

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2020

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the Financial Period Ended 31 December 2020

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Revenue	101,039	126,127	171,359	217,022
Cost of sales	<u>(79,526)</u>	<u>(104,388)</u>	<u>(138,610)</u>	<u>(177,798)</u>
Gross profit	21,513	21,739	32,749	39,224
Other operating income	8,635	2,040	16,999	3,547
Administrative expenses	(2,564)	(2,476)	(5,365)	(4,980)
Other operating expenses	(2,396)	1,527	(4,864)	(4,686)
Finance cost	<u>(339)</u>	<u>(293)</u>	<u>(665)</u>	<u>(558)</u>
Profit before taxation	24,849	22,537	38,854	32,547
Taxation	<u>(3,258)</u>	<u>1,433</u>	<u>(4,723)</u>	<u>(3,011)</u>
Profit for the period	<u>21,591</u>	<u>23,970</u>	<u>34,131</u>	<u>29,536</u>
Other comprehensive income:				
Foreign currency translation differences	<u>38</u>	<u>123</u>	<u>(995)</u>	<u>(298)</u>
	<u>38</u>	<u>123</u>	<u>(995)</u>	<u>(298)</u>
Total comprehensive income for the period	<u>21,629</u>	<u>24,093</u>	<u>33,136</u>	<u>29,238</u>
Profit attributable to:				
Equity holders of the Company	<u>21,591</u>	<u>23,970</u>	<u>34,131</u>	<u>29,536</u>
Total comprehensive income attributable to: Equity holders of the Company	<u>21,629</u>	<u>24,093</u>	<u>33,136</u>	<u>29,238</u>
Earnings per share (sen)				
- Basic	<u>13.0</u>	<u>14.4</u>	<u>20.6</u>	<u>17.8</u>
- Diluted	<u>13.0</u>	<u>14.4</u>	<u>20.6</u>	<u>17.8</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020.

**PINTARAS JAYA BERHAD**(189900H)

Interim financial statements for the six months ended 31 December 2020

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2020

	As at 31.12.2020 RM'000	As at 30.06.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	184,671	173,225
Investment properties	3,349	3,460
Financial assets at fair value through profit or loss	57,469	40,332
Deferred tax assets	<u>3,853</u>	<u>3,739</u>
	<u>249,342</u>	<u>220,756</u>
Current assets		
Contract assets	1,472	1,269
Inventories	13,405	18,758
Tax recoverable	38	612
Receivables	195,249	155,246
Short-term deposits	92,231	82,754
Cash and bank balances	<u>21,671</u>	<u>29,154</u>
	<u>324,066</u>	<u>287,793</u>
TOTAL ASSETS	<u>573,408</u>	<u>508,549</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Capital and reserves		
Share capital	180,178	180,178
Exchange translation reserve	30	1,025
Retained earnings	<u>167,025</u>	<u>142,846</u>
Total equity	<u>347,233</u>	<u>324,049</u>
Non-current liabilities		
Borrowings	32,408	32,006
Lease liabilities	1,442	-
Deferred tax liabilities	<u>5,815</u>	<u>6,385</u>
	<u>39,665</u>	<u>38,391</u>
Current liabilities		
Contract Liabilities	27,810	18,687
Payables	123,747	99,774
Borrowings	14,530	13,055
Lease liabilities	1,559	457
Dividend payable	9,952	6,635
Taxation	<u>8,912</u>	<u>7,501</u>
	<u>186,510</u>	<u>146,109</u>
Total liabilities	<u>226,175</u>	<u>184,500</u>
TOTAL EQUITY AND LIABILITIES	<u>573,408</u>	<u>508,549</u>
Net assets per share attributable to equity holders of the Company (RM)	2.09	1.95

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020.

**PINTARAS JAYA BERHAD**^(189900H)

Interim financial statements for the six months ended 31 December 2020

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
For The Financial Period Ended 31 December 2020

	← Attributable to equity holders of the Company →			
	Share capital RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 July 2020	180,178	1,025	142,846	324,049
Total comprehensive income for the period	-	(995)	34,131	33,136
Dividends	-	-	(9,952)	(9,952)
At 31 December 2020	<u>180,178</u>	<u>30</u>	<u>167,025</u>	<u>347,233</u>
At 1 July 2019	180,178	487	137,694	318,359
Total comprehensive income for the period	-	(298)	29,536	29,238
Dividends	-	-	(19,904)	(19,904)
At 31 December 2019	<u>180,178</u>	<u>189</u>	<u>147,326</u>	<u>327,693</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020.

**PINTARAS JAYA BERHAD**^(189900H)

Interim financial statements for the six months ended 31 December 2020

*(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
For The Financial Period Ended 31 December 2020

	6 months ended	
	31.12.2020	31.12.2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial period	34,131	29,536
Adjustments for:-		
Depreciation	15,645	14,197
Provision for impairment on receivables	240	242
Reversal of provision for impairment on receivables	(14)	-
Gain on disposals of property, plant and equipment	(9)	(156)
(Gain)/loss on disposals of financial assets at fair value through profit or loss	(5,646)	321
Fair value gain on financial assets at fair value through profit or loss	(7,338)	(738)
Taxation	4,723	3,011
Other non-cash items	1,732	2,332
Other non-operating items	(280)	(896)
	<u>43,184</u>	<u>47,849</u>
Changes in working capital:		
Net changes in current assets	(35,768)	(50,175)
Net changes in current liabilities	30,990	28,322
Cash generated from operations	<u>38,406</u>	<u>25,996</u>
Tax paid	(3,885)	(3,636)
Tax refunded	538	1,900
Interest paid	(655)	(558)
Interest income received	425	561
Net cash flows generated from operating activities	<u>34,829</u>	<u>24,263</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(12,895)	(26,480)
Proceeds from disposal of property, plant and equipment	12	170
Purchases of financial assets at fair value through profit or loss	(58,190)	(12,335)
Proceeds from disposals of financial assets at fair value through profit or loss	54,165	6,406
Dividend income received	681	1,015
Decrease in short-term deposits and bank balances used for investment purposes	9,510	5,680
Net cash flows used in investing activities	<u>(6,717)</u>	<u>(25,544)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(8,332)	(5,726)
Repayment of lease liabilities	(573)	(1,096)
Dividends paid	(6,635)	(13,269)
Net cash flows used in financing activities	<u>(15,540)</u>	<u>(20,091)</u>
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	<u>12,572</u>	<u>(21,372)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>100,089</u>	<u>102,754</u>
CURRENCY TRANSLATION DIFFERENCES	<u>(1,068)</u>	<u>(274)</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>111,593</u></u>	<u><u>81,108</u></u>
Cash and cash equivalents comprise the following:		
Short-term deposits	92,231	67,230
Cash and bank balances	21,671	15,894
	<u>113,902</u>	<u>83,124</u>
Less: Cash and bank balances in custodian accounts for investment purposes	(2,309)	(2,016)
	<u><u>111,593</u></u>	<u><u>81,108</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2020

Notes to the Interim Financial Statements

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) No. 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 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 financial year ended 30 June 2020.

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020 except for those standards, amendments and interpretations which are effective for financial periods beginning on or after 1 July 2020. The initial adoption of these applicable standards, amendments and interpretations do not have any material impact on the financial statements of the Group.

2. Auditors' Report on Preceding Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2020 was not qualified.

3. Seasonal or Cyclical Factors

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

4. Unusual Items

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

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

6. Changes in Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period under review.

7. Dividend Paid

An interim single-tier dividend of 4 sen per share amounting to RM6,634,592 in respect of the financial year ended 30 June 2020 was declared on 29 May 2019 and paid on 15 July 2020.

The final single-tier dividend of 6 sen per share amounting to RM9,951,888 in respect of the financial year ended 30 June 2020 was approved by the shareholders during the Annual General Meeting on 27 November 2020 and paid on 7 January 2021.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2020

8. Segmental Information

	Piling, civil engineering and construction works RM'000	Manufacturing RM'000	Group RM'000
6 months ended 31 December 2020			
<u>Revenue</u>			
Construction contracts	154,469	-	154,469
Sale of goods	-	16,890	16,890
Total revenue			171,359
<u>Results</u>			
Segment results	22,716	2,125	24,841
Unallocated income			16,169
Unallocated costs			(1,491)
Finance cost			(665)
Profit before taxation			38,854
Taxation			(4,723)
Profit for the financial period			34,131
6 months ended 31 December 2019			
<u>Revenue</u>			
Construction contracts	200,252	-	200,252
Sale of goods	-	16,770	16,770
Total revenue			217,022
<u>Results</u>			
Segment results	30,849	1,255	32,104
Unallocated income			2,286
Unallocated costs			(1,285)
Finance cost			(558)
Profit before taxation			32,547
Taxation			(3,011)
Profit for the financial period			29,536

9. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

10. Material Events Subsequent to the End of Financial Period

There were no material events subsequent to the end of the current financial period ended 31 December 2020 up to the date of this report that have not been reflected in this financial statements.

11. Changes in Composition of the Group

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

12. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Group.

13. Capital Commitments

There were no material capital commitments not provided for in the interim financial statements as at 31 December 2020.

**PINTARAS JAYA BERHAD (189900-H)**

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2020**14. Review of Performance****Financial review for current quarter and financial year to date**

	Individual Quarter			Cumulative Quarter		
	31.12.2020 RM'000	31.12.2019 RM'000	Variance (%)	31.12.2020 RM'000	31.12.2019 RM'000	Variance (%)
Revenue						
Construction	92,512	117,812	-21%	154,469	200,252	-23%
Manufacturing	8,527	8,315	3%	16,890	16,770	1%
	<u>101,039</u>	<u>126,127</u>	-20%	<u>171,359</u>	<u>217,022</u>	-21%
Profit Before Taxation ('PBT')						
Construction	16,932	17,976	-6%	22,716	30,849	-26%
Manufacturing	926	447	107%	2,125	1,255	69%
Others - unallocated income-(net of finance cost)	6,991	4,114	-	14,013	443	-
	<u>24,849</u>	<u>22,537</u>	10%	<u>38,854</u>	<u>32,547</u>	19%

(a) Current Year 2nd Quarter (2Q2021) versus Preceding Year 2nd Quarter (2Q2020)

For the financial quarter ended 31 December 2020, the Group registered a total revenue of RM101.0 million which is about 20% lower compared to RM126.1 million in the preceding financial year corresponding quarter. The lower revenue recorded in the current financial quarter was primarily due to lower productivity from construction activities. Nevertheless, the Group recorded a higher PBT of RM24.8 million for current financial quarter. This represents an increase of RM2.3 million or 10% from the PBT of RM22.5 million registered in the corresponding quarter of the preceding financial year. The improvement in profit over the preceding comparative financial quarter was attributable to significantly higher investment income coupled with better performance achieved by the manufacturing division.

Construction Division

The construction division recorded a lower revenue of RM92.5 million compared to RM117.8 million in the preceding financial year corresponding quarter. Consequently, PBT reduced by 6% to RM16.9 million from RM18.0 million in the last corresponding quarter. The decline was mainly due to the impact of the Covid-19 pandemic. Although construction activities have generally resumed since the easing of the Covid-19 movement restriction, revenue and profit have decreased as compared to previous corresponding financial quarter due to the new conditions and standard operating procedures imposed by authorities and clients.

Manufacturing Division

Sales from the manufacturing division grew by 3% to RM8.5 million in current financial quarter as compared to RM8.3 million in the same financial quarter last year, while PBT rose significantly by 107% to RM0.9 million from RM0.4 million recorded in the same financial quarter last year. The improvement is mainly attributable to higher sales volume and better gross margins achieved.

(b) Current Year-to-date versus Preceding Year Corresponding Period

For the six months ended 31 December 2020, the Group's revenue dipped by 21% to RM171.4 million from RM217.0 million in the preceding financial year. Despite lower revenue generated, the Group's overall PBT was higher by 19% to RM38.9 million as compared to the previous corresponding period of RM32.5 million. The improvement in profit over the preceding comparative financial period was attributable to significantly higher investment income coupled with better performance achieved by the manufacturing division.

Construction Division

The construction division recorded a lower revenue of RM154.5 and PBT of RM22.7 million as compared to the previous corresponding year of RM200.3 million and RM30.8 million respectively. The reduction was mainly due to the decline and disruption in work progress arising from the impact of the Covid-19 restrictions imposed in Malaysia and Singapore.

Manufacturing Division

The manufacturing division recorded a marginal higher sales of about RM16.9 million compared to RM16.8 million in the last financial year while PBT rose by 69% to RM2.1 million from RM1.3 million in the last financial year. The significant increase in profits was mainly due to better gross margins achieved.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2020

15. Material Changes in the Quarterly Results compared to the results of the Immediate Preceding Quarter

	Current Quarter 31.12.2020 RM'000	Immediate Preceding Quarter 30.09.2020 RM'000	Variance (%)
Revenue	101,039	70,320	44%
Profit before taxation	24,849	14,005	77%

For the 2nd financial quarter under review, the Group recorded a higher revenue and profit before taxation of RM101.0 million and RM24.8 million, representing an increase of 44% and 77% respectively compared to the immediate preceding quarter. The improvement over immediate preceding quarter was mainly due to the acceleration of construction activities previously affected by the Covid-19 movement restrictions order and better results recorded for quoted investments. Contribution from the manufacturing division, however, was lower.

16. Prospects for the Current Financial Year

The Board anticipates that the operating environment for the Malaysian construction sector will remain very tough and competitive for the remainder of the financial period in view of the current resurgence in Covid-19 infections, the recent re-imposition of Movement Control Order and political uncertainties. Additionally, the cancellation of the HSR and deferment of large infrastructure projects have further cast a dark cloud over the construction industry. The property market is still very much depressed and new project launches remained subdued. Moving forward, the recovery of the construction sector will hinge on implementation of large infrastructure projects, improvements in the property market and the successful rollout of the vaccines and control of Covid-19.

The outlook for the construction sector in Singapore appears more optimistic. With our job wins announced in November 2020, we are operating at full capacity and should remain substantially so for calendar year 2021. According to the BCA, a higher construction demand is projected for year 2021 and we are confident of our order book replenishment. However, the sector remains competitive and challenging with shortages of manpower and supply chain disruptions pushing up costs. We will have to work hard to mitigate these impacts to maintain or improve our margins.

The Group's estimated outstanding construction order book is currently close to RM400 million and the tender book value at about RM2.3 billion. The Board is positive on the performance of the construction division in FY2021 as the current order book is expected to support the Group's financial performance in FY2021.

Our manufacturing business can also be expected to perform better with higher selling prices although tinplate prices are on the uptrend.

The Board of Directors is of the opinion that the Group's financial results will remain profitable for the remaining financial period of the financial year ending 30 June 2021.

17. Variance of Actual Profit from Forecast Profit/Profit Guarantee

There was no profit forecast/profit guarantee issued by the Group.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2020

18. Taxation

Taxation comprises the following: -

	Current quarter ended 31.12.2020 RM'000	Cumulative quarter ended 31.12.2020 RM'000
Current taxation	3,190	5,413
Deferred taxation	68	(690)
	<u>3,258</u>	<u>4,723</u>

The reconciliation between the effective tax rate and the Malaysian statutory tax rate are as follows:

	Current quarter ended %	Cumulative quarter ended %
Statutory income tax rate	24	24
Tax effects of:		
- effect of tax rates in foreign jurisdictions	(4)	(4)
- income not subject to tax	(8)	(9)
- expenses not deductible for tax purposes	1	1
Effective tax rate	<u>13</u>	<u>12</u>

19. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

20. Group borrowings and Debt Securities

The Group's borrowings as at 31 December 2020 are as follows:

	Foreign Currency SGD'000	RM Equivalent RM'000
Current portion (secured):		
Finance lease liabilities (Hire purchase)	4,571	13,887
Term loans	212	643
		<u>14,530</u>
Non-current portion (secured):		
Finance lease liabilities (Hire purchase)	8,687	26,392
Term loans	1,980	6,016
		<u>32,408</u>
		<u>46,938</u>

21. Derivative Financial Instrument

The Group has no derivative financial instruments for the current financial period ended 31 December 2020.

22. Fair Value Changes of Financial Liabilities

There are no financial liabilities measured at fair value through profit or loss as at 31 December 2020.

23. Changes in Material Litigation

There have been no significant developments in material litigation since the date of the last audited statement of financial position to the date of this announcement.



PINTARAS JAYA BERHAD (189900-H)

(Incorporated in Malaysia)

Interim financial statements for the six months ended 31 December 2020

24. Dividend

The Directors do not recommend any interim dividend for the current financial quarter under review.

25. Earnings Per Share

Basic earnings per share is calculated by dividing the Group's profit attributable to equity holders by the weighted average number of ordinary shares in issue during the financial period.

	Current quarter ended 31.12.2020	Cumulative quarter ended 31.12.2020
- Profit attributable to equity holders of the Company (RM'000)	21,591	34,131
- Weighted average number of ordinary shares in issue ('000)	165,865	165,865
- Basic earnings per share (sen)	13.0	20.6

The Group does not have in issue any financial instruments or other contracts that may entitle its holder to ordinary shares and therefore dilute its basic earnings per share.

26. Profit before Taxation

	Current quarter ended 31.12.2020 RM'000	Cumulative quarter ended 31.12.2020 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
(a) Interest income	(202)	(424)
(b) Other income including investment income		
- dividend income	(253)	(520)
- gain on disposals of property, plant and equipment	(9)	(9)
(c) Interest expenses	339	665
(d) Depreciation	8,280	15,645
(e) Net provision for impairment of receivables	106	226
(f) Inventories written off	31	77
(g) Gain on disposals of financial assets at fair value through profit or loss	(4,756)	(5,646)
(h) Fair value (gain)/loss on financial assets at fair value through profit or loss	(2,377)	(7,338)
(i) Net (gain)/loss on foreign exchange	544	1,185

By order of the Board

KHOO YOK KEE
Executive Director

Shah Alam
19 February 2021