

A1. Basis of Preparation (continued)

ii. Impact on condensed consolidated statement of financial position as at 30 June 2020:

	As previously reported 30.06.2020 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated as at 30.06.2020 RM'000
Assets			
Deferred tax assets	3,215	1,498	4,713
Inventories – Property development costs	544,106	(29,356)	514,750
Inventories – Completed inventories	105,261	(5,010)	100,251
Liability			
Deferred tax liabilities	14	31	45
Equity			
Retained earnings	270,260	(23,271)	246,989
Non-controlling interests	48,030	(9,628)	38,402

iii. Impact on condensed consolidated statement of comprehensive income for the 12 months period ended 30 June 2020:

	As previously reported 30.06.2020 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated as at 30.06.2020 RM'000
Revenue	253,915	-	253,915
Operating expenses	(215,441)	8,764	(206,677)
Other operating income	4,673	-	4,673
Profit from operations	43,147	8,764	51,911
Finance income	232	-	232
Finance cost	(8,255)	(14,015)	(22,270)
Profit before taxation	35,124	(5,251)	29,873
Taxation	(13,382)	(2,216)	(15,598)
Profit after taxation	21,742	(7,467)	14,275
Other comprehensive income	-	-	-
Total comprehensive income for the financial period	21,742	(7,467)	14,275
Profit attributable to:			
Owners of the Company	16,180	(4,623)	11,557
Non-Controlling Interest	5,562	(2,844)	2,718
	21,742	(7,467)	14,275
EPS - Basic (sen)	4.05	(1.16)	2.89

Notes to the Interim Report For The Financial Period Ended 30 June 2021
(The figures have not been audited)

A. EXPLANATORY NOTES

A1. Basis of Preparation (continued)

iv. Impact on condensed consolidated statement of comprehensive income for the 3 months period ended 30 June 2020:

	As previously reported 30.06.2020 RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	Restated 30.06.2020 RM'000
Revenue	24,585	-	24,585
Operating expenses	(22,721)	(1,016)	(23,737)
Other operating income	315	-	315
Profit from operations	2,179	(1,016)	1,163
Finance income	-	-	-
Finance cost	(2,194)	(3,377)	(5,571)
Loss before taxation	(15)	(4,393)	(4,408)
Taxation	(6,555)	(2,216)	(8,771)
Loss after taxation	(6,570)	(6,609)	(13,179)
Other comprehensive income	-	-	-
Total comprehensive income for the financial period	(6,570)	(6,609)	(13,179)
Profit attributable to:			
Owners of the Company	(3,732)	(4,620)	(8,352)
Non-Controlling Interest	(2,838)	(1,989)	(4,827)
	(6,570)	(6,609)	(13,179)
EPS- Basic (sen)	(0.93)	(1.16)	(2.09)

A2. Status of Audit Qualifications

The audited financial statements of the Group for the year ended 30 June 2020 were not subject to any audit qualification.

A3. Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income and cash flows during the financial quarter under review.

A5. Material changes in past estimates and their effect on the current interim period

There were no material changes in estimates for the 12 months ended 30 June 2021.

Notes to the Interim Report For The Financial Period Ended 30 June 2021
(The figures have not been audited)

A. EXPLANATORY NOTES

A6. Issuances or Repayments of Debts and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debts and equity securities in the financial quarter under review except for:

Share Buy-back

As at to-date, the Company has bought back a total of 12,879,200 shares from the open market at an average purchase price of RM0.26 per share. The total consideration paid for the share buy-back, inclusive of transaction costs amounted to RM3,373,365.

A7. Dividend

The Board does not recommend any interim dividend for the financial quarter under review.

A8. Segment Information

Segmental information is presented in respect of the Group's business segments and they reflect the Group's internal reporting structures that are regularly reviewed for the purpose of allocating resources to the segment and assessing its performance.

For management purposes, the Group has identified the following three reportable segments as follows:

- a) Property Development: Property Development, Letting of Properties and Project Management
- b) Construction : Project Construction Services, Manufacturing of Concrete Products and Trading of Building Materials
- c) Others : These are dormant companies for future use

	Property development	Construction	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>12 Months Ended 30.06.2021</u>					
Revenue					
External revenue	187,391	16,085	592	(5,239)	198,829
Inter-segment revenue	-	39,731	-	(39,731)	-
Total	187,391	55,816	592	(44,970)	198,829
Adjusted EBITDA	40,941	1,252	(416)	5,803	47,580
<u>12 Months Ended 30.06.2020</u>					
Revenue					
External revenue	242,326	10,075	1,514	-	253,915
Inter-segment revenue	-	39,985	-	(39,985)	-
Total	242,326	50,060	1,514	(39,985)	253,915
Adjusted EBITDA (restated)	46,179	4,267	164	4,391	55,001
<u>Total segment assets</u>					
30.06.2021	1,557,663	84,522	20,339	(463,789)	1,198,735
30.06.2020	1,498,440	70,849	28,957	(334,735)	1,263,511
<u>Total segment liabilities</u>					
30.06.2021	811,509	71,237	14,271	(193,318)	703,699
30.06.2020	817,486	60,399	13,782	(118,043)	773,624

Notes to the Interim Report For The Financial Period Ended 30 June 2021
(The figures have not been audited)

A. EXPLANATORY NOTES

A8. Segment Information (continued)

	30.06.2021	30.06.2020
	RM'000	RM'000
A reconciliation of total adjusted EBITDA		(Restated)
Adjusted EBITDA	47,580	55,001
Finance income	42	232
Finance cost	(20,304)	(22,270)
Tax	(7,549)	(15,598)
Depreciation	(6,383)	(3,090)
Net profit for the financial period	<u>13,386</u>	<u>14,275</u>
Reportable segments assets are reconciled to total assets as follows:		
Total segment assets	1,198,735	1,263,511
Tax recoverable	9,093	12,990
Consolidated total assets (as per Statement of Financial Position)	<u>1,207,828</u>	<u>1,276,501</u>
Reportable segments liabilities are reconciled to total liabilities as follows:		
Total segment liabilities	703,699	773,624
Tax payable	2,475	7,821
Consolidated total liabilities (as per Statement of Financial Position)	<u>706,174</u>	<u>781,445</u>

A9. Carrying Amount of Revalued Assets

Property, plant and equipment, which are stated at revalued amounts have been revalued during this financial year from RM34.78 million to RM26.15 million.

A10. Material events not reflected in interim period.

The Group does not have any material events during the financial period under review.

A11. Changes in the Composition of the Group

There were no changes to the composition of the Group during the financial period under review.

A12. Contingent Liabilities

There were no contingent liabilities that have arisen since the date of the latest audited financial statements.

A13. Capital Commitments

The Group does not have any capital commitments outstanding during the financial period under review.

Notes to the Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

A. EXPLANATORY NOTES

A14. Recurrent Related Party Transactions

- a) Nature of relationships of BCB Group with the interested related parties
- (i) Tan Sri Dato' Tan Seng Leong is a director of BCB Berhad and all its subsidiary companies. He is a major shareholder of BCB Berhad via his family-controlled company called Evergreen Ratio Sdn Bhd. He is deemed to have an interest with the interested related parties by virtue of his relationship with his spouse and his children namely Puan Sri Datin Lim Sui Yong, Tan Vin Sern and Tan Lindy, who are directors of Marvel Plus Development Sdn Bhd ("MPDSB"), whilst Puan Sri Datin Lim Sui Yong and Tan Vin Sern are also shareholders of MPDSB. Tan Sri Dato' Tan Seng Leong is also a director of Ju-Ichi Enterprise Sdn Bhd ("JIESB") as well as a major shareholder of IBZI Development (Johor) Sdn Bhd ("IBZI").
 - (ii) Tan Vin Sern is a director of BCB Berhad and all its subsidiary companies. He is the son of Tan Sri Dato' Tan Seng Leong and brother of Tan Lindy. He is also a director of MPDSB, JIESB and IBZI.
 - (iii) Tan Lindy is a Director of BCB Berhad and all its subsidiary companies. She is the daughter of Tan Sri Dato' Tan Seng Leong and the sister of Tan Vin Sern. She is also a director of MPDSB and JIESB.
 - (iv) Tan Lay Hiang is a Director of BCB Berhad and most of its subsidiary companies. She is the sister of Tan Sri Dato' Tan Seng Leong.
 - (v) Chang Shao-Yu is a Director of MPDSB. He is the spouse of Tan Lindy and son-in-law of Tan Sri Dato' Tan Seng Leong and Puan Sri Datin Lim Sui Yong.
 - (vi) Puan Sri Datin Lim Sui Yong is a major shareholder of BCB Berhad via her family-controlled company called Evergreen Ratio Sdn Bhd. She is also a director and shareholder of MPDSB.
- b) The recurrent related party transactions between BCB Group and the interested related parties are as follows:

		Current Period Quarter 30.06.2021 RM'000	Preceding Period Quarter 30.06.2020 RM'000
<u>Marvel Plus Development Sdn Bhd</u>			
BCB Construction Sdn Bhd	- Building construction services	1,366	3,328
	- Hiring of machinery	1	-
BCB Resources Sdn Bhd	- Hiring of machinery	4	-
<u>Ju-Ichi Enterprise Sdn Bhd</u>			
BCB Berhad	- Rental of office space	75	75
BCB Construction Sdn Bhd	- Building construction services	3,141	-
<u>IBZI Development (Johor) Sdn Bhd</u>			
BCB Construction Sdn Bhd	- Building construction services	-	-

Notes to the Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BMSB LISTING REQUIREMENTS

B1. Review of Performance of the Group for the Current Quarter and Cumulative Quarter

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30.06.2021 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30.06.2020 RM'000	CURRENT PERIOD TO DATE 30.06.2021 RM'000	PRECEDING PERIOD CORRESPONDING PERIOD 30.06.2020 RM'000
Revenue				
Property Development	12,406	23,297	182,152	242,344
Construction	4,504	1,076	16,085	10,057
Others	142	212	592	1,514
	<u>17,052</u>	<u>24,585</u>	<u>198,829</u>	<u>253,915</u>
Profit/(Loss) Before Tax				
Property Development	8,006	(9,178)	23,264	27,376
Construction	1,977	6,477	271	3,478
Others	(1,738)	(1,707)	(2,600)	(981)
	<u>8,245</u>	<u>(4,408)</u>	<u>20,935</u>	<u>29,873</u>

During the quarter under review, The Group recorded a decrease in revenue and an increase in profit before tax amounting to RM 7.53 million and RM 12.65 million respectively compared to previous corresponding quarter. Segments performance for the current quarter under review are as follows:

Property Development

The property development division reported a decrease in revenue amounting to RM 10.89 million from RM 23.30 million to RM 12.40 million compared to the preceding period corresponding quarter. The current period quarter revenue was mainly contributed by the project progress recognition from Versis and Bandar Putera Indah at Batu Pahat amounting to RM 7.9 million and RM 3.4 million respectively. The dip in revenue compared to the preceding period quarter was largely attributed to the completion of phases from Bandar Putera Indah Phase 11, Taman Evergreen Heights Phase 11B and Hometree Phase 2C.

Despite the reduction in revenue, the property development segment registered an increase in profit before tax of RM 17.18 million. The profit reported in the current period quarter was mainly attributed to the gain on revaluation of the investment properties recognised for Johbase City Square and U-Mall while the loss of RM 9.2 million registered in the preceding period corresponding quarter was mainly due to the adjustments arising from MFRS 15 on the revenue recognised for BCB Bhd, Johbase and BCB Heights.

Construction

The Construction segment reported an increase in revenue of RM 3.43 million compared to the preceding period corresponding quarter. The increase in revenue was mainly contributed by Taman Saujana, Olivia and Hana Sakura .

Despite an increase in revenue, the Construction segment registered a decrease in profit by RM4.5 million compared to the preceding period corresponding quarter. The drop was mainly due to a one-time reversal of over-provision of defect work of RM 4.5 million which led to the reduction of cost of sales / increase in profit recorded in the preceding period corresponding quarter.

Others

Others division mainly involved in hotel leasing business. The current quarter revenue was mainly generated from the leasing income received from hotel operator. However, amid the current Covid -19 pandemic, the Group has granted some discount on rental to the lessee which resulted in a loss in leasing business.

Notes to the Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BMSB LISTING REQUIREMENTS

B2. Material Changes in Profit Before Taxation for the Quarter Reported On as Compared with the Immediate Preceding Quarter

	3 Months Ended		Changes RM'000
	30.06.2021 RM'000	(Restated) 31.03.2021 RM'000	
Revenue	17,052	37,828	(20,776)
Profit before tax	8,245	86	8,159

Revenue decreased by RM 20.78 million, from RM 37.83 million restated in the immediate preceding quarter to RM 17.05 million reported in the current period quarter. The decrease in revenue were mainly due to the drop in revenue recognition for Hometree project amounting to RM12 million due to the completion of Phase 2C in early Q4. In addition, there was a drop in revenue recognised for Johbase and Hometree amounted to RM2.63 million and RM5.60 million respectively in the current period quarter arising from the application of MFRS 15 revenue recognition method.

The Group registered an increase of RM 8.16 million profit before tax, from profit before tax of RM 0.09 million restated in the immediate preceding quarter to RM 8.25 million reported in the current period quarter. The increase was mainly due to the reversal adjustment for BCB Development cost of sales amounting to RM5 million and the gain on revaluation of the investment properties for Johbase City Square and U-Mall totalled RM4 million.

B3. Prospects for the Financial Year

As the vaccination rate in the country has ramped up significantly, the Government is gradually opening up more sectors to individuals who have been fully vaccinated in an effort to rebuild parts of the economy that have been shut due to the Covid-19 outbreak. Although standard operating procedures such as physical distancing are still in effect, we have seen a return in economic activity. The Group will continue to leverage on domestic demand to drive revenue while we manage our cost base to align to the new operating environment.

B4. Variance on Profit Forecast

There were no profit forecasts published as at 30 June 2021.

B5. Profit for the financial period

Profit before taxation is derived after taking into consideration of the following:

	Current Quarter 30.06.2021 RM'000	Cumulative Period to-date 30.06.2021 RM'000
Interest Income	-	42
Other Income	4,982	7,680
Interest expenses	5,258	20,304
Depreciation and amortisation	4,921	6,383

Other than the above, there were no disposal of quoted or unquoted investment or properties and amortisation of assets for the financial quarter under review.

Notes to the Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BMSB LISTING REQUIREMENTS

B6. Taxation

Taxation consists of the followings:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30.06.2021 RM'000	PRECEDING CORRESPONDING QUARTER 30.06.2020 RM'000 (Restated)	CURRENT PERIOD TO DATE 30.06.2021 RM'000	PRECEDING PERIOD CORRESPONDING PERIOD 30.06.2020 RM'000 (Restated)
Income tax				
- current financial period	4,553	8,771	7,549	15,598

The effective tax rate for current quarter is as per statutory tax rate of 24%.

B7. Profit or loss on sale of unquoted investments and / or properties.

There was no disposal of unquoted investment or property during the financial period under review other than in the ordinary course of the Group's business.

B8. Quoted Securities

There was no purchase and disposal of quoted securities for the financial period under review.

B9. Status of Corporate Proposal

There were no corporate proposals during the financial period under review.

B10. Dividend

The Board of Directors has not recommended any interim dividend for the current quarter or financial period to-date.

B11. Group Borrowings

The tenure of Group borrowings classified as current and non-current liabilities categories are as follows: -

	RM'000
Current liabilities	
- Secured	137,983
- Unsecured	-
	<u>137,983</u>
Non-current liabilities	
- Secured	180,773
- Unsecured	-
	<u>180,773</u>
Total Borrowing	<u><u>318,756</u></u>

Notes to the Interim Report for The Financial Period Ended 30 June 2021
(The figures have not been audited)

B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BMSB LISTING REQUIREMENTS

B12. Financial instruments with off balance sheet risk

There was no off-balance sheet financial instrument during the financial period under review.

B13. Material litigation

The Group does not have any material litigation during the financial period under review.

B14. Earnings per share

	Individual		Cumulative	
	Current Period quarter RM'000	Preceding Period corresponding quarter RM'000 (Restated)	Current Period To-date RM'000	Preceding Period corresponding quarter RM'000 (Restated)
a) Basic earnings per share				
Net profit/(loss) attributable to owners for the period	5,522	(8,352)	15,645	11,557
Weighted average number of ordinary shares in issue	399,621	399,621	399,621	399,621
Basic earnings per share (sen)	1.38	(2.09)	3.92	2.89
b) Diluted earnings per share				
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A