



GAGASAN NADI CERGAS
BERHAD (201701024800)

(Incorporated in Malaysia)

**Interim Financial Statements
For The Financial Period Ended
30 June 2021**



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER FINANCIAL PERIOD ENDED 30 JUNE 2021⁽¹⁾

		Quarter Ended		Year-To-Date Ended	
	Note	30.06.2021	30.06.2020	30.06.2021	30.06.2020
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	50,167	40,092	103,871	95,235
Operating expenses		(47,846)	(42,016)	(98,670)	(95,210)
Other operating income		14,022	7,597	23,859	15,492
Finance costs		(3,777)	(4,029)	(7,399)	(8,334)
Profit before taxation	B12	<u>12,566</u>	<u>1,644</u>	<u>21,661</u>	<u>7,183</u>
Income tax expense	B6	(3,014)	(952)	(6,100)	(2,790)
Profit after taxation		<u>9,552</u>	<u>692</u>	<u>15,561</u>	<u>4,393</u>
Profit/(Loss) after taxation					
attributable to:-					
Owners of the Company		7,533	1,608	12,531	5,555
Non-controlling interests		<u>2,019</u>	<u>(916)</u>	<u>3,030</u>	<u>(1,162)</u>
		<u>9,552</u>	<u>692</u>	<u>15,561</u>	<u>4,393</u>
Total comprehensive					
income/(loss) attributable to:-					
Owners of the Company		7,533	1,608	12,531	5,555
Non-controlling interests		<u>2,019</u>	<u>(916)</u>	<u>3,030</u>	<u>(1,162)</u>
		<u>9,552</u>	<u>692</u>	<u>15,561</u>	<u>4,393</u>
Earnings per share					
attributable to owners of					
Basic EPS (sen)	B11	1.00	0.21	1.66	0.74
Diluted EPS (sen)	B11	<u>1.00</u>	<u>0.21</u>	<u>1.66</u>	<u>0.74</u>

Notes:

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021⁽¹⁾

	Note	Unaudited 30.6.2021 RM'000	Audited 31.12.2020 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		28,428	27,570
Inventories		82,945	56,492
Right-of-use assets		3,069	3,112
Trade receivables		515,048	531,144
		<u>629,490</u>	<u>618,318</u>
Current assets			
Inventories		53,833	65,446
Contract assets		77,630	25,748
Trade receivables		51,889	62,767
Other receivables, deposits and prepayments		13,005	21,543
Current tax assets		3,887	3,145
Fixed deposits with licensed banks		39,091	45,705
Cash and bank balances		56,022	63,765
		<u>295,357</u>	<u>288,119</u>
TOTAL ASSETS		<u>924,847</u>	<u>906,437</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		136,444	136,444
Reserves		322,323	313,557
Equity attributable to owners of the Company		<u>458,767</u>	<u>450,001</u>
Non-controlling interests		6,924	3,894
Total equity		<u>465,691</u>	<u>453,895</u>
Non-current liabilities			
Borrowings	B8	267,713	262,401
Deferred tax liabilities		77,199	77,482
		<u>344,912</u>	<u>339,883</u>
Current liabilities			
Trade payables		58,964	68,213
Other payables and accruals		3,893	5,971
Borrowings	B8	45,915	36,179
Provision for taxation		5,472	2,296
		<u>114,244</u>	<u>112,659</u>
Total liabilities		<u>459,156</u>	<u>452,542</u>
TOTAL EQUITY AND LIABILITIES		<u>924,847</u>	<u>906,437</u>
Number of issued shares ('000)		753,000	753,000
Net asset per share attributable to Owners of the Company (RM)		0.61	0.60

Note:

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND (2ND) QUARTER FINANCIAL PERIOD ENDED 30 JUNE 2021⁽¹⁾

	← Distributable →				
	Share Capital RM'000	Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance at 1.1.2020	136,444	304,815	441,259	4,916	446,175
Profit for the financial year, representing total comprehensive income for the financial period	-	5,555	5,555	(1,162)	4,393
Contributions by and distribution to owners of the Company:					
- Dividends paid	-	(3,765)	(3,765)	-	(3,765)
Balance at 30.6.2020	<u>136,444</u>	<u>306,605</u>	<u>443,049</u>	<u>3,754</u>	<u>446,803</u>
Balance at 1.1.2021	136,444	313,557	450,001	3,894	453,895
Profit for the financial period, representing total comprehensive income/(loss) for the financial period	-	12,531	12,531	3,030	15,561
Contributions by and distribution to owners of the Company:					
- Dividends paid	-	(3,765)	(3,765)	-	(3,765)
Balance at 30.6.2021 (Unaudited)	<u>136,444</u>	<u>322,323</u>	<u>458,767</u>	<u>6,924</u>	<u>465,691</u>

Notes:

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE SECOND (2ND) QUARTER FINANCIAL PERIOD ENDED 30 JUNE 2021⁽¹⁾

	6 Months Ended	
	30.6.2021	30.6.2020
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	21,661	7,183
Adjustments for:-		
Depreciation of:		
- property, plant and equipment	746	864
- right-of-use assets	456	292
Impairment loss:		
- trade receivable	364	594
- other receivable	-	50
Finance cost	7,399	8,334
Accretion of fair value on non-current trade receivables	(13,639)	(14,356)
Reversal of impairment losses under MFRS 9		
- trade receivable	(1,209)	-
Finance income	(633)	(959)
Operating profit before working capital changes	<u>15,145</u>	<u>2,002</u>
Decrease /(Increase) in inventories	15,984	(6,528)
Increase in contract assets	(51,882)	(12,209)
Decrease in trade and other receivables	49,996	36,890
Decrease in trade and other payables	(11,327)	(19,874)
Cash from operating activities	<u>17,916</u>	<u>281</u>
Income tax paid	(3,949)	(3,801)
Net cash from operating activities	<u>13,967</u>	<u>(3,520)</u>
Cash flows (for)/from investing activities		
Finance income received	633	959
Purchase of right-of-use assets	-	(332)
(Placement)/Withdrawal of pledged fixed deposits and with tenure more than 3 months	17,754	(6,842)
Purchase of land for property development	(30,822)	(246)
Purchase of property, plant and equipment	(1,604)	(383)
Net cash (for)/from investing activities	<u>(14,039)</u>	<u>(6,844)</u>



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE SECOND (2ND) QUARTER FINANCIAL PERIOD ENDED 30 JUNE 2021⁽¹⁾ (CONT'D)

	6 Months Ended	
	30.6.2021	30.6.2020
	RM'000	RM'000
Cash flows from/(for) financing activities		
Dividends paid	(3,765)	(3,765)
Drawdown of borrowings	39,372	-
Finance cost paid	(7,399)	(8,334)
a subsidiary	-	-
Repayment of borrowings	(27,825)	(24,348)
Payment for listing expense	-	-
Proceeds from issuance of shares	-	-
Net cash from/(for) financing activities	<u>383</u>	<u>(36,447)</u>
Net increase/(decrease) in cash and cash equivalents	311	(46,811)
Cash and cash equivalents at beginning of financial period	<u>63,759</u>	<u>87,958</u>
Cash and cash equivalents at end of financial period	<u>64,070</u>	<u>41,147</u>
Cash and cash equivalents comprise:		
Fixed deposits placed with licensed banks	39,091	46,387
Cash and bank balances	56,022	37,240
Bank overdrafts	(3,086)	(4,984)
	<u>92,027</u>	<u>78,643</u>
Less: Fixed deposits pledged with licensed banks	<u>(27,957)</u>	<u>(37,496)</u>
	<u>64,070</u>	<u>41,147</u>

Notes:

- (1) The basis of preparation of the unaudited Condensed Consolidated Statement of Cash Flow are disclosed in Note A1 and should be read together with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of Gagasan Nadi Cergas Berhad ("Gagasan Nadi" or "the Company") and its subsidiaries (collectively known as "the Group") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

This interim financial report should be read together with the audited Annual Financial Statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this report.

A2. Summary of Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited Annual Financial Statements for the year ended 31 December 2020.

The financial statements of the Group have been prepared in accordance with Malaysia Financial Reporting Standard ("MFRS") and the requirements of the Companies Act 2016.

The following are accounting standards, amendments and interpretations that has been issued by the Malaysian Accounting Standard Board ("MASB") and effective during the financial year:-

	Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS16 Interest Rate Benchmark Reform-Phase 2	1 January 2021

The adoption of the above accounting standards, amendments and interpretations are not expected to have any material impact on the Group's financial statements.



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A3. Auditors' report on preceding annual financial statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2020.

A4. Seasonal or cyclical factors

The Group's performance have not been materially affected by any seasonal or cyclical factors during the current quarter and year-to-date.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

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

A6. Changes in estimates

There were no material changes in estimates for the current quarter and year-to-date.

A7. Debt and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year-to-date.

A8. Dividends paid

Interim dividend comprising 0.5 sen per ordinary share, amounting to RM3,765,000 for financial year ended 31 December 2020 was paid on 30 April 2021.

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information

	Construction RM'000	Concession and Facility Management RM'000	Utility Services RM'000	Property Development RM'000	Others RM'000	Consolidation Adjustments RM'000	Total RM'000
30.6.2021							
Revenue							
External revenue	63,980	7,892	1,568	30,431	-	-	103,871
Inter-segment revenue	19,960	1,704	-	6,646	4,260	(32,570)	-
	<u>83,940</u>	<u>9,596</u>	<u>1,568</u>	<u>37,077</u>	<u>4,260</u>	<u>(32,570)</u>	<u>103,871</u>
Results							
Segment results	1,599	2,157	506	12,183	(316)	(985)	15,144
Accretion of fair value on non-current trade receivables	-	13,639	-	-	-	-	13,639
Impairment losses:							
- trade receivable	(14)	(284)	-	(65)	-	-	(363)
Depreciation:							
- property, plant and equipment	(520)	(196)	(173)	(12)	-	155	(746)
- right-of-use assets	(396)	-	-	(60)	-	-	(456)
Finance income	76	231	6	13	307	-	633
Finance costs	(212)	(6,333)	-	(1,314)	(63)	523	(7,399)
Reversal of impairment losses							
- trade receivable	37	-	1,172	-	-	-	1,209
Profit/(Loss) before taxation	570	9,214	1,511	10,745	(72)	(307)	21,661
Income tax expense	(287)	(2,521)	(150)	(3,106)	(36)	-	(6,100)
Profit/(Loss) after taxation	<u>283</u>	<u>6,693</u>	<u>1,361</u>	<u>7,639</u>	<u>(108)</u>	<u>(307)</u>	<u>15,561</u>
Assets							
Segment assets	102,706	587,720	14,867	194,247	26,728	(5,308)	920,960
Unallocated asset: Tax refundable							3,887
Consolidated total assets							<u>924,847</u>
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	194	-	1,276	134	-	-	1,604
- inventories - land for property development	105	-	-	30,717	-	-	30,822
	<u>299</u>	<u>-</u>	<u>1,276</u>	<u>30,851</u>	<u>-</u>	<u>-</u>	<u>32,426</u>
Liabilities							
Segment liabilities	62,967	229,964	426	79,566	4,145	(584)	376,484
Unallocated liabilities:							
- Deferred tax liabilities							77,199
- Provision for taxation							5,472
Consolidated total liabilities							<u>459,156</u>



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information

	Construction RM'000	Concession and Facility Management RM'000	Utility Services RM'000	Property Development RM'000	Others RM'000	Consolidation Adjustments RM'000	Total RM'000
30.6.2020							
Revenue							
External revenue	80,894	7,895	1,964	4,482	-	-	95,235
Inter-segment revenue	-	-	-	-	4,260	(4,260)	-
	<u>80,894</u>	<u>7,895</u>	<u>1,964</u>	<u>4,482</u>	<u>4,260</u>	<u>(4,260)</u>	<u>95,235</u>
Results							
Segment results	599	2,494	977	(629)	(492)	(947)	2,002
Accretion of fair value on non-current trade receivables	-	14,356	-	-	-	-	14,356
Impairment losses:							
- trade receivable	(27)	(455)	(112)	-	-	-	(594)
- other receivable	(50)	-	-	-	-	-	(50)
Depreciation:							
- property, plant and equipment	(671)	(170)	(175)	(3)	-	155	(864)
- right-of-use assets	(235)	-	-	(57)	-	-	(292)
Gain on disposal of property, plant and equipment	-	-	-	-	-	-	-
Finance income	210	466	67	27	189	-	959
Finance costs	(111)	(7,409)	-	(1,199)	(155)	540	(8,334)
Reversal of impairment losses	-	-	-	-	-	-	-
Profit/(Loss) before taxation	<u>(285)</u>	<u>9,282</u>	<u>757</u>	<u>(1,861)</u>	<u>(458)</u>	<u>(252)</u>	<u>7,183</u>
Income tax expense	262	(2,587)	(320)	(62)	(83)	-	(2,790)
Profit/(Loss) after taxation	<u>(23)</u>	<u>6,695</u>	<u>437</u>	<u>(1,923)</u>	<u>(541)</u>	<u>(252)</u>	<u>4,393</u>
Assets							
Segment assets	122,007	621,291	15,189	94,541	33,253	(6,173)	880,108
Unallocated asset: Tax refundable							4,614
Consolidated total assets							<u>884,722</u>
Additions to non-current assets other than financial instruments:							
- property, plant and equipment	262	-	-	-	-	-	262
- properties held for future development	246	-	-	1,786	-	-	2,032
- right-of-use assets	1,209	-	-	-	-	-	1,209
	<u>1,209</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,209</u>
Liabilities							
Segment liabilities	62,939	259,703	245	29,191	5,107	(1,153)	356,032
Unallocated liabilities:							
- Deferred tax liabilities							79,126
- Provision for taxation							2,761
Consolidated total liabilities							<u>437,919</u>

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment during the current quarter and year-to-date.

A11. Significant Events Subsequent to the End of the Interim Financial Period

Save as disclosed in Note B5 "Status of corporate proposals" below, there were no other material events subsequent to the end of the current quarter that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

There were no material changes in the composition of the Group for the period ended 30 June 2021.

A13. Contingent assets and contingent liabilities

Save as disclosed below, there were no other contingent assets and contingent liabilities as at the date of this interim report.

**Unaudited
As at 30.6.2021
RM'000**

Financial guarantee contract in relation to corporate guarantee given to third parties in the ordinary course of business.

68,105

A14. Capital commitments

There were no capital commitments as at the end of the current and previous corresponding financial periods.

A15. Related party transactions

Save as disclosed below, there were no other significant related party transactions as at the date of this interim report.

Quarter Ended 30.06.2021 RM'000	Year-To-Date 30.06.2021 RM'000
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Related Party
- Progress billing income

-	-
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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

Results for current quarter

The Group recorded revenue of RM50.17 million as compared to RM40.09 million recorded in the corresponding quarter last year. The higher revenue recorded for the current financial quarter was mainly attributable to higher revenue contribution during the current quarter from the Group's property development segment, i.e., the Ulu Yam and Antara Residences projects, compared to the corresponding quarter last year.

The Group recorded a profit before tax of RM12.57 million as compared to a profit of RM1.64 million recorded in the corresponding quarter last year. The higher profit before tax for the current quarter was mainly attributable to higher revenue from the Group's property development segment and the receipt of facilitation fund in respect of a government affordable home project as well as reversal of impairment lost following the collection of long overdue trade receivables during the current quarter.

B2. Comparison with immediate preceding quarter's results

The Group registered lower revenue of RM50.17 million for the current financial quarter as compared to RM53.74 million in the preceding quarter, mainly due to lower construction revenue. However, the Group recorded higher profit before tax of RM12.57 million in the current quarter as compared to a profit before tax of RM9.10 million in the preceding quarter. The higher profit before tax registered in the current quarter was mainly due to higher revenue from the Group's property development segment and the receipt of facilitation fund in respect of a government affordable home project as well as reversal of impairment lost following the collection of long overdue trade receivables during the current quarter.

B3. Commentary on prospects

The COVID-19 pandemic and the declaration of MCOs by the Government of Malaysia continue to have negative impact on the Group's performance. The Group has funded the Covid-19 vaccination for the wellbeing of its employees under the vaccination programmes opened to the private sector. As at to-date, 99% of our employees are fully vaccinated.

Despite the Group's construction order book which stood at approximately RM761 million and with the continuous tendering for new jobs, the Board expects the performance of the construction segment will continue to be affected by unprecedented challenging operating environment due to Covid-19 Pandemic.

The performance of the Group's facility management for the concession projects and the utility services segment is expected to remain stable and sustainable.

Property development segment is expected to contribute significantly in the financial year 2021 with the progress of Antara Residence Project and the Selindung Ulu Yam Project, a project under Rumah Selangorku and PPAM affordable housing programme. This segment has a total unbilled sale of RM142 million which is expected to be booked in as revenue over the next 2 years.

In spite of the on-going Covid-19 pandemic and barring unforeseen circumstances, the Group is cautiously optimistic on its performance in financial year 2021.

B4. Profit Forecast or Profit Guarantee

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

B5. Status of corporate proposals

There were no corporate proposals announced and not completed.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B6. Income tax expenses

	Current Quarter 30.6.2021 RM'000	Year-To- Date 30.6.2021 RM'000
Malaysia income tax		
- current year	3,343	6,382
- under provision in prior years	-	-
Deferred tax expense	<u>(330)</u>	<u>(283)</u>
	<u>3,013</u>	<u>6,099</u>
Effective tax rates ⁽¹⁾	23.98%	28.16%

Note:

- (1) The Group's effective tax rate for the financial year-to-date is higher than the statutory tax rate of 24%. It is mainly attributed to non allowable expenses and the higher taxable income from collection of Availability Charges from Concession Projects. The qualifying expenditure for concession projects is only restricted to 91% of total construction costs, hence the remaining 9% of the Availability Charges collected during the current quarter and year-to-date was deemed as taxable income resulting in the increase in tax expense.

B7. Utilisation of proceeds from the Initial Public Offer ("IPO")

The utilisation of proceeds as disclosed below should be read in conjunction with the Prospectus of the Company dated 13 December 2018. The gross proceeds raised from the Public Issue of RM42 million and status of utilisation as at 30 June 2021 is disclosed in the following table:

No.	Purpose	Time frame for utilisation from the date of listing	%	Proposed utilisation	Actual utilisation RM'000
(a)	Funding for the AFF Mixed Development ⁽¹⁾	Within 30 months	33.3	14,000	14,000
(b)	Capital expenditures for the district cooling system for the supply of chilled water to a shopping mall under the Datum Jelatek development	Within 30 months	15.5	6,500	6,500
(c)	Working capital for a construction project	Within 24 months	39.3	16,500	16,500
(d)	Estimated listing expenses	Within 3 months	11.9	5,000	5,000
Gross proceeds			<u>100.00</u>	<u>42,000</u>	<u>42,000</u>

Note:

- (1) Antara Residence Project
- (2) The proceeds from the IPO has been fully utilised. Hence, the above disclosure will not be reported in subsequent quarterly reports.



B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Bank borrowings

The Group's bank borrowings as at 30 June 2021 are as follows:

	Unaudited As at 30.6.2021 RM'000
Current:	
Lease liabilities	912
Islamic financing / Term loan	21,917
Bonds	20,000
Bank overdraft	3,086
	<hr/>
	45,915
Non-current:	
Lease liabilities	1,529
Islamic financing / Term loan	166,184
Bonds	100,000
	<hr/>
	267,713
	<hr/>
Total	313,628
	<hr/>

All the borrowings are secured and denominated in Ringgit Malaysia.

B9. Material litigation

There were no material litigation involving the Group as at the date of this report.

B10. Dividend

The Board of Directors did not recommend any dividend for the current quarter under review.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Earnings per share

The basic and diluted earnings per share (“EPS”) are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial periods are as follows:

	Quarter Ended		Year-To-Date	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Profit attribute to owners of the Company (RM'000)	7,533	1,608	12,531	5,555
Weighted average number of ordinary shares in issue ('000)	<u>753,000</u>	<u>753,000</u>	<u>753,000</u>	<u>753,000</u>
Basic EPS (sen) ⁽¹⁾	1.00	0.21	1.66	0.74
Diluted EPS (sen) ^{(1) & (2)}	1.00	0.21	1.66	0.74

Notes:

- (1) The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 30 June 2021
- (2) Diluted earnings per share is equivalent to the basic earnings per share of the Company for the individual quarter ended 30 June 2021 as the Company does not have any convertible options as at the end of the reporting period.



B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B12. Disclosure on selected expense/income items as required by the Listing Requirements

	Current Quarter 30.06.2021 RM'000	Year-To-Date 30.06.2021 RM'000
Profit before taxation is arrived at after charging/(crediting):-		
Depreciation :		
- property, plant and equipment	375	746
- right-of-use asset	225	456
Impairment losses:		
- trade receivable	(436)	363
Finance cost	3,777	7,399
Accretion of fair value on non-current trade receivables	(6,774)	(13,639)
Finance income	(372)	(633)
Reversal of impairment losses		
- trade receivable	(1,167)	(1,209)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.

B13. Derivative

The Group did not enter into any derivative during the current quarter under review.