

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

Interim Financial Report
30 June 2022

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	Page No.
Condensed Consolidated Income Statement	1
Condensed Consolidated Statement of Comprehensive Income	2
Condensed Consolidated Statement of Financial Position	3 - 4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Statement of Cash Flows	6 - 7
Notes to the Interim Financial Report	8 - 19

INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial year ended 30 June 2022.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	12 Months Ended	
			30.06.2022 RM'000	30.06.2021 RM'000
Revenue	804,763	276,333	2,705,272	1,369,508
Cost of sales	(572,461)	(247,167)	(2,011,749)	(1,209,111)
Gross profit	232,302	29,166	693,523	160,397
Other operating income	25,002	8,985	75,240	36,017
Other operating expenses	(169,313)	(24,354)	(534,889)	(166,896)
Profit from operations	87,991	13,797	233,874	29,518
Finance costs	(42,888)	(8,932)	(143,285)	(39,312)
Share of results in joint venture	10,503	4,415	38,632	17,996
Profit before tax	55,606	9,280	129,221	8,202
Taxation	(21,811)	1,165	(47,136)	(1,113)
Profit for the financial period/year	33,795	10,445	82,085	7,089
Attributable to:				
Owners of the parent	34,131	9,889	83,545	7,310
Non-controlling interests	(336)	556	(1,460)	(221)
Profit for the financial period/year	33,795	10,445	82,085	7,089
Earnings per share (sen)				
- Basic	2.61	1.13	6.82	0.85
- Diluted	1.92	-	5.27	-

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	12 Months Ended 30.06.2022 30.06.2021 RM'000 RM'000	
Profit for the financial period/year	33,795	10,445	82,085	7,089
Other comprehensive income :-				
<i>Items that will not be reclassified subsequently to income statement:-</i>				
- net change in equity instruments at fair value through other comprehensive income	563	677	563	677
<i>Items that may be reclassified subsequently to income statement:-</i>				
- exchange differences on translating foreign operations	2,253	52	2,815	240
Other comprehensive income for the financial period/year, net of tax	2,816	729	3,378	917
Total comprehensive income for the financial period/year	36,611	11,174	85,463	8,006
Attributable to:				
Owners of the parent	36,947	10,618	86,923	8,227
Non-controlling interests	(336)	556	(1,460)	(221)
Total comprehensive income for the financial period/year	36,611	11,174	85,463	8,006

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited	Audited
	As at	As at
	30.06.2022	30.06.2021
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,782,467	1,372,119
Right-of-use assets	242,889	103,070
Investment property	3,120	3,123
Goodwill on consolidation	5,549,666	1,387,089
Other intangible assets	10,674	12,804
Investment in joint venture	67,965	51,132
Investments	4,012	3,449
Other receivables	4,306	7,586
Deferred tax assets	-	109,975
	<u>8,665,099</u>	<u>3,050,347</u>
Current assets		
Inventories	501,067	233,596
Income tax assets	41,177	10,139
Trade and other receivables	538,082	121,097
Other current assets	29,013	12,911
Amount due from holding companies	92	844
Amount due from related companies	25,708	176,336
Amount due from joint ventures	22,120	21,669
Fixed deposits	391,981	73,383
Cash and bank balances	211,730	61,655
	<u>1,760,970</u>	<u>711,630</u>
	<u>10,426,069</u>	<u>3,761,977</u>
TOTAL ASSETS		

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued

	Unaudited As at 30.06.2022 RM'000	Audited As at 30.06.2021 RM'000
EQUITY		
Share capital	5,345,817	2,187,669
Reserves:		
Exchange equalisation reserve	33,032	30,217
Investments revaluation reserve	3,373	2,810
Retained earnings	<u>392,912</u>	<u>309,367</u>
Equity attributable to owners of the parent	5,775,134	2,530,063
Non-controlling interests	<u>3,793</u>	<u>5,253</u>
TOTAL EQUITY	<u>5,778,927</u>	<u>2,535,316</u>
LIABILITIES		
Non-current liabilities		
Lease liabilities	36,587	37,504
Borrowings	2,671,526	499,910
Deferred tax liabilities	86,045	-
Post-employment benefit obligations	<u>21,734</u>	<u>21,764</u>
	<u>2,815,892</u>	<u>559,178</u>
Current liabilities		
Trade and other payables	650,073	339,281
Contract liabilities	3,055	-
Amount due to holding companies	4,397	881
Amount due to related companies	19,304	90,810
Lease liabilities	18,799	14,381
Borrowings	1,128,614	220,000
Post-employment benefit obligations	2,422	1,187
Income tax liabilities	<u>4,586</u>	<u>943</u>
	<u>1,831,250</u>	<u>667,483</u>
TOTAL LIABILITIES	<u>4,647,142</u>	<u>1,226,661</u>
TOTAL EQUITY AND LIABILITIES	<u>10,426,069</u>	<u>3,761,977</u>
Net assets per share (RM)	<u>4.41</u>	<u>2.71</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	← Attributable to Owners of the Parent →					Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Irredeemable Convertible Preference Shares RM'000	Exchange Equalisation Reserve RM'000	Investments Revaluation Reserve RM'000	Retained Earnings RM'000			
As at 1 July 2021	2,187,669	-	30,217	2,810	309,367	2,530,063	5,253	2,535,316
Issuance of ordinary shares	1,408,148	-	-	-	-	1,408,148	-	1,408,148
Issuance of irredeemable convertible preference shares	-	1,750,000	-	-	-	1,750,000	-	1,750,000
Profit for the financial year	-	-	-	-	83,545	83,545	(1,460)	82,085
Other comprehensive income for the financial year, net of tax	-	-	2,815	563	-	3,378	-	3,378
As at 30 June 2022	3,595,817	1,750,000	33,032	3,373	392,912	5,775,134	3,793	5,778,927
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 financial year	-	-	-	-	7,310	7,310	(221)	7,089
Other comprehensive income for the financial 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

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	12 Months Ended	
	30.06.2022	30.06.2021
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	129,221	8,202
Adjustments for:-		
Amortisation of other intangible assets	2,130	2,130
Depreciation of:		
- investment property	3	4
- property, plant and equipment	214,785	139,275
- right-of-use assets	21,989	14,354
Dividend income	(274)	(180)
Finance costs	143,285	39,312
Gain on disposal of property, plant and equipment (net)	(2,542)	(402)
Gain on termination of leases	(27)	(177)
Gain on reassessment and modification of leases (net)	(262)	(19)
Interest income	(8,413)	(7,042)
Property, plant and equipment written off	305	4,802
Provision for inventory obsolescence (net)	203	966
Provision for retirement benefits	921	902
Rent concession	(1,062)	-
Reversal of impairment loss on trade receivables (net)	(21,925)	(6,104)
Share of results in joint venture	(38,632)	(17,996)
Unrealised (gain)/loss on foreign exchange (net)	(2,937)	1,520
Operating profit before changes in working capital	<u>436,768</u>	<u>179,547</u>
Changes in working capital:-		
Inventories	(79,346)	20,354
Receivables	(88,193)	30,206
Other assets	3,111	-
Payables	98,306	(32,316)
Contract liabilities	(630)	-
Related parties balances	89,540	(84,524)
Cash generated from operations	<u>459,556</u>	<u>113,267</u>
Interest paid	(168,389)	(34,563)
Interest received	7,732	7,042
Retirement benefits paid	(951)	(14,408)
Net tax (paid)/refunded	(51,234)	9,239
Net cash generated from operating activities	<u>246,714</u>	<u>80,577</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022 - continued**

	12 Months Ended	
	30.06.2022	30.06.2021
	RM'000	RM'000
Cash Flows From/(Used In) Investing Activities		
Acquisition of subsidiaries	(1,586,830)	-
Additions to property, plant and equipment	(76,998)	(51,690)
Dividend received from investment in joint venture	23,322	3,127
Dividend income received	274	180
Proceeds from net investment in leases	4,805	4,193
Proceeds from disposal of property, plant and equipment	6,011	6,347
Settlement of debenture matured	-	1,255
Net cash used in investing activities	(1,629,416)	(36,588)
Cash Flows From/(Used In) Financing Activities		
Proceeds from borrowings	2,010,000	-
Proceeds from share issuance arising from private placement	-	237,150
Repayment of borrowings	(135,521)	(209,800)
Repayment of lease liabilities	(24,080)	(13,587)
Net cash generated from financing activities	1,850,399	13,763
Net Change in Cash and Cash Equivalents	467,697	57,752
Effects of currency translations	976	134
Cash and Cash Equivalents at beginning of the financial year	135,038	77,152
Cash and Cash Equivalents at end of the financial year	603,711	135,038
Cash and cash equivalent comprise :-		
Fixed deposit with licensed bank	391,981	73,383
Cash and cash balances	211,730	61,655
	603,711	135,038

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 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 year ended 30 June 2021.

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 year ended 30 June 2021.

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 year ended 30 June 2021.

The adoption of MFRSs or amendments to MFRSs which were effective for financial year beginning on or after 1 July 2021 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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INTERIM FINANCIAL REPORT

Notes – Continued

A3. Disaggregation of Revenue

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022	Preceding Year Corresponding Quarter 30.06.2021	12 Months Ended	
	RM'000	RM'000	30.06.2022	30.06.2021
Cement:				
Sales of clinker, cement and other building materials	596,994	229,394	2,038,917	1,114,921
Others	4,023	1,951	12,642	2,231
	<u>601,017</u>	<u>231,345</u>	<u>2,051,559</u>	<u>1,117,152</u>
Aggregates & Concrete				
Sales of aggregates	4,805	3,687	23,536	10,363
Sales of ready-mixed concrete	196,779	41,182	627,662	241,089
Others	2,162	119	2,515	904
	<u>203,746</u>	<u>44,988</u>	<u>653,713</u>	<u>252,356</u>
Total Revenue	<u>804,763</u>	<u>276,333</u>	<u>2,705,272</u>	<u>1,369,508</u>

A4. Exceptional or Unusual Items

During the current 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 years.

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INTERIM FINANCIAL REPORT

Notes – Continued

A6. Changes in Debt and Equity Securities

During the current financial year, the equity of the company was increased by RM3,158 million due to the following:-

- (i) RM1,408 million through the issuance of 375,506,174 new ordinary shares in the Company at an issue price of RM3.75 per share, and which were listed on the Main Market of Bursa Securities on 22 September 2021; and
- (ii) RM1,750 million through the issuance of 466,666,667 new Irredeemable Convertible Preference Shares (“ICPS”) in the Company at an issue price of RM3.75 per share.

The said equity was issued as part settlement of the total purchase consideration of RM5,159 million for the acquisition by the Company of the entire equity interest of 10 companies and their respective subsidiaries which are involved in cement and ready-mixed concrete businesses in Malaysia, from its immediate holding company, YTL Cement Berhad on 21 September 2021.

A7. Dividend Paid

There was no dividend payment during the financial year ended 30 June 2022.

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 for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- cement
- aggregates and concrete

Included in Cement Segment of the Group are operating divisions of other building materials and other operations.

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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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
External revenue	2,051,559	1,117,152	653,713	252,356			2,705,272	1,369,508
Inter-segment revenue	254,993	23,173	-	-	(254,993)	(23,173)	-	-
Total revenue	2,306,552	1,140,325	653,713	252,356	(254,993)	(23,173)	2,705,272	1,369,508
Segment results								
Profit/(loss) from operations	235,594	46,765	(1,720)	(17,247)			233,874	29,518
Finance costs							(143,285)	(39,312)
Share of results in joint venture							38,632	17,996
Profit before tax							129,221	8,202
Finance costs							143,285	39,312
Depreciation and amortisation							238,907	155,763
EBITDA							511,413	203,277

INTERIM FINANCIAL REPORT

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

(a) On 21 September 2021, the Company completed the acquisition of the entire equity interest of 10 companies and their respective subsidiaries which are involved in cement and ready-mixed concrete businesses in Malaysia from its immediate holding company, YTL Cement Berhad for a total consideration of RM5,159 million (“the Acquisition”) which was satisfied in the following manner:

- (i) RM2,001 million in cash, and
- (ii) RM3,158 million through the issuance of new ordinary shares and new ICPS as detailed in note A6 above.

Accordingly, the 10 companies and their respective subsidiaries are now wholly-owned subsidiaries of the Company.

(b) Probuilders Centre Sdn Bhd (“Probuilders”) and Lafarge Concrete (East Malaysia) Sdn Bhd (“LCEM”), the indirect subsidiaries of the Company, which had been placed under member’s voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016 (“the Act”) on 28 February 2019, held the final meeting on 31 December 2021 respectively. Following the lodgement of a return of the holding of the final meeting pursuant to Section 459 of the Act, Probuilders and LCEM were officially dissolved on 5 April 2022 and ceased to be the indirect subsidiaries of the Company.

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
	30.06.2022
	RM’000
In respect of capital expenditure:	
Approved and contracted for	<u>27,440</u>

INTERIM FINANCIAL REPORT

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

B1. Review of Group's Performance

	Individual Quarter		Variance	Cumulative Quarter		Variance
	30.06.2022	30.06.2021	%	30.06.2022	30.06.2021	%
	RM'000	RM'000	+/-	RM'000	RM'000	+/-
Revenue	804,763	276,333	191%	2,705,272	1,369,508	98%
Profit before tax	55,606	9,280	499%	129,221	8,202	1,475%

The Group recorded a revenue of RM804.8 million for the current quarter under review as compared to RM276.3 million recorded in the preceding year corresponding quarter. The significant increase was mainly contributed by the consolidation of revenue of the companies purchased under the Acquisition as well as the lower revenue recorded in the preceding year corresponding quarter caused by the disruption to construction activities resulting from the nationwide total lockdown in the said quarter.

The Group's profit before tax for the current quarter, which increased to RM55.6 million from RM9.3 million in the preceding year corresponding quarter, is substantially contributed by the companies purchased under the Acquisition.

For the current financial year under review, the Group recorded a revenue of RM2.7 billion as compared to RM1.4 billion recorded in the preceding year, due mainly to the impact of the Acquisition. Combined with the results of the companies purchased under the Acquisition, the Group recorded a profit before tax of RM129.2 million for the current financial year under review as compared to a profit of RM8.2 million in the preceding year.

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INTERIM FINANCIAL REPORT

Notes – Continued

B2. Comparison with Preceding Quarter

	Current Quarter 30.06.2022 RM'000	Preceding Quarter 31.03.2022 RM'000	Variance % +/-
Revenue	804,763	794,887	1%
Profit before tax	55,606	26,542	110%
Profit after tax	33,795	17,855	89%

Although the Group's revenue of RM804.8 million recorded for the current quarter increased only marginally compared to the preceding quarter of RM794.9 million, the Group's profit before tax of RM55.6 million increased by 110% from RM26.5 million in the preceding quarter. This was contributed mainly by improvement in cement selling price to mitigate higher fuel costs, lower repairs and maintenance expense and a write-back of impairment loss on trade receivables during the current quarter.

B3. Audit Report of the Preceding Financial Year Ended 30 June 2021

The Auditors' Reports on the financial statements for the financial year ended 30 June 2021 did not contain any qualification.

B4. Prospects

Malaysia's economy is expected to continue to strengthen as the country transitions into the endemic phase of COVID-19. In line with the increased domestic economic activities, the construction sector is also on the path to recovery on the back of the revival and acceleration of major infrastructure projects and affordable housing projects. The positive outlook of the construction sector may, however be impacted by higher input prices, rising logistics costs, labour shortages, potential continuous hikes in interest rate and geopolitical uncertainties which may have a knock-on effect on cement demand.

Notwithstanding the uncertainties mentioned above, the Acquisition continues to bolster profitability and value enhancement. The effectiveness and efficiency of the Group's cement operations and ability to deliver seamless solutions to customers will be optimised, boding well for the positive growth and outlook of the Group and the industry going forward.

B5. Profit Forecast

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

INTERIM FINANCIAL REPORT

Notes – Continued

B6. Profit for the financial period/year

	Current Quarter 30.06.2022 RM'000	Period To Date 30.06.2022 RM'000
Profit for the financial period/year is arrived after charging:		
Amortisation of other intangible assets	531	2,130
Depreciation of:		
- investment property	-	3
- property, plant and equipment	60,215	214,785
- right-of-use assets	7,107	21,989
Impairment loss on trade receivables	340	482
Loss on disposal of property, plant and equipment	-	215
Loss on foreign exchange		
- realised	820	3,018
- unrealised	-	578
Loss on reassessment and modification of leases	55	55
Property, plant and equipment written off	268	305
Provision for inventory obsolescence	-	331
Provision for retirement benefits	230	921
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and after crediting:		
Dividend income	94	274
Gain on termination of leases	22	27
Gain on reassessment and modification of leases	317	317
Gain on disposal of property, plant and equipment	425	2,757
Gain on foreign exchange		
- realised	1,626	2,113
- unrealised	690	3,515
Interest income	2,894	8,413
Hiring income	5,837	18,031
Rent concession	1,062	1,062
Rental income	171	1,258
Reversal of impairment loss on trade receivables	10,604	22,407
Reversal of provision for inventory obsolescence	1,417	128
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INTERIM FINANCIAL REPORT

Notes – Continued

B7. Taxation

Taxation comprise the following:

	Current Quarter 30.06.2022 RM'000	Period To Date 30.06.2022 RM'000
Tax expense/(credit) in respect of current financial quarter/year:		
- Income tax	25,180	52,414
- Deferred tax	(3,369)	(5,278)
Total tax expense	<u>21,811</u>	<u>47,136</u>

The effective tax rate for the current quarter and financial year ended 30 June 2022 was higher than the Malaysian statutory tax rate of 24% mainly due to the non-deductibility of certain expenses.

B8. Status of Corporate Proposals Announced

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

B9. Group Borrowings

The Group borrowings as at 30 June 2022 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Current			
Revolving credit	-	582,500	582,500
Term Loans	266,114	-	266,114
Bonds	-	280,000	280,000
	<u>266,114</u>	<u>862,500</u>	<u>1,128,614</u>
Non-current			
Term Loans	2,451,569	-	2,451,569
Bonds	-	219,957	219,957
	<u>2,451,569</u>	<u>219,957</u>	<u>2,671,526</u>
Total Group Borrowings	<u>2,717,683</u>	<u>1,082,457</u>	<u>3,800,140</u>

All borrowings are denominated in Ringgit Malaysia.

INTERIM FINANCIAL REPORT

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 2022				
Assets				
Financial assets at fair value through other comprehensive income	487	-	3,525	4,012

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 quarter.

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INTERIM FINANCIAL REPORT

Notes – Continued

B13. Earnings per share

a) Basic earnings per share

The basic earnings per share of the Group has been computed by dividing the net profit attributable to owners of the parent for the financial quarter/year by the weighted average number of ordinary shares in issue during the financial quarter/year as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022	Preceding Year Corresponding Quarter 30.06.2021	12 Months Ended 30.06.2022 30.06.2021	
Profit attributable to owners of the parent (RM'000)	<u>34,131</u>	<u>9,889</u>	<u>83,545</u>	<u>7,310</u>
Weighted average number of ordinary shares ('000)	<u>1,310,202</u>	<u>878,029</u>	<u>1,224,813</u>	<u>856,779</u>
Basic earnings per share (sen)	<u>2.61</u>	<u>1.13</u>	<u>6.82</u>	<u>0.85</u>

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INTERIM FINANCIAL REPORT

Notes – Continued

B13. Earnings per share (continued)

b) Diluted earnings per share

The diluted earnings per share of the Group has been computed by dividing the net profit attributable to owners of the parent for the financial quarter/year by the adjusted weighted average number of ordinary shares in issue during the financial quarter/year as set out below:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2022	Preceding Year Corresponding Quarter 30.06.2021	12 Months Ended	
			30.06.2022	30.06.2021
Profit attributable to owners of the parent (RM'000)	34,131	-	83,545	-
Weighted average number of ordinary shares ('000)	1,310,202	-	1,224,813	-
Effect of conversion of ICPS to ordinary shares ('000)	466,667	-	360,548	-
Adjusted weighted average number of ordinary shares ('000) for the purpose of arriving at diluted earnings per share	1,776,869	-	1,585,361	-
Diluted earnings per share (sen)	1.92	-	5.27	-

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 25 August 2022