

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2021
(The figures have not been audited)

	Individual Quarter			Cumulative Quarter		
	Current Quarter 30.6.2021 RM'000	Preceding year Corresponding Quarter 30.6.2020 RM'000	+ / (-)	Current Year To Date 30.6.2021 RM'000	Preceding year Corresponding Period 30.6.2020 RM'000	+ / (-)
Revenue	19,306	15,926	0.21	42,508	33,976	0.25
Cost of sales	(8,392)	(5,350)		(19,198)	(11,482)	
Gross profit	10,914	10,576	0.03	23,310	22,494	0.04
Profit income	123	174		201	363	
Other income	900	70		1,707	612	
Staff costs	(6,288)	(5,958)		(12,402)	(11,947)	
Depreciation and amortisation	(2,003)	(1,496)		(3,869)	(3,014)	
Other operating expenses	(3,792)	(2,629)		(6,657)	(5,935)	
Profit/(Loss) from operations	(146)	737	(1.20)	2,290	2,573	(0.11)
Finance costs	(709)	(484)		(1,368)	(1,145)	
Profit/(Loss) before tax	(855)	253	(4.38)	922	1,428	(0.35)
Income tax expense	(1,328)	(1,461)		(2,230)	(1,908)	
Loss net of tax	(2,183)	(1,208)	0.81	(1,308)	(480)	1.73
Other comprehensive income:						
Foreign currency translation	65	1,591		(487)	(1,127)	
Other comprehensive income attributable to:	65	1,591		(487)	(1,127)	
Total comprehensive income for the period	(2,118)	383	(6.53)	(1,795)	(1,607)	0.12
Net Profit/(Loss) attributable to:						
Owners of the parent	(3,566)	(1,957)	0.82	(3,745)	(2,389)	0.57
Minority interest	1,383	749	0.85	2,437	1,909	0.28
	(2,183)	(1,208)	0.81	(1,308)	(480)	1.73

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2021
(The figures have not been audited)
(CONT'D.)

	Individual Quarter			Cumulative Quarter		
	Current Quarter 30.6.2021 RM'000	Preceding year Corresponding Quarter 30.6.2020 RM'000	+ / (-)	Current Year To Date 30.6.2021 RM'000	Preceding year Corresponding Period 30.6.2020 RM'000	+ / (-)
Total comprehensive income attributable to :						
Owners of the parent	(3,502)	(870)	(3.03)	(4,233)	(2,735)	0.55
Minority interest	1,384	1,253	0.10	2,438	1,128	1.16
	<u>(2,118)</u>	<u>383</u>	(6.53)	<u>(1,795)</u>	<u>(1,607)</u>	0.12
Earning per share attributable to equity holders of the parent						
Basic earning per share (sen) *	<u>(0.54)</u>	<u>(0.30)</u>		<u>(0.57)</u>	<u>(0.36)</u>	

The Condensed Consolidated Statement of Comprehensive Income 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 financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021
(The figures have not been audited)

	Unaudited 30.6.2021 RM'000	Audited 31.12.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	43,135	43,309
Investment properties	36,871	37,341
Intangible assets	861	861
Deferred tax assets	857	1,276
	81,724	82,787
Current assets		
Inventories	88	191
Trade and other receivables	47,311	42,933
Amount due from customer on contract	5,423	9,680
Other current financial assets	9,748	14,385
Tax recoverable	316	350
Cash and bank balances	27,133	27,788
	90,019	95,327
TOTAL ASSETS	171,743	178,114
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital	65,970	65,970
Treasury shares	(364)	(330)
Other reserves	(1,138)	(650)
Retained earnings	4,797	8,542
	69,265	73,532
Non controlling interest	30,488	30,510
Total equity	99,753	104,042
Non-current liabilities		
Retirement benefits obligation	3,496	1,861
Deferred tax liabilities	4,172	3,797
Lease obligations	1	31
Interest bearing loans and borrowings	1,475	2,345
	9,144	8,034
Current liabilities		
Trade and other payables	14,606	17,936
Lease obligations	60	72
Interest bearing loans and borrowings	46,649	46,055
Tax payable	1,531	1,975
	62,846	66,038
Total Liabilities	71,990	74,072
TOTAL EQUITY AND LIABILITIES	171,743	178,114
Net assets per share attributable to equity holders of the parent (RM)	0.11	0.11

The Condensed Consolidated Statement 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 attached to the financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2021
(The figures have not been audited)

	← Attributable to owners of the company →						
	← Non Distributable →			Distributable	Total	Non controlling Interest	Total Equity
	Share Capital	Treasury Shares	Other Reserves	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000			
At 1 January 2020	65,970	(330)	(375)	14,960	80,225	30,032	110,257
Total comprehensive income for the period	-	-	(346)	(2,389)	(2,735)	1,128	(1,607)
Dividends paid to non-controlling interest	-	-	-	-	-	(2,255)	(2,255)
At 30 June 2020	65,970	(330)	(721)	12,571	77,490	28,905	106,395
At 1 January 2021	65,970	(330)	(650)	8,542	73,532	30,510	104,042
Total comprehensive loss for the period	-	-	(488)	(3,745)	(4,233)	2,438	(1,795)
Dividends payable to non-controlling interest	-	-	-	-	-	(2,460)	(2,460)
Purchase of treasury	-	(34)	-	-	(34)	-	(34)
At 30 June 2021	65,970	(364)	(1,138)	4,797	69,265	30,488	99,753

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

PROGRESSIVE IMPACT CORPORATION BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SECOND QUARTER ENDED 30 JUNE 2021
(The figures have not been audited)

	Cumulative Current Year To Date 30.6.2021 RM'000	Cumulative Corresponding Period 30.6.2020 RM'000
Cash flows from operating activities		
Profit before taxation	922	1,428
Adjustments for :		
Depreciation and amortisation	3,869	3,014
Provision for doubtful debt	(540)	18
Net unrealised foreign exchanges loss	(625)	(18)
Finance cost	1,368	1,145
Profit income from deposits	(140)	(248)
Dividend from unit trust	(61)	(115)
Operating profit before working capital changes	<u>4,793</u>	<u>5,224</u>
Working capital changes :		
Decrease/(Increase) in receivable	798	(16,463)
Decrease in inventories and work-in-progress	104	37
(Decrease)/Increase in payables	(2,074)	12,131
Cash generated from operations	<u>3,621</u>	<u>929</u>
Finance cost paid	(1,368)	(1,145)
Tax paid	(981)	(1,435)
Net cash generated from/(used in) operating activities	<u>1,272</u>	<u>(1,651)</u>
Cash flows from investing activities		
Placement of unit trust	4,637	4,842
Purchase of property, plant & equipment	(2,735)	(1,907)
Profit received from deposits	140	248
Dividend in unit trust	61	115
Movement in restricted deposits	(61)	-
Net cash generated from investing activities	<u>2,042</u>	<u>3,298</u>
Cash flows from financing activity		
Net Drawdown of borrowings	2,000	1,116
Dividend paid to NCI	(2,460)	(2,255)
Net cash used in financing activity	<u>(460)</u>	<u>(1,139)</u>
Net decrease in cash and cash equivalents	2,854	508
Cash and cash equivalents at 1 January 2021/2020	3,903	(1,028)
Cash and cash equivalents at 30 June 2021/2020	<u>6,757</u>	<u>(520)</u>

PROGRESSIVE IMPACT CORPORATION BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SECOND QUARTER ENDED 30 JUNE 2021
(The figures have not been audited)
(CONT'D)

	Cumulative Current Year To Date 30.6.2021 RM'000	Cumulative Corresponding Period 30.6.2020 RM'000
Cash and cash equivalents :		
Cash and bank balances	27,133	18,602
Overdraft	(12,695)	(11,367)
	<u>14,438</u>	<u>7,235</u>
Less: Restricted deposits	(7,681)	(7,755)
	<u>6,757</u>	<u>(520)</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statement for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Corporate information

Progressive Impact Corporation Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements were approved by the Board of Directors on 26 August 2021.

A2. Basis of preparation

The consolidated condensed interim financial information for the year ended 30 June 2021 is unaudited and has been prepared in accordance with Malaysia Financial Reporting Standards ("MFRS") 134 "Interim financial reporting" issued by the Malaysian Accounting Standards Board (MASB), Appendix 9B (Part A) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements") and the requirements of the Companies Act, 2016 in Malaysia. The consolidated condensed interim financial information should be read in conjunction with the annual financial statements for the financial year ended 31 December 2020, which have been prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

A3. MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

Effective for Annual periods commencing on or after 1 January 2021

The Group has adopted the following MFRS and Amendments to MFRSs and Annual Improvement to Standards effective as of 1 January 2021.

Interest Rate Benchmark Reform—Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)	1 April 2021
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112)	30 June 2021

Adoption of the above MFRS and Amendments to MFRSs and Annual Improvement to Standards will have no material impact on the financial statements of the Group.

MFRSs and Amendments to MFRS issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group.

MFRSs and amendments to MFRSs	Effective for annual period beginning on or after
Annual Improvements to MFRS Standards 2018–2020 (MFRS 1 & MFRS 9)	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations)	1 January 2022
Property, Plant and Equipment—Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment)	1 January 2022
Onerous Contracts—Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets)	1 January 2022
Insurance Contract (Amendments to MFRS 17 Insurance Contracts)	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to MFRS 101)	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 101)	1 January 2023
Definition of Accounting Estimates (Amendments to MFRS 108)	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

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

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

A4. Changes in estimates

There were no changes in estimates of amounts reported in prior financial quarter or financial year that have a material effect in the financial quarter under review.

A5. Changes in composition of the Group

No changes in composition of group for quarter ended 30 June 2021.

A6. Segment information

<u>30 June 2021</u>	Environmental Monitoring, Consultancy & Laboratory Services			Elimination	Cumulative Quarter Year To Date 30.6.2021
	Services	Services	Others*		
	RM '000	RM '000	RM '000	RM '000	RM '000
External revenue	17,431	23,781	1,296	-	42,508
Inter- segment revenue	188	530	3,713	(4,431)	-
Total revenue	17,619	24,311	5,009	(4,431)	42,508

Segment Results

Segment profit/(loss)					
from operations	(2,963)	7,692	4,738	(7,177)	2,290
Finance cost	(1,167)	(3)	(759)	561	(1,368)
Income tax expense	(384)	(1,795)	(51)	-	(2,230)
Loss net of tax					(1,308)
Non-controlling interest					(2,437)
Net loss for the period					(3,745)

30 June 2020

	Environmental Monitoring, Consultancy & Laboratory Services			Elimination	Cumulative Quarter Year To Date 30.6.2020
	Services	Services	Others*		
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue					
External revenue	9,258	24,389	1,362	(1,033)	33,976
Inter- segment revenue	168	400	3,418	(3,986)	-
Total revenue	9,426	24,789	4,780	(5,019)	33,976

Segment Results

Segment profit/(loss) from operations	(3,933)	7,575	2,623	(3,692)	2,573
Financing cost	(701)	-	(731)	287	(1,145)
Income tax expense	368	(2,216)	(60)	-	(1,908)
Loss net of tax					(480)
Non-controlling interest					(1,909)
Net loss for the period					(2,389)

* The segment denoted as "others" includes the revenue and results of Progressive Impact Corporation Berhad ("the Company") and subsidiaries which do not fall under the segments environmental monitoring, consultancy and services and laboratory services.

The review of the group and segmental performance is further illustrated in Note B1 and B2 of the announcement.

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FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

A7. Seasonality or cyclical

The Group's performance is not affected by any seasonal or cyclical factors.

A8. Profit before taxation

	Individual quarter 3 months ended		Cumulative quarter 6 months ended	
	30.6.2021	30.6.2020	30.6.2021	30.6.2020
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging:				
Zakat	102	123	203	254

A9. Income tax expense

	Individual quarter 3 months ended		Cumulative quarter 6 months ended	
	30.6.2021	30.6.2020	30.6.2021	30.6.2020
	RM'000	RM'000	RM'000	RM'000
Tax expense :				
- Malaysia Income Tax	865	1,377	1,193	2,167
- Foreign Tax	115	258	243	573
- Deferred Tax	348	(174)	794	(832)
	1,328	1,461	2,230	1,908
Effective tax rate			242%	134%

The effective tax rate for 2021 and 2020 is higher than the statutory income tax rate of 24% .This is due to the losses incurred by the subsidiary companies which has lowered the basis for the computation of the effective tax rate.

A10. Earnings per share

The basic earnings per share for the quarter and cumulative year to date are computed as follow:

	Individual quarter 3 months ended		Financial Year Ended	
	30.6.2021	30.6.2020	30.6.2021	30.6.2020
Profit for the period (RM'000)	(3,566)	(1,957)	(3,745)	(2,389)
Number of ordinary shares of RM0.10 each in issue ('000)	655,631	655,631	655,631	655,631
Basic Earnings Per Share (sen)	(0.54)	(0.30)	(0.57)	(0.36)

There is no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at the end of the reporting period.

A11. Valuation of property, plant and equipment

The Group measured its land and building at the date of transition at its revalued amounts and uses that amounts as its deemed cost at that date.

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

A12. Interest bearing loans and borrowings

	30.6.2021	31.12.2020
	RM'000	RM'000
Short term borrowings		
Hire purchase	1,163	1,225
Overdraft	12,695	16,265
Revolving Credit	21,660	18,600
Term loan	9,764	6,206
Trust receipt	1,367	3,759
	<u>46,649</u>	<u>46,055</u>
Long term borrowings		
Hire purchase	1,475	2,345
	<u>1,475</u>	<u>2,345</u>
Total borrowings	<u>48,124</u>	<u>48,400</u>

Current year utilisation of additional borrowings relates to its investment and working capital financing.

A13. Trade receivables

	30.6.2021	31.12.2020
	RM'000	RM'000
Trade and Other receivable	<u>47,311</u>	<u>42,933</u>

A14. Dividends

No dividend declared or paid during current quarter.

A15. Commitments

	30.6.2021	31.12.2020
	RM'000	RM'000
Capital expenditure		
Approved and contracted for :		
Property, plant & equipment	226	345
	<u>226</u>	<u>345</u>

A16. Contingent liabilities and contingent assets

There were no material changes in the contingent liabilities and contingent assets since the last audited financial statements for the financial year ended 31 December 2020.

A17. Related party transactions

The transactions between related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

A18. 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 30 June 2021.

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

A19. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

Share buybacks/ Treasury shares of the Company

	30.6.2021	31.12.2020
	RM'000	RM'000
As at 1 January	330	330
Share buyback	34	-
As at 30 June/December	<u>364</u>	<u>330</u>

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FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

B EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING REQUIREMENTS : CHAPTER 9, APPENDIX 9B, PART A

B1. Performance review
Review of Group Performance

	Financial Year Ended 30.6.2021 RM'000	Financial Year Ended 30.6.2020 RM'000	Changes Amount RM'000	Changes + / (-)
<u>Revenue</u>				
Environmental monitoring, consultancy & services	17,619	9,426	8,193	0.87
Laboratory services	24,311	24,789	(478)	(0.02)
Corporate holding and Elimination	578	(239)	817	3.42
	<u>42,508</u>	<u>33,976</u>	8,532	0.25
<u>Segment results</u>				
Environmental monitoring, consultancy & services	(2,963)	(3,933)	970	0.25
Laboratory services	7,692	7,575	117	0.02
Corporate holding and Elimination	(2,439)	(1,069)	(1,370)	(1.28)
Profit from operations	<u>2,290</u>	<u>2,573</u>	(283)	(0.11)
Finance charges	(1,368)	(1,145)	(223)	(0.19)
Profit before tax	<u>922</u>	<u>1,428</u>	(506)	(0.35)
Tax expense	(2,230)	(1,908)	(322)	(0.17)
Loss net of tax	<u>(1,308)</u>	<u>(480)</u>	(828)	1.73
Non controlling interest	(2,437)	(1,909)	(528)	(0.28)
Loss attributable to owners of the Company	<u><u>(3,745)</u></u>	<u><u>(2,389)</u></u>	(1,356)	(0.57)

1.1 Segments Background:

The Group is organised into two operating segments as follows based on products offered and services rendered :

- (a) The environmental monitoring, consultancy and services segment includes the provision of environmental related services in air, water, wastewater and public health.
- (b) The laboratory testing services segment includes the provision of environmental and food testing and analysis services.

1.2 Group and Segments Analysis

Group Analysis:

The Group reported higher revenue by RM8.5million compared to the preceding year mainly due to higher revenue from environmental monitoring, consultancy and services. The Group reported lower profit from operations by RM0.3million.

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

B1. Performance review (cont'd.)

An analysis of the results of each segment is as follows:

a) **Environmental monitoring, consultancy & services**

Environmental monitoring, consultancy and services segment revenue contributed 41% of the total Group revenue.

The segment revenue was increased by RM8.2million and loss from operations was decreased by RM1million compared to the preceding year due to higher revenue generated from Malaysia and Saudi operations.

b) **Laboratory services**

Laboratory services segment revenue contributed 57% of the total Group revenue.

For the year ended 30 June 2021, the segment revenue was lower by RM0.5million and profit from operations was higher by RM0.1million compared to the preceding year.

B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter

	Individual Quarter		Changes Amount	Changes + / (-)
	Current Quarter 30.6.2021 RM'000	Preceding Quarter 31.3.2021 RM'000		
Revenue				
Environmental monitoring, consultancy & services	7,060	10,559	(3,499)	(0.33)
Laboratory services	12,013	12,298	(285)	(0.02)
Corporate holding and Elimination	233	345	(112)	(0.32)
	<u>19,306</u>	<u>23,202</u>	<u>(3,896)</u>	<u>(0.17)</u>
Segment results				
Environmental monitoring, consultancy & services	(1,840)	(1,123)	(717)	(0.64)
Laboratory services	3,505	4,187	(682)	(0.16)
Corporate holding and Elimination	(1,811)	(628)	(1,183)	1.88
(Loss)/Profit from operations	<u>(146)</u>	<u>2,436</u>	<u>(2,582)</u>	<u>(1.06)</u>
Finance charges	(709)	(659)	(50)	(0.08)
(Loss)/Profit before tax	<u>(855)</u>	<u>1,777</u>	<u>(2,632)</u>	<u>(1.48)</u>
Tax Expense	(1,328)	(902)	(426)	(0.47)
(Loss)/Profit net of tax	<u>(2,183)</u>	<u>875</u>	<u>(3,058)</u>	<u>(3.49)</u>
Non Controlling interest	(1,383)	(1,054)	(329)	(0.31)
Loss attributable to owners of the company	<u>(3,566)</u>	<u>(179)</u>	<u>(3,387)</u>	<u>(18.92)</u>

B2.

Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter (cont'd)

2.1 Group and Segments Analysis

Group Analysis:

The Group's revenue was deteriorated compared to the preceding quarter ended 31 March 2021 due to lower revenue from environmental monitoring, consultancy and services. The Group reported lower profit from operations by RM2.3million.

An analysis of the results of each segment is as follows:

a) **Environmental monitoring, consultancy & services**

Environmental monitoring, consultancy and services reported a loss from operations amounted to RM1.8million for the quarter ended 30 June 2021 and RM1.2million in previous quarter ended 31 March 2021.

b) **Laboratory services**

Laboratory services segment reported lower revenue and profit from operations by RM0.3million and RM0.7million respectively as compared to previous quarter ended 31 March 2021.

B3. Commentary on prospects

Amidst the global economy cautiously recovering from the Covid- 19 pandemic, the recent upsurge in Covid-19 cases in our country continues to impede the overall positive economic outlook. PICORP will continue to proceed with caution against the uncertain economic turmoil. The management is continuously implementing several measures to align its operations with the requirements of the new norm and to cushion the impact of the crisis to the business. These actions include the implementation of cost containment measures, upholding the social distancing, ensure staff to receive vaccination and good sanitation procedures at the workplace as well as stringent health and safety protocols to ensure employee safety. Even though the vaccine roll-out has been greatly accelerated, the positive impact may take longer time for economic recovery, coupled with the precarious political instability. Nonetheless, we remain cautious on its outlook for the remaining year.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee issued by the Group.

B5. Corporate proposals

There were no corporate proposal issued by the group for quarter ended 30 June 2021.

B6. Disclosure of gains/(losses) arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit or loss as at 30 June 2021.

B7. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

B8. Changes in Material Litigation

There is no material litigation in the current year.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

FOR THE SECOND QUARTER ENDED 30 JUNE 2021
SELECTED EXPLANATORY NOTES

B9. Dividend

The Company had proposed a Single Tier Final Dividend of 0.30 sen (or RM0.003) per share for the financial year ended 31 December 2020 has been paid on 15 July 2021 to the shareholders whose names appear in the Record of Depositors on 1 July 2021.

B10. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not qualified.

By order of the Board
PROGRESSIVE IMPACT CORPORATION BERHAD
Hajjah Zaidah Binti Haji Mohd Salleh
Company Secretary (MIA 3313)

Shah Alam