

B. I. G. INDUSTRIES BERHAD
Registration No. 199001003718 (195285-D)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	(UNAUDITED) 30.9.2021 RM' 000	(AUDITED) 30.6.2021 RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	18,587	19,186
Right-of-use assets	6,580	6,725
	25,167	25,911
Current assets		
Inventories	8,637	7,757
Trade and other receivables	7,037	6,936
Contract assets	45	847
Prepayments	280	229
Tax recoverable	155	153
Investment securities	8	8
Cash and short-term deposits	5,759	4,914
	21,921	20,844
	47,088	46,755
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	49,685	49,685
Accumulated losses	(22,652)	(23,420)
	27,033	26,265
Non-current liabilities		
Lease liabilities	417	507
Deferred tax liabilities	2,954	3,006
Other payable	-	-
	3,371	3,513
Current liabilities		
Trade and other payables	14,993	15,538
Contract liabilities	-	-
Loans and borrowings	1,170	915
Lease liabilities	466	506
Tax liability	55	18
	16,684	16,977
	20,055	20,490
	47,088	46,755
TOTAL LIABILITIES		
TOTAL EQUITY AND LIABILITIES		
Net assets per share attributable to owners of the Company (RM)	0.54	0.53

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021

	Quarter Ended			Year-To-Date Ended		
	30.9.2021	30.9.2020	Changes	30.9.2021	30.9.2020	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	9,421	8,597	9.58	9,421	8,597	9.58
Other income	404	321	25.86	404	321	25.86
Changes in inventories	(1,683)	86	(2056.98)	(1,683)	86	(2056.98)
Inventories purchased and raw materials consumed	(3,481)	(4,262)	(18.32)	(3,481)	(4,262)	(18.32)
Carriage outwards	(1)	(5)	(80.00)	(1)	(5)	(80.00)
Employees benefits expense	(1,621)	(1,870)	(13.32)	(1,621)	(1,870)	(13.32)
Depreciation of property, plant, equipment and right-of-use assets	(731)	(729)	0.27	(731)	(729)	0.27
Administrative and other expenses	(1,404)	(1,792)	(21.65)	(1,404)	(1,792)	(21.65)
Impairment losses of financial assets	(18)	-	100.00	(18)	-	100.00
Total expenses	(8,939)	(8,572)	4.28	(8,939)	(8,572)	4.28
Operating profit	886	346	(156.07)	886	346	(156.07)
Finance costs	(26)	(47)	(44.68)	(26)	(47)	(44.68)
Profit before taxation	860	299	(187.63)	860	299	(187.63)
Income tax expense	(92)	-	100.00	(92)	-	100.00
Profit for the period, representing total comprehensive income for the period	768	299	156.86	768	299	156.86
Total comprehensive profit for the period						
Profit attributable to:						
- Owners of the Company	768	299	156.86	768	299	156.86
Profit per share attributable to owners of the Company:						
Profit per share (sen)						
- Basic	1.45	0.57		1.45	0.57	
- Diluted	NA	NA		NA	NA	

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021

	-----Attributable to owners of the Company-----		
	Share Capital RM'000	Accumulated losses RM'000	Total RM'000
At 1 July 2021	49,685	(23,420)	26,265
Total comprehensive profit for the period	-	768	768
At 30 September 2021	<u>49,685</u>	<u>(22,652)</u>	<u>27,033</u>
At 1 July 2020	49,685	(23,223)	26,462
Total comprehensive profit for the period	-	299	299
At 30 September 2020	<u>49,685</u>	<u>(22,924)</u>	<u>26,761</u>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021

	3 Months Ended 30.9.2021 RM'000	3 Months Ended 30.9.2020 RM'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before taxation	860	299
Adjustments for :		
Impairment loss on:		
- trade receivables	18	-
Reversal of impairment loss on:		
- trade receivables	-	(20)
Depreciation for property, plant and equipment	586	554
Depreciation for right-of-use assets	145	175
Interest expenses	26	47
Interest income	(1)	(9)
Written off on:		
- property, plant and equipment	9	4
- trade receivables	-	7
Gain on disposal of property, plant and equipment	(205)	(56)
Operating profit before working capital changes	<u>1,438</u>	<u>1,001</u>
Changes in Working Capital:		
Inventories	(880)	(201)
Receivables	631	(1,274)
Payables	(545)	(1,354)
	<u>644</u>	<u>(1,828)</u>
Interest paid	(10)	-
Interest received	1	9
Tax paid, net of refund	(108)	(130)
Net Operating Cash inflows/(Outflows)	<u>527</u>	<u>(1,949)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment	(97)	(80)
Proceeds from disposal of property, plant & equipment	306	75
Net cash flows from/ (used in) investing activities	<u>209</u>	<u>(5)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(16)	(47)
Repayment of loan and borrowings	-	(31)
Net change of short-terms deposits pledged and restricted cash	(264)	(90)
Net change of short term borrowings	255	1,023
Net repayment of:		
- lease liabilities	(130)	(125)
Net cash flows (used in)/from financing activities	<u>(155)</u>	<u>730</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2021
(Cont....)

	3 Months Ended 30.9.2021 RM'000	3 Months Ended 30.9.2020 RM'000
NET CHANGE IN CASH AND CASH EQUIVALENTS	581	(1,224)
CASH AND CASH EQUIVALENTS AT 1 JULY	2,732	4,670
Effects of exchange rate changes on cash and cash equivalents	-	-
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER 2021	3,313	3,446
Analysis of cash and cash equivalents:		
Cash and bank balances	3,313	3,553
Bank overdrafts	-	(107)
	3,313	3,446

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

PART A –EXPLANATORY NOTES PURSUANT TO FRS134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) No.134, “*Interim Financial Reporting*” and paragraph 9.22 of the Main Market 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 financial year ended 30 June 2021. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2021.

A2. Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim Financial Report are consistent with those used in the preparation of the Group’s audited financial statements for the financial year ended 30 June 2021 except for the adoption of the pronouncement that became effective from 1 January 2022.

		Effective for periods beginning on or after
<hr/>		
<u>New MFRS</u>		
MFRS 17	Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Reporting Standards	1 January 2022
MFRS 3	Business Combinations	1 January 2022
MFRS 116	Property, Plant and Equipment	1 January 2022
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
MFRS 141	Agriculture	1 January 2022

The adoption of the above Amendments/Improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

A3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements of the Company and its subsidiaries for the financial year ended 30 June 2021 were not subject to any qualification.

A4. Comments about Seasonal or Cyclical Factors

The business operations of the Group were not affected by any significant seasonal or cyclical factors.

A5. Unusual Items due to their Nature, Size or Incidence

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

A6. Changes in Estimates

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date under review.

A7. Debts and Equity Securities

There were no debt and equity securities issued, cancelled, repurchased, resold or repaid during the current quarter under review.

A8. Dividends Paid

There was no dividend paid for the quarter under review.

A9. Segmental Information

SEGMENT	Revenue			Profit/(Loss) before tax		
	--- 3 months ended 30 Sep --- (Individual Quarter)					
	2021 RM'000	2020 RM'000	Changes %	2021 RM'000	2020 RM'000	Changes %
Gas	5,455	5,704	(4.37)	587	356	64.89
Concrete	1,640	2,893	(43.31)	(99)	14	(807.14)
Property	2,326	-	100.00	443	2	22050.00
Others	-	-	0.00	(71)	(73)	2.74
Total	9,421	8,597	9.58	860	299	187.63

SEGMENT	Revenue			Profit/(Loss) before tax		
	--- 3 months ended 30 Sep --- (Cumulative Quarter)					
	2021 RM'000	2020 RM'000	Changes %	2021 RM'000	2020 RM'000	Changes %
Gas	5,455	5,704	(4.37)	587	356	64.89
Concrete	1,640	2,893	(43.31)	(99)	14	(807.14)
Property	2,326	-	100.00	443	2	22050.00
Others	-	-	-	(71)	(73)	2.74
Total	9,421	8,597	9.58	860	299	187.63

A10. Carrying Amount of Revalued Assets

The valuation of property, plant and equipment was brought forward without amendment from the previous annual financial statements.

A11. Material Subsequent Events

There are no material events subsequent to the end of the current quarter under review.

A12. Changes in Composition of the Group

Except for the below, there were no changes in the composition of the Group during the current quarter:

Proposed Disposal of Subsidiary

On 26 February 2021, the Company entered into a Share Sale Agreement (“Agreement”) with Valencia Peak Sdn. Bhd. (“Purchaser”) for the disposal of its 5,000,000 ordinary shares (entire 100% equity interest) in Tani Kukuh Sdn. Bhd. (“TKSB”) for a cash consideration of Ringgit Malaysia one million (RM1,000,000).

The Purchaser made the final payment of RM900,000 on 26 October 2021. With the final payment the Proposed Disposal became unconditional and TKS B will cease to be a subsidiary.

A13. Changes in Contingent Liabilities and Contingent Assets

There are no material changes in the contingent liabilities or contingent assets since the last balance sheet date.

A14. Capital Commitments

Capital expenditure of the Group approved and contracted but not provided for as at 30 September 2021 in relation to property, plant and equipment amounted to RM0.337 million.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Performance Review

For the quarter under review, the Group recorded a gross revenue of RM9.421 million as compared to RM8.597 million recorded in the preceding year corresponding quarter. The higher revenue was contributed by the Property Division with revenue of RM2.326 million in the current quarter while no revenue was recorded for the preceding year corresponding quarter. The Concrete Division recorded a lower revenue by 43.31%.

For the current quarter under review, the Group recorded a profit before tax of RM0.860 million as compared to a profit before tax of RM0.299 million recorded in the preceding year corresponding quarter. The Gas and Property Divisions reported a higher profit before tax mainly due to gain on disposal of property, plant and equipment and recognition of revenue from the on-going Suasana Melalin, Kota Kinabalu project. However, the Concrete Division reported a loss before tax of RM0.099 million mainly resulted from the full lockdown implemented by the Government to curb the spread of Covid-19.

- **Gas Division**

During the current quarter under review, the Gas Division recorded a gross revenue of RM5.455 million as compared to RM5.704 million for the preceding year corresponding quarter. The cylinder gas and liquefied gas reported lower revenue, while the LPG reported higher revenue as compared to preceding year corresponding quarter.

The Gas Division recorded a profit before tax of RM0.587 million for the current quarter under review as compared to a profit before tax of RM0.356 million for the preceding year corresponding quarter. The improved performance was mainly due to gain on disposal of property, plant and equipment.

- **Concrete Division**

During the current quarter under review, the Concrete Division registered a gross revenue of RM1.640 million as compared to a revenue of RM2.893 million for the preceding year corresponding quarter. The lower revenue was caused by the full lockdown implemented by the Government to curb the spread of the Covid-19.

For the current quarter under review, the Concrete Division reported a loss before tax of RM0.099 million as compared to a profit before tax of RM0.014 million for the preceding year corresponding quarter. The loss was in tandem with the lower revenue.

- **Property Division**

For the current quarter under review, the Property Division recorded a gross revenue of RM2.326 million with no revenue was recorded for the preceding year corresponding quarter from the Suasana Melalin, Kota Kinabalu project.

For the current quarter under review, the Property Division reported a profit before tax of RM0.443 million as compared to a profit before tax of RM0.002 million for the preceding year corresponding quarter. The profit was contributed by the Suasana Melalin, Kota Kinabalu project.

B2. Comparison of Material Change with Preceding Quarter's Results

Group Results	Current Quarter ended 30.9.2021	Preceding Quarter ended 30.6.2021	Changes
	(RM'000)	(RM'000)	%
Revenue	9,421	6,551	43.81
Profit/(Loss) Before Tax	860	(990)	186.87

Revenue for the current quarter under review was RM9.421 million as compared to RM6.551 million for the preceding quarter. The higher revenue was contributed by the Property Division which recorded revenue of RM2.326 million from the Suasana Melalin, Kota Kinabalu project.

The Group reported a profit before tax of RM0.860 million as compared to a loss before tax of RM0.990 million for the preceding quarter ended 30 June 2021. The improved performance was contributed by the Gas and Property Divisions which reported profit of RM0.587 million and RM0.443 million respectively.

B3. Current Year Prospects

With Malaysia attained higher rate of vaccination and Covid-19 daily reported cases declined, the government has gradually eased the various restrictions imposed earlier. Most business sectors are back in operations and we will drive our performance along with the recovery of the business environment.

The Group will continue to take proactive measures to monitor the impact from the Covid-19 pandemic, to mitigate the business risks, focus on long-term strategies for business sustainability and enhancing operational efficiencies.

B4. Statement of the Board of Directors' Opinion on Achievement of Forecast or Target

The disclosure requirement is not applicable for the current quarter.

B5. Profit Forecast

The Company has not provided any profit forecast in any public document.

B6. Taxation

	Current Year Quarter	Preceding Year Quarter	Changes	Current Year To date	Preceding Year To date	Changes
	30.9.2021	30.9.2020		30.9.2021	30.9.2020	
	(RM'000)	(RM'000)	%	(RM'000)	(RM'000)	%
Taxation comprises:						
Current tax	(144)	-	100.00	(144)	-	100.00
Deferred tax	52	-	0.00	52	-	0.00
Total	(92)	-	100.00	(92)	-	100.00

The Group's effective tax rate for the current quarter under review is lower than the statutory rate as certain wholly-owned subsidiaries of the Company have sufficient capital allowances and trading losses to offset taxable profits.

B7. Corporate Proposals

Save as disclose below, there are no other corporate proposal as at the date of this report:

On 27 January 2021, the Company announced a proposal to undertake a private placement of up to 10,580,284 new B.I.G. Industries Berhad ("BIG") shares representing up to 20% of the total number of the issued share of the Company to the independent third party investor(s) to be identified later and at an issue price to be determined at a later date ("Proposed Private Placement").

The listing application in relation to the Proposed Private Placement had been submitted to Bursa Malaysia Securities Berhad on 17 February 2021 and approved on 24 February 2021.

On 9 August 2021, the Company submitted an application to Bursa Malaysia Securities Berhad ("Bursa Securities") to seek the approval for an extension of time ("EOT") to complete the implementation of the proposed private placement. Bursa Securities had on 24 August 2021 approved the EOT up to 31 December 2021.

B8. Borrowings

a) Short Term Borrowings

	30 September 2021			30 September 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Bank overdraft	-	-	-	107	-	107
Bankers' acceptance and revolving credits	1,170	-	1,170	2,735	-	2,735
Term loans	-	-	-	85	-	85
Total	1,170	-	1,170	2,927	-	2,927

b) Long Term Borrowings

There was no long term borrowing as at 30 September 2021.

None of the Group's borrowings as at the financial year ended are denominated in foreign currencies.

B9. Changes in Material Litigations

There was no material litigation against the Group as at 30 September 2021.

B10. Dividend Payable

No interim ordinary dividend has been recommended for the quarter under review.

B11. Earnings Per Share

	Current Quarter Ended 30.9.2021	Preceding Year Ended 30.9.2020	Current Year To-Date 30.9.2021	Preceding Year To-Date 30.9.2020
a) Basic				
Profit net of tax, attributable to Equity Holders of the Company (RM'000)	768	299	768	299
Weighted average number of ordinary shares, in issue ('000)	52,901	52,901	52,901	52,901
Basic earnings per share (sen)	1.45	0.57	1.45	0.57

The diluted earnings per share is not presented as the Company has no dilutive potential ordinary shares in issue as at the end of the reporting period.

By order of the Board

Choong Wye Lin
Executive Director

24 November 2021