

MALAYAN CEMENT BERHAD
Company No. 195001000048 (1877-T)
Incorporated in Malaysia

Interim Financial Report
30th June 2021

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INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30 June	30 June	30 June	30 June
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Revenue	276,333	-	1,369,508	-
Cost of sales	(247,167)	-	(1,209,111)	-
Gross profit	29,166	-	160,397	-
Other operating income	8,985	-	36,017	-
Other operating expenses	(24,354)	-	(166,896)	-
Profit from operations	13,797	-	29,518	-
Finance costs	(8,932)	-	(39,312)	-
Share of results in joint venture	4,415	-	17,996	-
Profit before tax	9,280	-	8,202	-
Taxation	1,165	-	(1,113)	-
Profit for the period	10,445	-	7,089	-
Profit attributable to:				
Owners of the Company	9,889	-	7,310	-
Non-controlling interests	556	-	(221)	-
	10,445	-	7,089	-
Basic and diluted earnings per share (sen)	1.13		0.85	-

Notes:

1. The financial year end of the Group has been changed from 31st December 2019 to 30th June 2020. As such, there will be no comparative financial information available for the preceding year corresponding periods.
2. The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial period ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
Profit for the period	10,445	-	7,089	-
Items that will not be reclassified subsequently to profit or loss:				
Net change in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)	677	-	677	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	52	-	240	-
Total other comprehensive income for the period, net of tax	729	-	917	-
Total comprehensive income for the period	11,174	-	8,006	-
Total comprehensive income attributable to:				
Owners of the Company	10,618	-	8,227	-
Non-controlling interests	556	-	(221)	-
	11,174	-	8,006	-

Notes:

1. The financial year end of the Group has been changed from 31st December 2019 to 30th June 2020. As such, there will be no comparative financial information available for the preceding year corresponding periods.
2. The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2021 RM'000	As at 30 June 2020 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,372,119	1,468,012
Right-of-use assets		103,070	119,539
Investment property		3,123	3,127
Goodwill on consolidation		1,387,089	1,387,089
Other intangible assets		12,804	14,934
Investment in joint venture		51,132	35,933
Other financial assets		3,449	2,772
Net investment in leases		7,586	11,693
Deferred tax assets		238,324	228,293
		<u>3,178,696</u>	<u>3,271,392</u>
Current assets			
Inventories		233,596	254,916
Current tax assets		10,139	22,386
Trade receivables		90,778	112,342
Other receivables, prepaid expenses and refundable deposits		39,123	41,661
Amounts owing by holding and related companies		177,180	68,727
Amount due from joint venture		21,669	2,212
Net investment in leases		4,107	4,193
Other financial assets		-	1,255
Fixed deposits		73,383	-
Cash and bank balances		61,655	77,152
		<u>711,630</u>	<u>584,844</u>
Total assets		<u>3,890,326</u>	<u>3,856,236</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		2,187,669	1,950,692
Reserves:			
Exchange equalisation reserve		30,217	29,977
Investments revaluation reserve		2,810	2,133
Retained earnings		309,367	301,884
		<u>2,530,063</u>	<u>2,284,686</u>
Equity attributable to owners of the Company		2,530,063	2,284,686
Non-controlling interests		5,253	5,474
		<u>2,535,316</u>	<u>2,290,160</u>
Total equity		<u>2,535,316</u>	<u>2,290,160</u>

INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2021 RM'000	As at 30 June 2020 RM'000
Non-current liabilities			
Borrowings	B9	499,910	279,817
Retirement benefits		21,764	21,937
Lease liabilities		37,504	50,151
Deferred tax liabilities		128,349	119,463
		<u>687,527</u>	<u>471,368</u>
Current liabilities			
Trade payables		201,262	258,355
Other payables and accrued expenses		142,745	120,711
Amounts owing to holding and related companies		91,691	48,305
Borrowings	B9	220,000	649,800
Lease liabilities		10,842	15,845
Current tax liabilities		943	1,692
		<u>667,483</u>	<u>1,094,708</u>
Total liabilities		<u>1,355,010</u>	<u>1,566,076</u>
Total equity and liabilities		<u>3,890,326</u>	<u>3,856,236</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		<u>2.71</u>	<u>2.69</u>
Net tangible assets per share attributable to ordinary equity holders of the Company (RM)		<u>1.21</u>	<u>1.04</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-distributable →			Distributable		Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Exchange Equalisation Reserve RM'000	Investments Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000		
As at 1 July 2020	1,950,692	29,977	2,133	301,884	2,284,686	5,474	2,290,160
Share issuance arising from private placement	237,150	-	-	-	237,150	-	237,150
Profit for the year	-	-	-	7,310	7,310	(221)	7,089
Other comprehensive income for the year, net of tax	-	240	677	-	917	-	917
Adjustment	(173)	-	-	173	-	-	-
As at 30 June 2021	2,187,669	30,217	2,810	309,367	2,530,063	5,253	2,535,316
As at 1 July 2019	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-
As at 30 June 2020	-	-	-	-	-	-	-

Notes:

1. The financial year end of the Group has been changed from 31st December 2019 to 30th June 2020. As such, there will be no comparative financial information available for the preceding year corresponding period.
2. The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended	
	30 June 2021 RM'000	30 June 2020 RM'000
Cash Flows From Operating Activities		
Profit before tax	8,202	-
Adjustments for:-		
Provision for inventory obsolescence	966	-
Amortisation of:		
- other intangible assets	2,130	-
Depreciation of:		
- investment property	4	-
- property, plant and equipment	139,275	-
- right-of-use assets	14,354	-
Finance costs	39,312	-
Reversal of impairment loss on trade receivables	(6,104)	-
Dividend income	(180)	-
Interest income	(7,042)	-
Gain on disposal of:		
- property, plant and equipment	(402)	-
Gain on derecognition of right-of-use assets	(177)	-
Gain on re-measurement of right-of-use assets	(19)	-
Property, plant and equipment written off	4,802	-
Provision for retirement benefits	902	-
Unrealised loss on foreign exchange	1,520	-
Share of results in joint venture	(17,996)	-
Operating profit before changes in working capital	<u>179,547</u>	-
Decrease/(Increase) in:		
Inventories	20,354	-
Receivables	30,206	-
Amounts owing by holding, related and joint venture companies	(127,910)	-
(Decrease)/Increase in:		
Payables	(25,628)	-
Amounts owing to holding and related companies	<u>43,386</u>	-
Cash generated from operations	119,955	-
Retirement benefits paid	(14,408)	-
Net tax refunded	<u>9,240</u>	-
Net cash generated from operating activities	<u>114,787</u>	-

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 Months Ended	
	30 June 2021 RM'000	30 June 2020 RM'000
Cash Flows Used In Investing Activities		
Additions to property, plant and equipment	(54,841)	-
Interest received	7,042	-
Dividend received from investment in joint venture	3,128	-
Dividend income received	180	-
Proceeds from net investment in leases	4,193	-
Proceeds from disposal of:		
- property, plant and equipment	6,347	-
Settlement of debenture matured	1,255	-
	<hr/>	<hr/>
Net cash used in investing activities	(32,696)	-
Cash Flows Used In Financing Activities		
Interest paid	(37,085)	-
Proceeds from share issuance arising from private placement	237,150	-
Payment of lease liabilities	(14,604)	-
Repayment of borrowings (net)	(209,800)	-
	<hr/>	<hr/>
Net cash used in financing activities	(24,339)	-
Net Change in Cash and Cash Equivalents	57,752	-
Effects of currency translations	134	-
Cash and Cash Equivalents at beginning of the financial period	77,152	-
	<hr/>	<hr/>
Cash and Cash Equivalents at end of the financial period	135,038	-
Cash and cash equivalent comprise :-		
Fixed deposit with licensed bank	73,383	-
Cash and cash balances	61,655	-
	<hr/>	<hr/>
	135,038	-
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Notes:

- 1. The financial year end of the Group has been changed from 31st December 2019 to 30th June 2020. As such, there will be no comparative financial information available for the preceding year corresponding period.**
- 2. The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 30th June 2020 and the accompanying explanatory notes attached to the interim financial statements.**

INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2020.

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2020.

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial period ended 30 June 2020.

The adoption of MFRSs or amendments to MFRSs which were effective for financial year beginning on or after 1 July 2020 do not have significant financial impact on the Group.

A2. Seasonal or Cyclical Factors

The operations of the Group are closely linked to the construction sector which would normally experience a slow-down in construction activities during the festive seasons in Malaysia and Singapore.

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Notes – Continued

A3. Disaggregation of Revenue

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	30 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
Cement:				
Sales of clinker, cement and other building materials	229,394	-	1,114,921	-
Others	1,951	-	2,231	-
	<u>231,345</u>	<u>-</u>	<u>1,117,152</u>	<u>-</u>
Aggregates & Concrete				
Sales of aggregates	3,687	-	10,363	-
Sales of ready-mix concrete	41,182	-	241,089	-
Others	119	-	904	-
	<u>44,988</u>	<u>-</u>	<u>252,356</u>	<u>-</u>
Total Revenue	<u>276,333</u>	<u>-</u>	<u>1,369,508</u>	<u>-</u>

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in Estimates of Amount Reported

There was no significant change in estimates of amounts reported in prior interim periods or prior financial periods.

A6. Changes in Debt and Equity Securities

There was no issuances, cancellation, repurchase, resale and repayments of debt and equity securities during the financial period under review.

A7. Dividend Paid

There was no dividend payment during the financial period ended 30 June 2021.

INTERIM FINANCIAL REPORT

Notes – Continued

A8. Segmental Information

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and liabilities that relate to investing and financing activities and cannot be reasonably allocated to individual segments. These include mainly corporate assets, other investments, deferred tax assets/liabilities and current tax assets/liabilities.

The Group is organised into the following main operating segments:

Cement	Cement business and trading of other building materials
Aggregates & Concrete	Aggregates and ready-mixed concrete business

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INTERIM FINANCIAL REPORT

Notes – Continued

A8. Segmental Information (continued)

Analysis of the Group's segment information is as follows:

12 Months Ended 30 June	Cement		Aggregates & Concrete		Elimination		Total		
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	
External revenue	1,117,152	-	252,356	-	-	-	1,369,508	-	
Inter-segment revenue	23,173	-	-	-	(23,173)	-	-	-	
Total revenue	1,140,325	-	252,356	-	(23,173)	-	1,369,508	-	
Segment results									
Profit/(Loss) from operations	46,765	-	(17,247)	-	-	-	29,518	-	
Finance costs							(39,312)	-	
Share of results in joint venture							17,996	-	
Profit before tax							8,202	-	
Finance costs							39,312	-	
Depreciation and amortisation							155,763	-	
EBITDA							203,277	-	

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Notes – Continued

A9. Valuation of Property, Plant and Equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

A10. Changes in Group Composition

There was no change in the composition for the Group in this quarter.

A11. Contingent Liabilities

The Group has no material contingent liabilities as at the date of this report.

A12. Subsequent Events

There were no items, transactions or event of material or unusual in nature during the period from the end of the quarter under review to the date of this report.

A13. Commitments

Outstanding commitments in respect of capital commitments at end of reporting date not provided for in the financial statements are as follows:

	As at 30 June 2021 RM'000
In respect of capital expenditure:	
Approved and contracted for	<u>6,882</u>

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INTERIM FINANCIAL REPORT

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

B1. Review of Group's Performance

The Group posted revenue and profit before tax of RM276.333 million and RM9.280 million respectively for the current quarter. For the current financial year, the Group recorded revenue of RM1,369.508 million and profit before tax of RM8.202 million

Domestic cement, clinker and ready-mixed concrete sales in the current quarter have been impacted by the reinstatement of Movement Control Order ("MCO") 3.0 which commenced from 12 May 2021. However, with the better cement export sales and cost improvement, the Group recorded a profit before tax for both the current quarter and full year.

There are no prior year comparisons for the quarter and full year due to the change of the financial year end from 31 December 2019 to 30 June 2020.

B2. Comparison with Preceding Quarter's Results

Quarter ended 30 June 2021 vs. 31 March 2021

	3 Months Ended 30 June 2021 RM'000	3 Months Ended 31 March 2021 RM'000
Revenue	276,333	374,798
Profit before tax	<u>9,280</u>	<u>4,000</u>

The Group's revenue in the current quarter reduced to RM276.333 million from RM374.798 million recorded in the preceding quarter mainly due to the drop in domestic cement, clinker and ready-mixed concrete sales caused by a disruption of construction activities arising from the reinstatement of MCO 3.0 on 12 May 2021. MCO 3.0 has more stringent restrictions on construction activities along with its related supply chain activities compared to MCO 2.0 which was imposed for most parts of the preceding quarter. This was mitigated to some extent by an increase in cement export sales arising from a more robust demand in Singapore.

Despite the lower revenue, the Group recorded a higher profit before tax of RM9.28 million in the current quarter compared to RM4 million in the preceding quarter contributed mainly by efficient cost management.

B3. Audit Report of the Preceding Financial Period Ended 30 June 2020

The Auditors' Reports on the financial statements of the financial period ended 30 June 2020 did not contain any qualification.

INTERIM FINANCIAL REPORT

Notes – Continued

B4. Prospects

Construction activities and the corresponding demand of building materials were further impacted by the Enhanced Movement Control Order from 3 to 16 July 2021 in 8 districts in Selangor and several localities in Kuala Lumpur, and with most States continuing to have strict movement restrictions. The National Recovery Plan, a four-phase exit strategy from the Covid-19 crisis was announced on 15 June 2021 and the actions undertaken under the Plan is expected to bring about a recovery to the economy and the construction sector in the medium to longer term.

The Group maintains its views that the solid dynamics of its main markets remain intact and is confident that the key growth drivers e.g. infrastructure requirements and demand for housing from urbanisation, will continue to underpin demand growth in the longer term.

B5. Profit Forecast

The Group did not publish any profit forecast or profit guarantee during the current financial quarter.

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Notes – Continued

B6. Profit for the period

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	30 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
Profit for the period is arrived after charging:				
Provision for inventory obsolescence	-	-	966	-
Amortisation of:				
- other intangible assets	523	-	2,130	-
Depreciation of:				
- investment property	3	-	4	-
- property, plant and equipment	33,151	-	139,275	-
- right-of-use assets	3,737	-	14,354	-
Property, plant and equipment written off	4,228	-	4,802	-
Provision for retirement benefits	197	-	902	-
Unrealised loss on foreign exchange	1,377	-	1,520	-
Realised loss on foreign exchange	520	-	-	-
and after crediting:				
Gain on disposal of:				
- property, plant and equipment	301	-	402	-
Gain on derecognition of right-of-use assets	83	-	177	-
Gain on re-measurement of right-of-use assets	19	-	19	-
Reversal of provision for inventory obsolescence	404	-	-	-
Reversal of impairment loss on trade receivables	5,924	-	6,104	-
Realised gain on foreign exchange	-	-	1,145	-

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Notes – Continued

B7. Taxation

Taxation comprise the following:

	Individual Quarter 3 Months Ended 30 June 2021 RM'000	Cumulative Quarter 12 Months Ended 30 June 2021 RM'000
In respect of current year:		
- income tax	(846)	(5,478)
- deferred tax	(1,956)	2,511
In respect of prior year:		
- income tax	3,127	3,219
- deferred tax	840	(1,365)
Total tax credit /(tax expense)	<u>1,165</u>	<u>(1,113)</u>

The Group recorded a tax credit despite having a profit before tax for the current quarter mainly due to the write-back of over-provision of income tax in respect of prior year.

The tax expense for the current financial year has an effective tax rate that is lower than the Malaysian statutory tax rate of 24% mainly due to the share of results in a joint venture that was reported net of tax.

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Notes – Continued

B8. Status of Corporate Proposals Announced

1. On 15 April 2021, Maybank Investment Bank Berhad (“Maybank IB”) announced that the Company proposed to undertake the issuance of up to 85,000,000 new ordinary shares in the Company (“Placement Shares”) representing approximately 10% of the total number of issued shares of the Company as at 14 April 2021 (“Placement”).

The application for the listing and quotation of the Placement Shares was approved by Bursa Securities via its letter dated 23 April 2021.

The Placement was completed on 14 June 2021 following the listing and quotation of the 85,000,000 Placement Shares on the Main Market of Bursa Securities at an issue price of RM2.79 per share. Following the completion of the Placement, the Company’s public shareholding spread increased from 22.95% to 29.96% based on the Company’s Record of Depositors as at 14 June 2021 which is in compliance with Paragraph 8.02(1) of the Main Market Listing Requirements of Bursa Securities (“Listing Requirements”).

The table below sets out the status of utilisation of gross proceeds of RM237.15 million raised from the Placement:-

Description of use of proceeds (All figures in RM'000)	Proposed utilisation (based on actual amount raised)	Actual utilisation as of the date of this report	Unutilised amount	Estimated timeframe for use of proceeds from the listing date of the Placement Shares
Working capital	64,150	64,150	-	Within 24 months
Repayment of bank borrowings	170,000	170,000	-	Within 6 months
Defray estimated expenses relating to the Placement	3,000	2,564	436	Within 1 month
Total	237,150	236,714	436	

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Notes – Continued

B8. Status of Corporate Proposals Announced (continued)

2. On 12 May 2021, Maybank IB announced that the Company entered into a conditional share sale and purchase agreement (“SSPA”) with YTL Cement Berhad (“YTL Cement”), its immediate holding company, for the proposed acquisition of the entire equity interest of its 10 companies and their respective subsidiaries which are involved in cement and ready-mixed concrete businesses in Malaysia for a total consideration of RM5,158 million (subject to adjustments) (“Purchase Consideration”)(“Proposed Acquisition”).

The Purchase Consideration is to be satisfied in the following manner on completion:

- (i) RM2,000 million in cash (“Cash Consideration”), subject to certain adjustments;
- (ii) RM1,408 million through the issuance of 375,506,174 new ordinary shares in the Company (“MCB Shares”) (“Consideration Shares”) at an issue price of RM3.75 per Consideration Share; and
- (iii) RM1,750 million through the issuance of 466,666,667 new irredeemable convertible preference shares in the Company (“ICPS”) (“Consideration ICPS”) at an issue price of RM3.75 per Consideration ICPS.

Any adjustments required to be made to the Purchase Consideration will be made to the Cash Consideration.

The Company is also proposing to amend the Constitution of the Company (“Proposed Amendments”) to facilitate the issuance of the Consideration ICPS pursuant to the Proposed Acquisition.

(The Proposed Acquisition and Proposed Amendments are collectively referred to as the “Proposals”).

On 26 July 2021, Maybank IB announced that Bursa Securities has, via its letter dated 23 July 2021, approved the listing and quotation of the Consideration Shares and the new MCB Shares to be issued upon conversion of the Consideration ICPS on the Main Market of Bursa Securities subject to certain conditions. In addition, Bursa Securities has, via its letter dated 21 July 2021, granted the Company a period of 6 months from the listing date of the Consideration Shares to comply with the public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements where the Company must ensure that at least 25% of the total number of listed MCB Shares are in the hands of public shareholders in view that upon listing of the Consideration Shares, the Company’s public shareholding spread is expected to reduce to 21.37%.

In view of this, the Company entered into a supplemental letter with YTL Cement on 26 July 2021 to waive the condition precedent stipulated in the SSPA in relation to obtaining the approval from Bursa Securities for MCB to have a lower public shareholding spread of 20% on completion of the Proposed Acquisition pursuant to Paragraph 2.2 of Practice Note 19 of the Listing Requirements as the application for the acceptance of a lower percentage of public shareholding spread will be submitted after completion of the Proposed Acquisition instead of prior to completion of the Proposed Acquisition.

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Notes – Continued

B8. Status of Corporate Proposals Announced (continued)

The Proposals were approved by the shareholders of the Company at an extraordinary general meeting convened on 30 August 2021 and is now pending completion.

The Proposed Acquisition and Proposed Amendments are conditional upon each other.

Save for the above, the Proposals are not conditional upon any other corporate exercise/scheme of the Company.

B9. Group Borrowings

The Group borrowings are as follows:

	As at 30 June 2021 RM'000	As at 30 June 2020 RM'000
Short-term borrowings		
Non-secured		
Bonds	-	220,000
Revolving credit and banker's acceptance	220,000	429,800
	<u>220,000</u>	<u>649,800</u>
Long-term borrowings		
Non-secured		
Bonds (non-current)	499,910	279,817
Total Group borrowings	<u>719,910</u>	<u>929,617</u>

All borrowings are denominated in Ringgit Malaysia.

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Notes – Continued

B10. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (i) Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date, the Group held the following financial instruments carried at fair value on the statement of financial position:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
30 June 2021				
Assets				
Financial assets at fair value through other comprehensive income	724	-	2,725	3,449

B11. Material Litigation

There was no material litigation pending as at the date of this report.

B12. Dividend

No dividend has been declared for the current financial quarter.

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INTERIM FINANCIAL REPORT

Notes – Continued

B13. Profit per share

Profit per share is calculated as follows:

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	30 June	30 June	30 June	30 June
	2021	2020	2021	2020
Profit attributable to equity holders of the Company (RM'000)	9,889	-	7,310	-
Weighted average number of ordinary shares in issue ('000)	878,029	-	856,779	-
Basic and diluted earnings per share (sen)	1.13	-	0.85	-

The basic and diluted earnings per share are the same as the Company has no dilutive potential ordinary shares.

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 8 September 2021