



# ARB BERHAD

[Company No. 199701033435 (448934-M)]  
(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	As at 30.9.2021 RM'000	As at 31.12.2020 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	117,812	39,440
Right-of-use assets	334	254
Intangible assets	115,877	30,752
Goodwill on consolidation	23,327	45
Other investments	-	10,850
Trade receivables	-	64,140
	<u>257,350</u>	<u>145,481</u>
<b>Current Assets</b>		
Inventories	301	-
Trade receivables	112,010	68,230
Other receivables, prepayments and deposits	9,751	15,112
Tax recoverable	124	-
Fixed deposits with licenced banks	450	2,000
Cash and bank balances	35,328	24,512
	<u>157,964</u>	<u>109,854</u>
<b>TOTAL ASSETS</b>	<u>415,314</u>	<u>255,335</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	123,949	93,290
Irredeemable convertible preference shares ("ICPS")	4,671	6,204
Retained profits	140,643	84,267
Equity attributable to Owners of the Company	<u>269,263</u>	<u>183,761</u>
Non-controlling interests	28,078	4,874
<b>Total Equity</b>	<u>297,341</u>	<u>188,635</u>
<b>Non-Current Liabilities</b>		
Lease liabilities	145	130
Deferred tax liabilities	28,164	7,288
Trade payables	-	41,871
	<u>28,309</u>	<u>49,289</u>
<b>Current Liabilities</b>		
Trade payables	58,076	6,643
Other payables and accruals	31,381	10,608
Lease liabilities	207	158
Current tax liability	-	2
	<u>89,664</u>	<u>17,411</u>
<b>Total Liabilities</b>	<u>117,973</u>	<u>66,700</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>415,314</u>	<u>255,335</u>
<b>Net assets per share attributable to Owners of the Company (RM)</b>	<u>0.44</u>	<u>0.40</u>
<b>Number of outstanding ordinary shares in issue ('000)</b>	<u>608,217</u>	<u>454,924</u>

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



# ARB BERHAD

[Company No. 199701033435 (448934-M)]

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

	Current quarter ended 30.9.2021 RM'000	Comparative quarter ended 30.9.2020 RM'000	Current year to date ended 30.9.2021 RM'000	Preceding year to date ended 30.9.2020 RM'000
Revenue	77,330	58,303	173,575	146,994
Cost of sales	(62,308)	(48,119)	(141,314)	(119,649)
Gross profit	15,022	10,184	32,261	27,345
Other operating incomes	23,177	73	35,985	1,203
Administrative expenses	(4,308)	(1,830)	(11,032)	(4,921)
Other operating expenses	-	(1)	(242)	(1)
Profit from operations	33,891	8,426	56,972	23,626
Finance costs	(8)	(8)	(19)	(24)
Profit before taxation	33,883	8,418	56,953	23,602
Taxation	(181)	(25)	(248)	(44)
Profit for the period	33,702	8,393	56,705	23,558
<b>Other comprehensive income/(expenses)</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Gain/(Loss) on foreign currency translation	-	-	3	(2)
Other comprehensive income/(expenses), net of tax	-	-	3	(2)
<b>Total comprehensive income for the period</b>	<b>33,702</b>	<b>8,393</b>	<b>56,708</b>	<b>23,556</b>
<b>Profit/(Loss) attributable to:</b>				
Owners of the Company	33,588	8,399	56,690	23,720
Non-controlling interests	114	(6)	15	(162)
	<b>33,702</b>	<b>8,393</b>	<b>56,705</b>	<b>23,558</b>
<b>Total comprehensive income/(expenses) attributable to:</b>				
Owners of the Company	33,588	8,399	56,693	23,718
Non-controlling interests	114	(6)	15	(162)
	<b>33,702</b>	<b>8,393</b>	<b>56,708</b>	<b>23,556</b>
<b>Earnings per share attributable to Owners of the Company (sen):</b>				
Basic	5.52	1.97	9.99	6.88
Diluted	5.32	1.84	9.59	6.31

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	Attributable To Owners Of The Company						Non- controlling interests	Total equity
	Share Capital	ICPS	Capital Reserve	Foreign Exchange Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>As at 1 January 2021</b>	93,290	6,204	-	-	84,267	183,761	4,874	188,635
Profit after tax	-	-	-	-	56,690	56,690	15	56,705
Foreign currency translation gain	-	-	-	3	-	3	-	3
Other comprehensive income	-	-	-	3	-	3	-	3
Total comprehensive income	-	-	-	3	56,690	56,693	15	56,708
<b>Transaction with Owners of the Company</b>								
Issuance of shares pursuant to conversion of ICPS	30,659	(1,533)	-	-	-	29,126	-	29,126
Disposal of a subsidiary	-	-	-	(3)	-	(3)	-	(3)
Acquisition of subsidiaries	-	-	-	-	-	-	22,601	22,601
Acquisitions of additional interests in subsidiary from non-controlling interests:								
- Accretion of equity interests	-	-	-	-	-	-	(49)	(49)
- Loss on acquisition	-	-	-	-	(1)	(1)	-	(1)
Effects of dilution of interests in a subsidiary	-	-	-	-	(313)	(313)	313	-
Ordinary shares contributed by non-controlling interests of subsidiaries	-	-	-	-	-	-	324	324
Total transactions with Owners in their capacity as Owners	30,659	(1,533)	-	(3)	(314)	28,809	23,189	51,998
<b>As at 30 September 2021</b>	123,949	4,671	-	-	140,643	269,263	28,078	297,341
<b>As at 1 January 2020</b>	60,268	7,855	887	-	40,806	109,816	9,615	119,431
Profit/(Loss) after tax	-	-	-	-	23,720	23,720	(162)	23,558
Foreign currency translation loss	-	-	-	(2)	-	(2)	-	(2)
Other comprehensive expenses	-	-	-	(2)	-	(2)	-	(2)
Total comprehensive (expenses)/income	-	-	-	(2)	23,720	23,718	(162)	23,556
<b>Transaction with Owners of the Company</b>								
Issuance of shares pursuant to conversion of ICPS	30,643	(1,532)	-	-	-	29,111	-	29,111
Disposal of a subsidiary	-	-	(887)	-	-	(887)	(4,151)	(5,038)
Acquisition of a subsidiary	-	-	-	1	-	1	-	1
Total transactions with Owners in their capacity as Owners	30,643	(1,532)	(887)	1	-	28,225	(4,151)	24,074
<b>As at 30 September 2020</b>	90,911	6,323	-	(1)	64,526	161,759	(4,151)	167,061

The amount of share capital of the Company as at 30 September 2021 is RM123,949,333 comprising of RM108,201,480 ordinary shares subsequent to the ICPS Conversion 541,007,400 new ordinary shares at a price of RM0.20 per share.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	<b>Current year to date ended 30.9.2021 RM'000</b>	<b>Preceding year to date ended 30.9.2020 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	56,953	23,602
Adjustments for:		
Amortisation of intangible assets	797	-
Depreciation of property, plant and equipment	3,043	1,118
Depreciation of right-of-use assets	200	118
Finance costs	19	24
Gain on reassessments and modifications of leases	(1)	-
Interest income	(133)	(424)
Loss on disposal of property, plant and equipment	-	1
Loss/(Gain) on disposal of subsidiaries	242	(735)
Negative goodwill	(33,883)	-
Rental concession received	(3)	-
Reversal of unwinding of discounts of long-term financial instruments	(1,930)	-
Operating profit before changes in working capital	25,304	23,704
Changes in working capital:		
Inventories	280	-
Receivables	32,362	(66,558)
Payables	10,687	42,709
Cash generated from/(used in) operations	68,633	(145)
Interest received	133	424
Interest paid	-	(24)
Income tax paid	(85)	(65)
<b>Net cash generated from operating activities</b>	<b>68,681</b>	<b>190</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of additional equity interest of a subsidiary	(49)	-
Acquisition of intangible assets	-	(1,919)
Acquisition of other investments	-	(23,850)
Acquisition of subsidiaries, net of cash acquired	(15,916)	-
Net cash (outflow)/inflow upon disposal of subsidiaries	(13)	5,187
Proceed from disposal of property, plant and equipment	-	1
Proceed from redemption of other investment	5,400	-
Purchase of property, plant and equipment	(78,057)	(9,329)
<b>Net cash used in investing activities</b>	<b>(88,635)</b>	<b>(29,910)</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)**

	<b>Current year to date ended 30.9.2021 RM'000</b>	<b>Preceding year to date ended 30.9.2020 RM'000</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Decrease in fixed deposits with the licensed banks	1,550	-
Issuance of share capital via conversion of ICPS	29,126	29,111
Ordinary share capital contributed by non-controlling interests of subsidiaries	324	-
Payment of lease liabilities	(231)	(134)
Repayment to directors	-	(2)
<b>Net cash generated from financing activities</b>	<b>30,769</b>	<b>28,975</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>10,815</b>	<b>(745)</b>
<b>Effects of exchange rate changes</b>	<b>1</b>	<b>(1)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>24,512</b>	<b>25,622</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>35,328</b>	<b>24,876</b>
<b>Cash and cash equivalents at end of the financial period comprise the followings:</b>		
Fixed deposits with licenced banks	450	2,000
Cash and bank balances	35,328	24,876
	<b>35,778</b>	<b>26,876</b>
Less: Fixed deposit with licensed banks	(450)	(2,000)
	<b>35,328</b>	<b>24,876</b>

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

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**NOTES TO THE INTERIM FINANCIAL REPORT**

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in compliance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020. These 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. Significant Accounting Policies**

The significant accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2020 except for the adoption of the following new accounting standards, amendments and interpretation:

**(a) MFRSs, Amendments to MFRSs and Interpretations adopted**

For the preparation of the financial statements, the following accounting standards, amendments and interpretations of the MFRS framework issued by the MASB are mandatory for the first time for the financial year beginning on or after 1 January 2021:

- Amendments to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement*, MFRS 7 *Financial Instruments: Disclosure*, MFRS 4 *Insurance Contracts* and MFRS 16 *Leases - Interest Rate Benchmark Reform Phase 2*
- Amendment to MFRS 16 *Leases - Covid-19 - Related Rent Concessions beyond 30 June 2021*

The adoption of the abovementioned accounting standards, amendments and interpretations are not expected to have any significant impact on the financial statements of the Group.

**(b) New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted**

**MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2022**

- Amendments to MFRS 3 *Business Combinations - Reference to the Conceptual Framework*
- Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*
- Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts-Cost of Fulfilling a Contract*
- Annual Improvements to MFRS Standards 2018-2020

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**A2. Significant Accounting Policies (Cont'd)**

**(b) New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted (Cont'd)**

**MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2023**

- MFRS 17 *Insurance Contracts* and Amendments to MFRS 17 *Insurance contracts*
- Amendments to MFRS 101 *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101 *Presentation of Financial Statements - Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*
- Amendments to MFRS 112 *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

**MFRSs, Amendments to MFRSs and Interpretations effective date yet to be confirmed**

- Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an investor and its Associate or Joint Venture*

**A3. Seasonal or Cyclical Factors**

The principal business operations of the Group are not materially affected by seasonal or cyclical factors during the financial year to date under review.

**A4. Exceptional Items**

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the financial year to date under review.

**A5. Changes in Estimates**

There were no material changes in estimates of the amounts reported during the current quarter and financial year to date under review.

**A6. Changes in Debts and Equity Securities**

A total of 153,293,851 ICPS were exercised during the nine months ended 30 September 2021.

Save for the above, there were no issuances, share cancellations, share buy-back, share held as treasury share, resale of treasury share and repayments of debts and equity securities.

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**A7. Dividends Paid**

No dividends have been paid during the current quarter and financial year to date under review.

**A8. Segmental Information**

**(a) Segment analysis for the financial year to date ended 30 September 2021:**

	<b>Enterprise Resource Planning ("ERP") RM'000</b>	<b>Internet of Things ("IoT") RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Total revenue	120,262	54,397	-	174,659
- Inter-segment revenue	-	(1,084)	-	(1,084)
Revenue from external parties	<u>120,262</u>	<u>53,313</u>	<u>-</u>	<u>173,575</u>
<b>Results</b>				
Segment profit/(loss)	16,768	40,562	(358)	56,972
Finance costs	(15)	(4)	-	(19)
Profit/(Loss) before taxation	<u>16,753</u>	<u>40,558</u>	<u>(358)</u>	<u>56,953</u>
Taxation	(389)	141	-	(248)
Net profit/(loss) for the financial period	<u>16,364</u>	<u>40,699</u>	<u>(358)</u>	<u>56,705</u>
Purchase of property, plant and equipment	78,047	10	-	78,057
Segment assets	<u>242,064</u>	<u>168,245</u>	<u>4,881</u>	<u>415,190</u>
<b>Non-cash expenses</b>				
Amortisation of intangible assets	-	(797)	-	(797)
Depreciation of property, plant and equipment	(1,511)	(1,532)	-	(3,043)
Depreciation of right-of-use assets	<u>(113)</u>	<u>(87)</u>	<u>-</u>	<u>(200)</u>



**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**A8. Segmental Information (Cont'd)**

**(b) Segment analysis for the financial year to date ended 30 September 2020:**

	ERP RM'000	IoT RM'000	Others RM'000	Total RM'000
<b>Revenue</b>				
Total revenue	80,690	67,388	-	148,078
- Inter-segment revenue	-	(1,084)	-	(1,084)
Revenue from external parties	80,690	66,304	-	146,994
<b>Results</b>				
Segment profit/(loss)	12,645	11,250	(269)	23,626
Finance costs	(24)	-	-	(24)
Profit/(Loss) before taxation	12,621	11,250	(269)	23,602
Taxation	(28)	(16)	-	(44)
Net profit/(loss) for the financial period	12,593	11,234	(269)	23,558
Purchase of property, plant and equipment	9,329	-	-	9,329
Segment assets	67,555	148,984	24	216,563
<b>Non-cash expenses</b>				
Depreciation of property, plant and equipment	(8)	(950)	(160)	(1,118)
Depreciation of right-of-use assets	(103)	-	(15)	(118)

**A9. Significant Event During The Financial Period**

There was no significant event during the current quarter ended 30 September 2021.

**A10. Subsequent Events**

On 3 November 2021, Mercury Securities Sdn. Bhd. (“Mercury”) on behalf of the Board, announced that the Company proposed to undertake a renounceable rights issue of up to 1,075,350,500 new ordinary shares in the Company on the basis of 1 rights share for every 1 existing share held by the entitled Shareholders of the Company on an entitlement date to be determined and announced later.

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**A11. Changes in the Composition of the Group**

Acquisition of subsidiaries

On 12 August 2021, ARB Techsymbol Sdn. Bhd., an indirect subsidiary of the Company, had subscribed 51% equity interest of ARB WMS Technologies Sdn. Bhd. (f.k.a. Bluewave WMS Technologies Sdn. Bhd.) for a total consideration of RM51,000.

On 24 August 2021, ARB VM Sdn. Bhd., an indirect subsidiary of the Company, had subscribed 70% equity interest of ARB Workforce Software Sdn. Bhd. for a total consideration of RM100,000.

**A12. Changes in Contingent Liabilities and Assets**

There were no material contingent liabilities or assets during the current quarter under review.

**A13. Capital Commitments**

There were no material capital commitments during the current quarter under review.

**A14. Significant Related Party Transactions**

The significant related party transactions as at year to date were summarised as below:

	<b>Current quarter ended 30.9.2021 RM'000</b>	<b>Current year to date ended 30.9.2021 RM'000</b>
Office rental paid/payable to: VNH One Sdn. Bhd.	33	99

VNH One Sdn. Bhd. is the company in which the Director of the Company have financial interests. These transactions have been entered into in the normal course of business and have been established on commercial terms.

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**

**B1. Review of Performance**

The comparison of the quarterly results is tabulated below:

**Table 1: Financial review for current quarter and financial year to date**

	<b>Current quarter ended 30.9.2021 3Q21 RM'000</b>	<b>Comparative quarter ended 30.9.2020 3Q20 RM'000</b>	<b>Changes (RM'000 / %)</b>	<b>Current year to date ended 30.9.2021 9M21 RM'000</b>	<b>Preceding year to date ended 30.9.2020 9M20 RM'000</b>	<b>Changes (RM'000 / %)</b>
Revenue	77,330	58,303	19,027 / 33	173,575	146,994	26,581 / 18
Gross Profit	15,022	10,184	4,838 / 48	32,261	27,345	4,916 / 18
Profit Before Interest and Tax	33,891	8,426	25,465 / 302	56,972	23,626	33,346 / 141
Profit Before Tax ("PBT")	33,883	8,418	25,465 / 303	56,953	23,602	33,351 / 141
Profit After Tax	33,702	8,393	25,309 / 302	56,705	23,558	33,147 / 141
EPS Attributable to Owners of the Company (sen)	5.52	1.97	4 / 180	9.99	6.88	3 / 45

The Group's revenue and PBT for 3Q21 increased by 33% and 4.0 times respectively as compared to 3Q20. The higher revenue and PBT mainly due to the revenue growth in ERP and IoT segments and increase of negative goodwill of RM21.2 million arised from acquisition of a subsidiary.

For the 9M21 under review, the Group's revenue and PBT increased by 18% and 2.4 times respectively as compared to 9M20. The higher revenue was mainly due to contribution from ERP and IoT segments of RM120.3 million and RM53.3 million respectively. The higher PBT was mainly due to the negative goodwill of RM33.9 million arised from acquisition of subsidiaries.

**Table 2: Financial review for current quarter compared with immediate preceding quarter**

	<b>Current quarter ended 30.9.2021 3Q21 RM'000</b>	<b>Immediate preceding quarter ended 30.6.2021 2Q21 RM'000</b>	<b>Changes (RM'000 / %)</b>
Revenue	77,330	46,757	30,573 / 65
Gross Profit	15,022	7,353	7,669 / 104
Profit Before Interest and Tax	33,891	16,044	17,847 / 111
Profit Before Tax ("PBT")	33,883	16,039	17,844 / 111
Profit After Tax	33,702	15,997	17,705 / 111
EPS Attributable to Owners of the Company (sen)	5.52	2.71	3 / 104

The Group reported PBT of RM33.9 million in 3Q21 compare with RM16.0 million in 2Q21, representing an increase of RM17.9 million or 2.1 times in PBT. The higher PBT was mainly due to better performance contributed by ERP and IoT segments and increase in negative goodwill.

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**B2. Group's Prospect**

ERP and IoT segments are expected to contribute impressive future earnings for the Group.

**B3. Variance of Actual Profit from Profit Forecast**

The Group did not issue any profit forecast and profit guarantee during the current quarter under review.

**B4. Tax expense**

	<b>Current quarter ended 30.9.2021 RM'000</b>	<b>Current year to date ended 30.9.2021 RM'000</b>
Current year provision	20	86
Under provision in prior year	-	1
	<u>20</u>	<u>87</u>
Deferred taxation	161	161
	<u>181</u>	<u>248</u>

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.

**B5. Corporate Proposals**

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

On 3 November 2021, Mercury on behalf of the Board, announced that the Company proposed to undertake a renounceable rights issue of up to 1,075,350,500 new ordinary shares in the Company on the basis of 1 rights share for every 1 existing share held by the entitled Shareholders of the Company on an entitlement date to be determined and announced later.

**B6. Material Litigation**

The Group does not engaged in any material litigation and the Directors do not have any knowledge of any proceedings pending or threatened against the Group which might materially and adversely affect the financial position or business of the Group.

**B7. Dividends**

No dividend has been recommended by the Board of Directors for the current quarter under review.

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

**B8. Earnings per Share ("EPS")**

**(a) Basic EPS**

The basic EPS of the Group is calculated based on the profit attributable to Owners (ordinary equity holders) of the Company divided by the weighted average number of ordinary shares in issue.

	<b>Current quarter ended 30.9.2021</b>	<b>Comparative quarter ended 30.9.2020</b>	<b>Current year to date ended 30.9.2021</b>	<b>Preceding year to date ended 30.9.2020</b>
Profit attributable to Owners of the Company (RM'000)	33,588	8,399	56,690	23,720
Weighted average number of ordinary shares outstanding ('000)	608,217	425,531	567,573	344,569
Basic EPS (sen)	5.52	1.97	9.99	6.88

**(b) Diluted EPS**

The diluted EPS of the Group is calculated based on the profit attributable to Owners (ordinary equity holders) of the Company divided by the weighted average number of ordinary shares in issue adjusted to assume conversion of all dilutive potential ordinary shares arising from ICPS as follow:

	<b>Current quarter ended 30.9.2021</b>	<b>Comparative quarter ended 30.9.2020</b>	<b>Current year to date ended 30.9.2021</b>	<b>Preceding year to date ended 30.9.2020</b>
Profit attributable to Owners of the Company (RM'000)	33,588	8,399	56,690	23,720
Weighted average number of ordinary shares outstanding ('000)	608,217	425,531	567,573	344,569
Effect of dilution of assumed conversion of ICPS ('000)	23,357	31,616	23,357	31,616
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	631,574	457,147	590,930	376,185
Diluted EPS (sen)	5.32	1.84	9.59	6.31

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**B9. Auditors' Report on Preceding Annual Financial Statements**

There was no audit qualification in the audited report of the Company and its subsidiaries preceding annual financial statements for the financial year ended 31 December 2020.

**B10. Items included in the Statement of Profit or Loss**

	<b>Current quarter ended 30.9.2021 RM'000</b>	<b>Current year to date ended 30.9.2021 RM'000</b>
Amortisation of intangible assets	(797)	(797)
Depreciation of property, plant and equipment	(1,356)	(3,043)
Depreciation of right-of-use assets	(112)	(200)
Finance costs	(8)	(19)
Loss on disposal of a subsidiary	-	(242)
Interest income	38	133
Negative goodwill	21,170	33,883

**By Order of the Board,  
 Dato' Sri Liew Kok Leong  
 Executive Director**

**15 November 2021**