

**Boustead Heavy Industries Corporation Berhad 197101000758 (11106-V)**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**

For the quarter ended 31 March 2021	Note	Current Period		Cumulative Period	
		2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Revenue</b>	<b>A7</b>	<b>18,944</b>	44,048	<b>18,944</b>	44,048
Operating costs		(17,216)	(35,971)	(17,216)	(35,971)
Reversal of expected credit losses		-	18,636	-	18,636
<b>Results from operations</b>		<b>1,728</b>	26,713	<b>1,728</b>	26,713
Interest income		29	144	29	144
Finance cost		(3,642)	(4,253)	(3,642)	(4,253)
Share of results of joint ventures		1,178	(1,950)	1,178	(1,950)
Share of results of associates		-	-	-	-
<b>(Loss) / Profit before taxation</b>	<b>A7</b>	<b>(707)</b>	20,654	<b>(707)</b>	20,654
Taxation	<b>B8</b>	<b>(209)</b>	(270)	<b>(209)</b>	(270)
<b>(Loss) / Profit for the period</b>		<b>(916)</b>	20,384	<b>(916)</b>	20,384
Attributable to:					
Shareholders of the Company		(916)	20,384	(916)	20,384
Non-controlling interests		-	-	-	-
<b>Net (loss) / profit for the period</b>		<b>(916)</b>	20,384	<b>(916)</b>	20,384
<b>Basic (loss) / earnings per share attributable to shareholders of the Company (sen):</b>	<b>B14</b>	<b>(0.37)</b>	8.20	<b>(0.37)</b>	8.20

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

## Boustead Heavy Industries Corporation Berhad 197101000758 (11106-V)

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the quarter ended 31 March 2021	Current Period		Cumulative Period	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<b>(Loss) / Profit for the period</b>	<b>(916)</b>	20,384	<b>(916)</b>	20,384
Foreign currency translation	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(916)</b>	20,384	<b>(916)</b>	20,384
<b>Total comprehensive (loss) / income attributable to:</b>				
Shareholders of the Company	<b>(916)</b>	20,384	<b>(916)</b>	20,384
<b>Net (loss) / profit for the period</b>	<b>(916)</b>	20,384	<b>(916)</b>	20,384

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

# Boustead Heavy Industries Corporation Berhad 197101000758 (11106-V)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at 31 March	As at 31 December
		2021 RM'000	2020 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		6,922	7,271
Investment property		11,378	11,503
Right of use assets		33,763	34,075
Deferred tax assets		-	-
Investments in joint ventures		83,673	82,496
Investments in associates		-	-
		<u>135,736</u>	<u>135,345</u>
<b>Current assets</b>			
Inventories		3,190	3,160
Trade and other receivables		267,769	269,450
Contract assets		3,419	3,630
Tax recoverables		3,062	2,530
Cash and bank balances		3,658	3,498
Non-current assets held for sale		1,680	3,885
		<u>282,778</u>	<u>286,153</u>
<b>TOTAL ASSETS</b>		<u>418,514</u>	<u>421,498</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		248,458	248,458
Accumulated losses		(183,974)	(183,058)
<b>Shareholders' funds, representing total equity</b>		<u>64,484</u>	<u>65,400</u>
<b>Non-current liabilities</b>			
Loans and borrowings	B10	54,039	54,819
Deferred tax liabilities		1	1
Lease liabilities		7,126	7,209
		<u>61,166</u>	<u>62,029</u>
<b>Current liabilities</b>			
Contract liabilities		-	18
Provisions		12,654	12,654
Loans and borrowings	B10	236,247	236,247
Trade and other payables		43,369	44,324
Tax payables		75	226
Lease liabilities		518	600
		<u>292,863</u>	<u>294,069</u>
<b>Total liabilities</b>		<u>354,029</u>	<u>356,098</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>418,513</u>	<u>421,498</u>
<b>Net assets per share attributable to ordinary equity holders of the Company - RM</b>		<u>0.26</u>	<u>0.26</u>

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**Boustead Heavy Industries Corporation Berhad 197101000758 (11106-V)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

← Attributable to equity holders of the Company →

For the period ended 31 March 2020	Share Capital	(Accumulated Losses) / Distributable Retained Earnings	Total	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	248,458	(183,058)	65,400	-	65,400
Total comprehensive loss for the period	-	(916)	(916)	-	(916)
<b>Balance at 31 March 2021</b>	<b>248,458</b>	<b>(183,974)</b>	<b>64,484</b>	<b>-</b>	<b>64,484</b>
At 1 January 2020	248,458	(132,479)	115,979	-	115,979
Total comprehensive income for the period	-	20,384	20,384	-	20,384
<b>Balance at 31 March 2020</b>	<b>248,458</b>	<b>(112,095)</b>	<b>136,363</b>	<b>-</b>	<b>136,363</b>

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**Boustead Heavy Industries Corporation Berhad 197101000758 (11106-V)****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	As at 31 March	As at 31 March
	2021 RM'000	2020 RM'000
<b>Operating Activities</b>		
Receipts from customers	24,298	41,674
Cash paid to suppliers and employees	(19,613)	(24,344)
Net cash received from / (paid) to related companies	1,097	(299)
Cash generated from operations	5,782	17,031
Interest paid	(3,783)	(4,372)
Net tax paid less refunds	(892)	(762)
Net cash generated from operating activities	1,107	11,897
<b>Investing Activities</b>		
Interest received	16	144
Purchase of property, plant and equipment	(4)	(9)
Net cash generated from investing activities	12	135
<b>Financing Activities</b>		
Repayment of borrowings	(780)	(3,280)
Payment of principal portion of lease liabilities	(165)	(148)
Net cash used in financing activities	(945)	(3,428)
Net increase in cash and cash equivalents	174	8,604
Effect of foreign exchange rate changes	(14)	3
Cash and cash equivalents at beginning of the period	3,498	28,307
<b>Cash and Cash Equivalents at End of the Period</b>	<b>3,658</b>	<b>36,914</b>
<b>Cash and Cash Equivalents at End of the Period Comprise:</b>		
Deposits with licensed banks	2,390	25,632
Cash and bank balances	1,268	11,282
<b>Cash and Cash Equivalents at End of the Period</b>	<b>3,658</b>	<b>36,914</b>

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**Boustead Heavy Industries Corporation Berhad 197101000758**  
**Notes to the Interim Financial Report for the Quarter Ended 31 March 2021**

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**Part A Explanatory Notes Pursuant to MFRS 134**

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**A1. Basis of Preparation**

These condensed consolidated interim financial statements, for the financial period ended 31 March 2021, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2020. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

**A2. Changes in Accounting Policies**

The significant accounting policies adopted in preparing these condensed consolidated financial statements are consistent with those in the audited financial statements for the year ended 31 December 2020 except as follows:

<b>MFRS and Amendments to MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 9 (Financial Instruments), MFRS 139 (Financial Instruments: Recognition and Measurement), MFRS 7 (Financial Instruments: Disclosures), MFRS 4 (Insurance Contracts) and MFRS 16 (Leases)	Interest Rate Benchmark Reform-Phase 2 1 January 2021
Amendment to MFRS 16 (Leases)	Covid-19-Related Rent Concessions beyond 30 June 2021 1 April 2021

## A2. Changes in Accounting Policies (contd.)

### Standards and interpretations that are issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective:

MFRS and Amendments to MFRSs		Effective for annual periods beginning on or after
Amendments to MFRS 1 (First Time Adoption of Malaysian Financial Reporting Standards)	Annual Improvements to MFRS Standards 2018–2020 Cycle	1 January 2022
Amendments to MFRS 3 (Business Combinations)	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9 (Financial Instruments)	Annual Improvements to MFRS Standards 2018–2020 Cycle	1 January 2022
Amendments to MFRS 116 (Property, Plant and Equipment)	Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 (Provisions, Contingent Liabilities and Contingent Assets)	Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 141 (Agriculture)	Annual Improvements to MFRS Standards 2018–2020	1 January 2022
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101 (Presentation of Financial Statements)	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 (Presentation of Financial Statements)	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 (Accounting Policies, Changes in Accounting Estimates and Errors)	Definition of Accounting Estimates	1 January 2023

## A2 Changes in Accounting Policies (contd.)

### Standards and interpretations that are issued but not yet effective (contd.)

MFRS and Amendments to MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 10 (Consolidated Financial Statements) and MFRS 128 (Investments in Associates and Joint Ventures)	Sale or Contribution of Assets between Investor and its Associate or Joint Venture Deferred

The Group will adopt the above pronouncements when they become effective in the respective financial periods.

## A3. Comments about Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

## A4. Unusual Items Due to Their Nature, Size or Incidence

### i) Right-sizing Exercise

An exercise was undertaken to identify the optimal organisational structure for the Group. An obvious component of this exercise is a critical review of appropriate human capital resources, which will impact the entire Group. Specific right-sizing initiatives, based on the Group's established performance appraisal processes, have commenced in all primary operating facilities, including the head office and will lead to a reduction in overall employee headcount. This exercise is expected to be completed by 30 June 2021.

As at 31 March 2021, a total of 160 personnel had accepted the mutual separation scheme offered by the Group since 2016 with a total payment of RM11.5 million.

### ii) Internal Business Reorganisation

The Group started an exercise to review the operational structure and decided to merge the operations of certain business units. Three non-performing business units and one department have been identified and the closure is ongoing. This exercise is expected to be completed by 30 June 2021.

As at 31 March 2021, the closure resulted in a retrenchment of 78 staffs with a total payment of RM5.7 million.



## A5. Change in Estimates

There was no material change in estimates of amounts reported in the prior interim periods of the current or in the previous financial period.

## A6. Dividend

The Board of Directors does not propose any dividend in the quarter ended 31 March 2021 (31 March 2020: RM nil).

## A7. Operating Segments

Segment information for the cumulative period is presented in respect to the Group's business segments as follows:

### As at 31 March 2021

	Commercial RM'000	Defence RM'000	Energy RM'000	Others RM'000	Elimination RM'000	Total RM'000
Group Total Sales	29	18,877	-	509	(471)	<b>18,944</b>
Inter-Segment Sales	-	(12)	-	(459)	471	-
External Revenue	29	18,865	-	50	-	<b>18,944</b>
Operating costs	(410)	(14,457)	-	(2,384)	35	<b>(17,216)</b>
<b>Results from operations</b>	(381)	4,408	-	(2,334)	35	<b>1,728</b>
Interest income	-	224	-	526	(721)	<b>29</b>
Finance costs	(392)	(130)	-	(4,213)	1,093	<b>(3,642)</b>
Share of result in joint ventures	-	1,178	-	-	-	<b>1,178</b>
Share of result in associates	-	-	-	-	-	-
<b>(Loss) / Profit before taxation</b>	<b>(773)</b>	<b>5,680</b>	<b>-</b>	<b>(6,021)</b>	<b>407</b>	<b>(707)</b>
Taxation						<b>(209)</b>
<b>Loss for the period</b>						<b>(916)</b>

## A7. Operating Segments (contd.)

Discussion on the segmental performance is disclosed in note B1 (Analysis Performance (FPE 31 March 2021 vs. FPE 31 March 2020)).

### As at 31 March 2020

	Commercial RM'000	Defence RM'000	Energy RM'000	Others RM'000	Elimination RM'000	Total RM'000
Group Total Sales	315	43,718	-	901	(886)	<b>44,048</b>
Inter-Segment Sales	-	(82)	-	(804)	886	-
External Revenue	315	43,636	-	97	-	<b>44,048</b>
Operating costs	(820)	(31,147)	(472)	(3,517)	(15)	<b>(35,971)</b>
Reversal of expected credit losses	-	18,636	-	-	-	<b>18,636</b>
<b>Results from operations</b>	<b>(505)</b>	<b>31,125</b>	<b>(472)</b>	<b>(3,420)</b>	<b>(15)</b>	<b>26,713</b>
Interest income	-	208	-	775	(839)	<b>144</b>
Finance costs	(423)	(268)	-	(5,133)	1,571	<b>(4,253)</b>
Share of result in joint ventures	-	(1,950)	-	-	-	<b>(1,950)</b>
Share of result in associates	-	-	-	-	-	-
<b>(Loss) / Profit before taxation</b>	<b>(928)</b>	<b>29,115</b>	<b>(472)</b>	<b>(7,778)</b>	<b>717</b>	<b>20,654</b>
Taxation						<b>(270)</b>
<b>Profit for the period</b>						<b>20,384</b>

## A8. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial period.

## A9. Carrying Amount of Revalued Assets

There has been no revaluation of property, plant and equipment during the current quarter.

## A10. Subsequent Material Events

Save and except as disclosed in Note B13 (Changes in Material Litigation), there has been no subsequent material events during the current quarter.

## A11. Changes in Contingent Liabilities

### i) Liquidated Ascertained Damages

#### a) In-Service Support (“ISS”) Contract

On 10 July 2017, the joint venture company, Boustead DCNS Naval Corporation Sdn Bhd (“BDNC”) received a letter from the Ministry of Defence Malaysia (“MINDEF”) claiming for Liquidated Damages (“LD”) amounting to RM53.2 million and EUR19.3 million for the ISS for the Royal Malaysian Navy (“RMN”) SCORPENE Submarine Contract.

BDNC had made adequate provision for the LD claim to the extent that it is deemed to be sufficient for the ISS Contract, and appeals were submitted to MINDEF for consideration.

#### b) Refit Contract

On 28 June 2019, BDNC received a letter from MINDEF claiming for LD amounting to RM22.4 million and EUR8.8 million for the refit works on RMN Submarine.

BDNC had made adequate provision for the LD claim to the extent that it is deemed to be sufficient for this refit Contract, and appeals were submitted to MINDEF for consideration.

#### c) Extended In-Service Support (“EISS”) Contract

On 29 May 2020, BDNC received a letter from MINDEF claiming for LD amounting to RM11.6 million and EUR6.5 million for the EISS Contract.

BDNC had made adequate provision for the LD claim to the extent that it is deemed to be sufficient for this EISS Contract and an appeal has been submitted to MINDEF for consideration.

The Group is of the opinion that the above provisions for the LD are sufficient and no further losses expected to be incurred after taking into consideration appropriate justifications and supporting documents which had been submitted to MINDEF for their consideration.

Other than the contingent liabilities as disclosed above and in Note B13 (Changes in Material Litigations), there has been no other contingent liability arising since the previous financial year end and in the current financial period.

## A12. Capital Commitments

The Group has the following commitments as at 31 March 2021:

	<b>Approved but not contracted for RM’000</b>	<b>Approved and contracted for RM’000</b>	<b>Total RM’000</b>
Property, plant and equipment	2,903	6	2,909

**B1. Analysis of Performance (FPE 31 March 2021 vs. FPE 31 March 2020)**

For the quarter ended 31 March 2021	Current Period			Cumulative Period		
	2021	2020	+ / (-)	2021	2020	+ / (-)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	18,944	44,048	-57	18,944	44,048	-57
Results from operations	1,728	26,713	-94	1,728	26,713	-94
(Loss) / Profit before taxation	(707)	20,654	>-100	(707)	20,654	>-100
(Loss) / Profit for the period	(916)	20,384	>-100	(916)	20,384	>-100

The Group recorded a net loss of RM0.9 million versus same corresponding period last year's profit of RM20.4 million mainly due lower defence-related maintenance, repair and overhaul ("MRO") works undertaken in 2021. Profit in 2020 was mainly due to reversal of expected credit losses of RM18.6 million.

For the current financial period under review, the Group recorded a revenue of RM18.9 million, RM25.1 million lower than RM44.0 million reported in the same corresponding period last year. The current period revenue was mainly from the defence-related MRO works.

Joint venture companies posted a positive contribution of RM1.2 million in the current period mainly from Contraves Advanced Devices Group ("CAD Group") due to lower operating expenses of RM1.1 million and lower provision of taxation. Positive contributions in joint venture companies is being cushioned by BHIC AeroServices Sdn Bhd ("BHICAS") as a result of escalation rate per cost flying hours.

No contribution from the associates in the cumulative period as losses had been recognised up to the Group's cost of investment in December 2019.

Finance cost was lower in the cumulative period arising from repayment of RM10.1 million on the borrowings. In addition, the bank's base lending rate in Q1 2021 was 1.75%, as compared with 2.50% in the same corresponding period last year.

**B2. Material Changes in Quarterly Results Compared with the Results of the Immediate Preceding Quarter (Q1 2021 vs. Q4 2020)**

<b>For the quarter ended 31 March 2021</b>	<b>Current Period</b>	<b>Immediate Preceding Period</b>	<b>+ / (-)</b>
	<b>Q1 2021</b>	<b>Q4 2020</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	18,944	27,531	-42
Results from operations	1,728	(41,565)	>100
Loss before taxation	(707)	(59,975)	99
Loss for the period	(916)	(74,505)	99

The Group registered a lower revenue of RM18.9 million in the current quarter against RM27.5 million in the preceding quarter.

Variance between Q1 2021 and Q4 2020 was mainly due to variations in milestones achieved for defence-related MRO projects.

In Q4 2020, Group recorded an allowance of expected credit loss on amount due from associate of RM18.5 million.

The joint venture companies posted a positive contribution of RM1.2 million in the Q1 2021 mainly contributed by CAD Group. Negative contribution of RM13.6 million in Q4 2020 was mainly due to provision of liquidated damages of RM27.3 million for RMAF as a result of failure to meet the Demand Satisfaction Rate (“DSR”) of 85% throughout the contract.

**B3. Material Changes in Statement of Financial Position (FPE 31 March 2021 vs. FYE 31 December 2020)**

The Group’s property, plant and equipment (“PPE”) decreased from RM7.3 million to RM6.9 million in the current period mainly due to depreciation charge during the period.

The decrease in receivables by RM1.7 million was mainly due to project variations, whereas decrease in payables by RM1.0 million due to payments made to suppliers.

**B4. Material Changes in Statement of Cash Flows (FPE 31 March 2021 vs. FPE 31 March 2020)**

The cash and cash equivalent of RM3.7 million at the end of the current period was lower as compared with RM36.9 million in the same corresponding period last year highly attributable to lower collections from customers.

## **B5. Commentary on Prospects**

The new contract awarded by MINDEF for the Submarine Facilities Upkeep for RMN and the extension of the contracts, such as the provision of Maintenance and Supply of Spares for RMAF EC725 helicopters and Integrated Maintenance and Logistic Support Services on three units of MMEA Dauphin AS365N3 helicopters, are expected to positively contribute to the Group's bottom-line.

In early 2021, commercial ship repair achieves a total contract of RM3.8 million. The Group continues to open for more vessels to enter our yards amid these challenging times.

Following the announcement made by MINDEF on 7 May 2021, the Group will present its plan on reviving the LCS project once it receives the official confirmation on the Government's approval.

As we continue to face the Covid-19 pandemic and its adverse effects to the global and national economies, 2021 may be another challenging year for businesses including those in the defence / security and marine sectors. While the Group takes a cautious view of our prospects in 2021, we are committed to take the Group back to the path of profitability and deliver value to our shareholders.

## **B6. Notes on Variance in Actual Profit and Shortfall in Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and shortfall in profit guarantee are not applicable.

## **B7. Notes to the Consolidated Income Statements**

Save as disclosed below and included in the consolidated income statements, there were no other items applicable to be disclosed pursuant to Item 16 of Appendix 9B of the Listing Requirements of Bursa Malaysia:

	<b>Current Period</b>		<b>Cumulative Period</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Other income	-	(32)	-	(32)
Reversal of expected credit losses				
- Trade receivables	-	(7,550)	-	(7,550)
- Contract assets	-	(11,086)	-	(11,086)
Net gain on foreign currency exchange	(346)	(269)	(346)	(269)
Gain on disposal of scrap	-	(1,478)	-	(1,478)
Depreciation of investment property	124	124	124	124
Depreciation of right of use assets	311	349	311	349
Depreciation of property, plant and equipment	329	793	329	793

**B8. Taxation**

	<b>Current Period 2021 RM'000</b>	<b>Cumulative Period 2021 RM'000</b>
Malaysian taxation based on profit for the period:		
- Current corporate tax	209	209

The current period domestic statutory tax rate will be reduced by 1%, 2%, 3% or 4% if a company records an increase in chargeable income by 5% to 9.99%, 10% to 14.99%, 15% to 19.99% or more than 20% respectively from the immediate preceding year of assessment.

The Group's effective tax rates for the current period and cumulative period are lower than the statutory rate of tax applicable mainly due to certain subsidiaries utilising its available tax losses brought forward to be offset against current period profit.

With effect from the year of assessment 2019, unutilised tax losses are to be carried forward for a maximum of 7 consecutive years of assessment and to be utilised against income from any business source.

**B9. Status of Corporate Proposal**

There were no corporate proposals announced, and there are none pending completion.

**B10. Group Borrowings and Debt Securities**

Total Group borrowings as at 31 March 2021 and 31 December 2020 are as follows:

	<b>31.03.2021 RM'000</b>	<b>31.12.2020 RM'000</b>
Long term borrowings:		
Unsecured		
- Term Revolving credits	51,873	52,373
Secured		
- Term loan	2,166	2,446
	54,039	54,819
Short term borrowings:		
Unsecured		
- Revolving credits	202,500	202,500
- Term Revolving credits	32,627	32,627
Secured		
- Term loan	1,120	1,120
	236,247	236,247
Total borrowings	290,286	291,066

All current period borrowings are denominated in Ringgit Malaysia.

**B10. Group Borrowings and Debt Securities (contd.)**

As at 31 March 2021, the Group recorded lower borrowings, mainly due to repayment of revolving credits and term loan facilities.

The Group's borrowing weighted average interest rate is 5.1% per annum for the current period (FYE 31 December 2020: 5.1% per annum).

**B11. Disclosure of Derivatives**

There were no outstanding derivatives as at 31 March 2021.

**B12. Gains/Losses Arising from Fair Value Changes of Financial Liabilities**

There were no gains/losses arising from fair value changes of the financial liabilities for the current quarter ended 31 March 2021.

**B13. Changes in Material Litigation**

There were no changes in material litigation, including the status of pending material litigation since the last annual statement of financial position as at 31 December 2020, except for the following case:

<b>Company</b>	<b>Claimant Company</b>	<b>Amount RM'000</b>	<b>Status</b>
BNS ("Defendant")	MTU Services (Malaysia) Sdn Bhd ("Plaintiff")	56,045	<p>BNS was served with winding up petition on 3 July 2020 by Plaintiff.</p> <p>By the Petition, MTU alleges that BNS is indebted to them for the total sum of RM56.0 million for the equipment supplied and services provided to BNS.</p> <p>On 11 August 2020, BNS has then filed an interlocutory application to Stay/Strike Out the Winding Up Petition filed by MSM on a few grounds.</p> <p>On 29 March 2021, the Judge has allowed for BNS's Application to Strike Out the Petition.</p> <p>MSM filed Notice of Appeal on 21 April 2021. Case Management is on 11 June 2021.</p>



**B14. Earnings per Share**

	<b>Current Period</b>		<b>Cumulative Period</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Net (loss)/profit for the period – RM'000	(916)	20,384	(916)	20,384
Number of ordinary shares in issue – '000	248,458	248,458	248,458	248,458
Total (loss) / earnings per share – sen	(0.37)	8.20	(0.37)	8.20

**By Order of the Board****ROZANA BINTI ISMAIL (SSM PC No. 201908003365)****SUZANA BINTI SANUDIN (SSM PC No. 201908002589)**

Company Secretaries

Kuala Lumpur

Date: 31 May 2021