



ANEKA JARINGAN HOLDINGS BERHAD

(Registration No.: 201801030681 (1292707-D))

(Incorporated in Malaysia under the Companies Act 2016)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021

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ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021⁽¹⁾

| | UNAUDITED CURRENT YEAR QUARTER 31.08.21 RM'000 | UNAUDITED PRECEDING YEAR QUARTER ⁽²⁾ 31.08.20 RM'000 | UNAUDITED CURRENT YEAR TO DATE 31.08.21 RM'000 | AUDITED PRECEDING YEAR TO DATE 31.08.20 RM'000 |
|---|---|--|---|---|
| Revenue | 27,878 | N/A | 125,294 | 135,346 |
| Cost of sales | (39,023) | N/A | (123,085) | (115,164) |
| Gross (loss)/profit | (11,145) | N/A | 2,209 | 20,182 |
| Other income | 360 | N/A | 1,077 | 5,839 |
| Administrative expenses | (3,872) | N/A | (12,758) | (9,019) |
| Net Loss from impairment of financial instruments and contract assets | (9,027) | N/A | (9,027) | - |
| Operating (loss)/profit | (23,684) | N/A | (18,499) | 17,002 |
| Finance costs | (763) | N/A | (3,026) | (3,161) |
| (Loss)/Profit before taxation | (24,447) | N/A | (21,525) | 13,841 |
| Income tax expense | 176 | N/A | (1,105) | (3,037) |
| (Loss)/Profit after taxation | (24,271) | N/A | (22,630) | 10,804 |
| Other comprehensive (loss) / income, net of tax | | | | |
| <i>Item that may not be reclassified subsequently to profit or loss</i> | | | | |
| Remeasurement of defined benefit plan | 101 | N/A | 96 | (8) |
| <i>Item that may be reclassified subsequently to profit or loss</i> | | | | |
| Exchange differences on translation of foreign operations | (9) | N/A | 133 | (422) |
| Total comprehensive (loss)/income for the financial period | (24,179) | N/A | (22,401) | 10,374 |
| (LOSS)/PROFIT ATTRIBUTABLE TO:- | | | | |
| Owners of the Company | (22,121) | N/A | (21,186) | 10,043 |
| Non-controlling interests | (2,150) | N/A | (1,444) | 761 |
| | (24,271) | N/A | (22,630) | 10,804 |



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021⁽¹⁾ (CONT'D)

| | UNAUDITED CURRENT YEAR QUARTER 31.08.21 RM'000 | UNAUDITED PRECEDING YEAR QUARTER ⁽²⁾ 31.08.20 RM'000 | UNAUDITED CURRENT YEAR TO DATE 31.08.21 RM'000 | UNAUDITED PRECEDING YEAR TO DATE 31.08.20 RM'000 |
|--|---|--|---|---|
| TOTAL COMPREHENSIVE (LOSS)/INCOME ATTRIBUTABLE TO:- | | | | |
| Owners of the Company | (22,071) | N/A | (21,060) | 9,807 |
| Non-controlling interests | (2,108) | N/A | (1,341) | 567 |
| | <u>(24,179)</u> | <u>N/A</u> | <u>(22,401)</u> | <u>10,374</u> |
| (Loss)/Earnings per share attributable to owners of the Company:- | | | | |
| - Basic (Sen) | (4.26) ⁽³⁾ | N/A | (4.08) ⁽³⁾ | 2.52 |
| - Diluted (Sen) | (4.26) ⁽³⁾ | N/A | (4.08) ⁽³⁾ | 2.52 |

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding year's quarter as this is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").
- (3) The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 August 2021. The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have any convertible securities outstanding.

N/A Not applicable



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2021

(1)

| | Unaudited 31.08.21 RM'000 | Audited 31.08.20 RM'000 |
|---|--|--|
| ASSETS | | |
| Non-Current Assets | | |
| Property, plant and equipment | 64,361 | 54,922 |
| Investment properties | 5,096 | 4,647 |
| Investment in joint venture ⁽⁴⁾ | 370 | - |
| Trade and other receivables | 7 | 7 |
| Total non-current assets | 69,834 | 59,576 |
| Current Assets | | |
| Current tax assets | 4,076 | 1,790 |
| Trade and other receivables | 67,411 | 59,826 |
| Contract assets | 79,705 | 64,377 |
| Other current assets | 153 | 3,003 |
| Cash and short-term deposits | 17,518 | 15,889 |
| Total current assets | 168,863 | 144,885 |
| TOTAL ASSETS | 238,697 | 204,461 |
| EQUITY AND LIABILITIES | | |
| Equity Attributable to the Owners of the Company | | |
| Share capital | 123,618 | 79,642 |
| Reorganisation reserve | (76,342) | (76,342) |
| Exchange reserve | (148) | (221) |
| Retained earnings | 64,538 | 85,671 |
| Shareholders' fund | 111,666 | 88,750 |
| Non-controlling interests | 3,333 | 5,315 |
| TOTAL EQUITY | 114,999 | 94,065 |
| Non-Current Liabilities | | |
| Loans and borrowings | 31,680 | 26,326 |
| Employees benefits | 666 | 794 |
| Deferred tax liabilities | 1,848 | 1,470 |
| Total Non-Current Liabilities | 34,194 | 28,590 |
| Current Liabilities | | |
| Loans and borrowings | 37,878 | 40,758 |
| Current tax liabilities | 19 | 800 |
| Trade and other payables | 47,307 | 40,130 |
| Provisions | 4,300 | - |
| Contract liabilities | - | 118 |
| Total Current Liabilities | 89,504 | 81,806 |
| TOTAL LIABILITIES | 123,698 | 110,396 |
| TOTAL EQUITY AND LIABILITIES | 238,697 | 204,461 |



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 AUGUST 2021⁽¹⁾
(CONT'D)**

| | Unaudited 31.08.21 | Audited 31.08.20 |
|---|-------------------------------|-----------------------------|
| Number of issued shares ('000) | 538,100 ⁽²⁾ | 398,210 ⁽³⁾ |
| Net assets per ordinary share attributable to owners of the Company (Sen) | <u>20.75</u> | <u>22.29</u> |

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) Number of ordinary shares in the Company in issue upon listing of the Company on Bursa Securities on 20 October 2020, as further detailed in Note A7.
- (3) Number of ordinary shares in the Company in issue as at 31 August 2020.
- (4) This was reported as investment in associates in previous quarters.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR-TO-DATE ENDED 31 AUGUST 2021⁽¹⁾

| | <----- Non-Distributable -----> | | | Distributable | Attributable | Non- | Total Equity |
|---|---------------------------------|-------------------------------------|-------------------------------|--------------------------------|--|------------------------------------|----------------|
| | Share Capital RM'000 | Reorganisation Reserve RM'000 | Exchange Reserve RM'000 | Retained Earnings RM'000 | to Owners of the Company RM'000 | controlling interests RM'000 | RM'000 |
| Balance as at 1.9.20⁽²⁾ | 79,642 | (76,342) | (221) | 85,671 | 88,750 | 5,315 | 94,065 |
| Profit for the financial period | - | - | - | (21,186) | (21,186) | (1,444) | (22,630) |
| Other comprehensive income for the financial period | - | - | 73 | 53 | 126 | 103 | 229 |
| Total comprehensive income for the financial period | - | - | 73 | (21,133) | (21,060) | (1,341) | (22,401) |
| Transactions with owners:- | | | | | | | |
| - Issuance of ordinary shares of Company | 46,164 | - | - | - | 46,164 | - | 46,164 |
| - Share issue expenses | (2,188) | - | - | - | (2,188) | - | (2,188) |
| - Dividend paid | | | | | | (641) | (641) |
| Balance as at 31.08.21 | 123,618 | (76,342) | (148) | 64,538 | 111,666 | 3,333 | 114,999 |



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding year's quarter and year-to-date are available as this is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the Listing Requirements.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021⁽¹⁾

| | CURRENT YEAR TO DATE 31.08.21 RM'000 | PRECEDING YEAR TO DATE 31.08.20 RM'000 |
|---|---|---|
| CASH FLOWS (FOR) / FROM OPERATING ACTIVITIES | | |
| (Loss)/Profit before taxation | (21,525) | 13,841 |
| Adjustments for: | | |
| Amortisation / Depreciation of investment properties | 80 | 80 |
| Depreciation of property, plant and equipment | 18,735 | 16,175 |
| Gain on disposal of property, plant and equipment | (227) | (951) |
| Bad debts written off | - | 101 |
| Insurance claim | (19) | - |
| Interest income | (353) | (394) |
| Interest expenses | 3,026 | 3,161 |
| Impairment loss on trade receivables | 1,801 | (310) |
| Impairment loss on contract assets | 9,027 | - |
| Unrealised (gain) / loss on foreign exchange | (23) | 70 |
| Operating (loss)/profit before working capital changes | <u>10,522</u> | <u>31,773</u> |
| Changes in working capital | | |
| Trade and other receivables | (7,066) | 22,852 |
| Contract assets | (24,354) | 8,507 |
| Trade and other payables | 7,265 | (29,936) |
| Employee benefits | (32) | 77 |
| Provisions | 4,300 | (3,760) |
| Contract liabilities | (118) | (2,154) |
| CASH (FOR) / FROM OPERATIONS | <u>(9,483)</u> | <u>27,359</u> |
| Income tax paid | (3,795) | (4,829) |
| Interest received | 353 | 394 |
| Interest paid | (129) | (182) |
| NET CASH (FOR) / FROM OPERATING ACTIVITIES | <u>(13,054)</u> | <u>22,742</u> |
| CASH FLOWS FROM / (FOR) INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (28,120) | (1,336) |
| Proceeds from disposal of property, plant and equipment | 295 | 951 |
| Investment in a joint venture | (370) | - |
| Proceeds from insurance claim | 19 | - |
| Change in pledged deposits | 173 | 498 |
| NET CASH (FOR) / FROM INVESTING ACTIVITIES | <u>(28,003)</u> | <u>113</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Interest paid | (2,897) | (2,979) |
| Net change in term loans | (4,811) | (1,291) |
| Net change in finance lease liabilities | 5,985 | (14,794) |
| Net change in bankers acceptances | (4,786) | 3,303 |
| Net change in invoice financing | 2,415 | (266) |
| Net change in promissory notes | 192 | 285 |
| Net change in amount owing (by)/to directors | - | (215) |
| Dividends paid | (641) | - |
| Net proceeds from issuance of new shares | 43,976 | - |
| NET CASH FROM FINANCING ACTIVITIES | <u>39,433</u> | <u>(15,957)</u> |



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021⁽¹⁾ (CONT'D)

| | CURRENT YEAR TO DATE 31.08.21 RM'000 | PRECEDING YEAR TO DATE 31.08.20 RM'000 |
|---|---|---|
| NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS | (1,624) | 6,898 |
| EFFECT OF FOREIGN EXCHANGE TRANSLATION | (51) | 156 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD | 7,536 | 482 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD | <u>5,861</u> | <u>7,536</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES: | | |
| Cash and bank balances | 9,339 | 7,536 |
| Fixed deposits with licensed banks | 8,179 | 8,353 |
| | <u>17,518</u> | <u>15,889</u> |
| Less: Fixed deposits pledged to licensed banks | (8,179) | (8,353) |
| Bank overdrafts | (3,478) | - |
| | <u>5,861</u> | <u>7,536</u> |

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached to this interim financial report.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“**MFRS**”) 134, Interim Financial Reporting, International Financial Reporting Standards (“**IFRS**”) 34, Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”).

This is the fourth interim financial report on the Company’s unaudited condensed consolidated financial results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

This interim financial report should be read in conjunction with the Annual Financial Report for the year ended 31 August 2020 and the accompanying explanatory notes attached to this interim financial report.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those as disclosed in the Annual Financial Report for the year ended 31 August 2020. The Group has adopted those standards, amendments and interpretations that have become effective and such adoptions do not have material impact on the financial position and performance of the Group.

New MFRS, amendments/improvements to MFRSs and new IC Interpretation (“**IC Int**”) adopted during the financial year.

Amendments/Improvements to MFRSs

| | |
|----------|--|
| MFRS 3 | Business Combinations |
| MFRS 9 | Financial Instruments |
| MFRS 11 | Joint Arrangements |
| MFRS 112 | Income Taxes |
| MFRS 119 | Employee Benefits |
| MFRS 123 | Borrowing Costs |
| MFRS 128 | Investments in Associates and Joint Ventures |

New IC Int

| | |
|-----------|--|
| IC Int 23 | Uncertainty over Income Tax Treatments |
|-----------|--|



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONT'D)

A2. Changes in Accounting Policies (cont'd)

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year ending 31 August 2021-

Standards issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

Effective for financial periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts

Effective date yet to be determined by the Malaysian Accounting Standards Board

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have a material impact on the financial statements of the Group upon their initial application.

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 August 2020.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the current financial quarter under review were not materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The Group wrote down a total of RM9.03 million in contract assets during the current quarter upon the receipts of the final accounts for 8 projects completed in prior years and 1 project completed in the current financial year. The final accounts were received in the current and subsequent quarter and the write downs were due to the differences in the final measurements by the customers' consultants versus the claims by the Group against the customers except for RM0.09 million discount given to one customer for good will purpose. These write downs amounted to 2.22% of the total contract sum of projects undertaken.

A one-off charge of RM4.30 million was also provided for defect liability claims by one of our customers which we are in the process of preparing the settlement agreement.

A6. Changes in Estimates

There were no material changes in estimates for the current financial quarter under review.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONT'D)

A7. Debt and Equity Securities

The Company undertook and completed an issuance of 139,890,000 new ordinary shares and upon the successful listing of the shares of the Company on Bursa Securities on 20 October 2020, the details of the issued share capital of the Company as at 31 August 2021 are as follows:-

| | Amount RM | Number of shares |
|---|----------------------|-----------------------------|
| Issued share capital | | |
| At 31 August 2020 | 79,642,000 | 398,210,000 |
| Issue of ordinary shares of the Company | 46,163,700 | 139,890,000 |
| Share issue expenses | (2,187,750) | - |
| At 31 August 2021 | <u>123,617,950</u> | <u>538,100,000</u> |

A8. Dividends Paid

There was no dividend paid by the Company during the current financial quarter under review.

A9. Segmental Reporting

The Group's operating segments information are as follows:-

| Current year quarter ended 31 August 2021 | Construction RM'000 | Rental of Equipment RM'000 | Adjustment and Elimination RM'000 | Total RM'000 |
|--|--------------------------------|---|--|-------------------------|
| Revenue | | | | |
| External revenue | 27,878 | - | - | 27,878 |
| Inter-segment revenue | - | 1,956 | (1,956) | - |
| | <u>27,878</u> | <u>1,956</u> | <u>(1,956)</u> | <u>27,878</u> |
| Results | | | | |
| Other income | | | | 306 |
| Interest income | | | | 54 |
| Finance costs | | | | (763) |
| Net loss on impairment of contract assets | | | | (9,027) |
| Unallocated expenses | | | | <u>(42,895)</u> |
| Consolidated loss before taxation | | | | (24,447) |
| Income tax | | | | <u>176</u> |
| Consolidated loss after taxation | | | | <u>(24,271)</u> |



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONT'D)

A9. Segmental Reporting (Cont'd)

| Current year-to-date ended 31 August 2021 | Construction RM'000 | Rental of Equipment RM'000 | Adjustment and Elimination RM'000 | Total RM'000 |
|--|--------------------------------|---|--|-------------------------|
| Revenue | | | | |
| External revenue | 125,294 | - | - | 125,294 |
| Inter-segment revenue | - | 21,284 | (21,284) | - |
| | <u>125,294</u> | <u>21,284</u> | <u>(21,284)</u> | <u>125,294</u> |
| Results | | | | |
| Other income | | | | 724 |
| Interest income | | | | 353 |
| Finance costs | | | | (3,026) |
| Net loss on impairment of contract assets | | | | (9,027) |
| Unallocated expenses | | | | <u>(135,843)</u> |
| Consolidated loss before taxation | | | | (21,525) |
| Income tax expense | | | | <u>(1,105)</u> |
| Consolidated loss after taxation | | | | <u>(22,630)</u> |

There are no comparative figures for the preceding year's quarter is available as this is the fourth interim financial report for the fourth quarter ended 31 August 2021 announced in compliance with the Listing Requirements.

A10. Significant Events Subsequent to the End of the Interim Financial Period

There were no significant events subsequent to the end of the current financial quarter up to the date of this report that have not been reflected in this interim financial report.

A11. Changes in the Composition of the Group

Save for the increase in new shares arising from listing of the new shares of the Company on Bursa Securities as disclosed under Note A7 above, there were no changes in the composition of the Group for the current financial quarter under review.

A12. Fair Value of Financial Instruments

There were no gain or losses arising from fair value changes for all financial assets and liabilities for the current financial quarter under review.

A13. Capital Commitments

| | As at 31.08.2021 RM'000 | As at 31.08.2020 RM'000 |
|---|------------------------------------|------------------------------------|
| Approved but not contracted for:- | | |
| - Construction machinery and equipment for Malaysia operations | 4,500 | N/A |
| - Construction machinery and equipment for Indonesia operations | 12,103 | N/A |
| - Investment properties | 1,600 | N/A |



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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 AUGUST 2021 (CONT'D)

| | As at 31.08.2021 RM'000 | As at 31.08.2020 RM'000 |
|---|------------------------------------|------------------------------------|
| Approved and contracted for:- | | |
| - Purchase of property, plant and equipment | 660 | N/A |
| - Purchase of investment properties | 1,619 | N/A |

No comparative figures for the preceding year's corresponding period is available as this is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the Listing Requirements.

A14. Contingent Assets and Contingent Liabilities

The Group has no contingent assets as at the date of this report. Contingent liabilities of the Group as at 31 August 2021 are as follows:-

| | As at 31.08.2021 RM'000 |
|---|------------------------------------|
| Secured | |
| Bank guarantees for performance bonds and tender bonds of various construction projects | 11,413 |

A15. Related Party Transactions

Listed below are the significant transactions with related parties of the Group during the current financial period under review:-

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|-------------------------------------|---|-------------------------------------|---------------------------------------|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR TO DATE |
| | 31.08.21 RM'000 | 31.08.20 RM'000 | 31.08.21 RM'000 | 31.08.20 RM'000 |
| Purchase of consumables | 304 | N/A | 1,076 | 840 |
| Purchase of mechanical and electrical works | - | N/A | 105 | 6 |

There are no comparative figures for the preceding year's quarter is available as this is the fourth interim financial report for the fourth quarter ended 31 August 2021 announced in compliance with the Listing Requirements.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

For the fourth quarter ended 31 August 2021 (4Q21)

The Group managed to achieve a net revenue of only RM27.88 million mainly after a reversal of RM2.65 million in revenue arising from over recognition in earlier quarters and upon the reduction in scopes of work for 7 projects that were confirmed as completed. There was also a reversal of RM3.12 million in over-recognised revenue which arises from the revision of budgeted costs for ongoing projects during the current year mainly to factor in potential cost arising from operating under the pandemic situation. In addition, during the FMCO period which started from June 2021, only 2 of 9 ongoing project sites were allowed to operate at 60% capacity and 3 sites started operations after 4 July 2021 whereas the rest of the 4 sites restarted their operations after 15 July 2021. This has resulted in slower progress of our projects, which in turn affected revenue generation.

In terms of cost of goods sold, the Group has to provide for additional costs of RM0.40 million due to the extension of the existing ongoing projects in line with the shutdown implemented by the government. The Group also incurred additional costs due to the increase in prices of steel and diesel of RM1.81 million (24.13% increase in case of steel) due to these extensions. Depreciation charge on machinery increased with the acquisition of new machinery also contributed to the higher cost of goods sold. A defect liability claim of RM4.30 million on a project was also provided for in the current quarter which we are in process of preparing the settlement agreement.

The Group recorded a gross loss of RM11.15 million after taking into consideration of the lower revenue due to the reduction in work scopes and shorter work duration arising from the shutdown coupled with the higher provision for additional costs, higher material costs primarily steel and the defect liability claim.

In terms of administrative expenses, a provision of RM1.83 million for impairment were taken up mainly for 3 customers for long outstanding trade debts. Legal action has also been instituted against one of them for the recovery of RM0.37 million whilst the group will proceed with filing of claims for the rest.

The Group received the final accounts in the current quarter as well as in subsequent quarter for 8 of the projects that have been completed in prior years and 1 project that is completed in the current financial year. A difference of RM9.03 million which arise from the differences in final measurements in quantities by our customers' consultants versus our claims except for a discount of RM0.09 million due to goodwill was noted and immediately written down as impairment to contract assets.

The Group ended the quarter with a loss of RM24.27 million after recording finance expenses of RM0.76 million and positive tax of RM0.18 million.

For the year to date ended 31 August 2021

For the full financial year ended 31 August 2021, the Group achieved a total revenue of RM125.29 million and a gross profit of only RM2.21 million. This is mainly due to additional costs incurred and provided due to the extension of the completion of the ongoing projects due to FMCO, EMCO and MCO. The Group also suffered an impact of RM3.39 million in additional charge due to increase in steel prices as well as additional depreciation of RM2.56 million due to purchase of new machinery during the year. The contribution from our Indonesian operations reduced from 8.28% a year ago to 6.99% for this year. A defect liability claim from one of our customers also added to the cost of goods sold resulting in a lower gross margin of only 1.76%.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

Other income totalled RM1.08 million are from interest received on fixed deposit placements, rental from investment properties and a gain on disposal of RM0.23 million on machinery and motor vehicle. The total administrative expenses for the year were RM12.76 million, out of which RM2.15 million was for IPO expenses and RM1.80 million was for net impairment of trade receivables. As explained in the commentary for the 4Q21 above, RM9.03 million of contract assets was written down upon the receipt of the final accounts from various customers during the financial year. The Group reported a loss of RM22.63 million after providing for RM1.11 million in tax. The tax liabilities arise from the operations of PT Aneka Jaringan Indonesia and Aneka Geotechnics Sdn Bhd.

B2. Comparison with Immediate Preceding Quarter Results

| | Current Quarter | Preceding Quarter | Changes |
|----------------------------|-----------------|-------------------|----------|
| | 31 Aug 21 | 31 May 21 | |
| | RM'000 | RM'000 | |
| Revenue | 27,878 | 35,972 | (8,094) |
| Gross (Loss) / Profit | (11,145) | 3,364 | (14,509) |
| (Loss) / Profit before tax | (24,447) | 413 | (24,860) |
| (Loss) / Profit after tax | (24,271) | 76 | (24,347) |

The Group's revenue dropped by RM8.09 million from preceding quarter due to the shutdown in June and July 2021 as well reversal of revenue due to over recognition and in scope of works in some of the projects that have been completed. Write down of revenue also were done for projects that were subjected to extension and thereby has their budget costs revised. Gross profit for the current quarter was affected by the additional costs provided due to the extension of time for the completion of existing projects, increase in material costs and also a defect liability claim which we are providing for in the current quarter. Profit before tax reduced by RM24.86 million mainly from the gross loss for current quarter and compounded by the impairment of trade receivables which we deemed as uncollectable and the impairment of contract assets which arise from the measurement differences between the final accounts from our customers and our claims against our customers. These final accounts from our customers were received during the current quarter as well as after the end of the quarter.

B3. Prospects

The Group is of the opinion that the prospects in the construction sector will improve in view that the government target of achieving 90% vaccinations of the adult populations has been surpassed and the national recovery plan to open the economy has been put in place. However, with the progressive resumption of the business activities, the Group remains committed to the strict SOPs which will be the new normal moving forward and the Management shall remain vigilant and prudent in managing the Group's business operations.

B4. Profit Forecast

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



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B5. Income Tax Expense

The breakdown of income tax expense⁽¹⁾ are as follows:-

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|------------------------|--------------------------|---|--------------------------|---------------------------------------|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER ⁽²⁾ | CURRENT YEAR-TO-DATE | PRECEDING YEAR-TO-DATE ⁽²⁾ |
| | 31.08.21 RM'000 | 31.08.20 RM'000 | 31.08.21 RM'000 | 31.08.20 RM'000 |
| Current tax expenses | (554) | N/A | 727 | 3,386 |
| Deferred tax expenses | 378 | N/A | 378 | (349) |
| | <u>(176)</u> | <u>N/A</u> | <u>1,105</u> | <u>3,037</u> |
| Effective tax rate (%) | <u>N/A⁽³⁾</u> | <u>N/A</u> | <u>N/A⁽³⁾</u> | <u>21.94%</u> |

Notes:

- (1) Income tax expense is recognised based on management's best estimate.
- (2) No comparative figures for the preceding year's quarter is available as this is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the Listing Requirements.
- (3) Not applicable due to loss before taxation.

B6. Status of Corporate Proposals

There were no corporate proposals announced as at the date of this report.

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ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Use of Proceeds Raised from IPO

The Company completed its IPO exercise on 20 October 2020, which raised gross proceeds of RM46.16 million. The proceeds raised from the IPO are proposed to be utilised as follows:-

| No. | Purpose | Proposed utilisation | | Revised utilisation | Actual utilisation as at 31 August 2021 | Balance to be utilised | Intended timeframe for utilisation (from the listing date 20 October 2020) |
|--------------|--|----------------------|---------------|---------------------|---|------------------------|--|
| | | RM'000 | % | | | | |
| 1. | Purchase of new rotary drilling rigs and crawler crane | 17,300 | 37.48 | 20,040 | 15,540 | 4,500 | Within 36 months |
| 2. | Repayment of borrowings | 24,264 | 52.56 | 21,064 | 21,064 | - | |
| 3. | Estimated listing expenses | 4,600 | 9.96 | 4,600 | 4,600 | - | |
| 4. | Working capital | - | 0.00 | 460 | 460 | - | |
| Total | | 46,164 | 100.00 | 46,164 | 41,664 | 4,500 | |

The use of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 1 October 2020.

During the current financial quarter under review, the Company had, on 24 March 2021, announced the variation of utilisation of proceeds raised from the IPO. Please refer to the Company's announcement dated 24 March 2021 for further details.



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 August 2021 are as follows:-

| | < ----- As at 31.08.21 ----- > | | |
|--------------------------------|---------------------------------------|--------------------------------------|-----------------|
| | Payable within 12 months RM'000 | Payable after 12 months RM'000 | Total RM'000 |
| Denominated in: RM | | | |
| - Term Loan | 244 | 3,989 | 4,233 |
| - Hire Purchase ^(*) | 9,240 | 27,691 | 36,931 |
| - Trade Facilities | 28,394 | - | 28,394 |
| Total | 37,878 | 31,680 | 69,558 |

All the borrowings are secured.

* Included IDR7,643 million (RM2.21 million at exchange rate 0.000289)

B9. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation.

B10. Dividend

No dividend has been declared or recommended for payment by the Company during the current financial quarter under review.

B11. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and year-to-date are computed as follows:-

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|----------------------------|--|-----------------------------|--|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER ⁽¹⁾ | CURRENT YEAR-TO- DATE | PRECEDING YEAR-TO- DATE ⁽¹⁾ |
| | 31.08.21 | 31.08.20 | 31.08.21 | 31.08.20 |
| Profit after taxation attributable to owners of the Company (RM'000) | (22,120) | N/A | (21,186) | 10,043 |
| Weighted average number of shares in issue ('000) | 518,937 | N/A | 518,937 | 398,210 |
| Basic and diluted earnings per share (sen) | (4.26) | N/A | (4.08) | 2.52 |



ANEKA JARINGAN HOLDINGS BERHAD (REGISTRATION NO.: 201801030681 (1292707-D))

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

Notes:

- (1) No comparative figures for the preceding year's quarter is available as this is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the Listing Requirements.
- (2) The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 August 2021. The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have any convertible securities outstanding.

B12. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Profit before taxation is arrived at after charging / (crediting):-

| | INDIVIDUAL QUARTER CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CUMULATIVE QUARTER CURRENT YEAR-TO- DATE | PRECEDING YEAR-TO- DATE |
|--|--|---|---|--|
| | 31.08.21 RM'000 | 31.08.20 RM'000 | 31.08.21 RM'000 | 31.08.20 RM'000 |
| Interest Income | (54) | N/A | (353) | (394) |
| Interest Expense | 763 | N/A | 3,026 | 3,161 |
| Impairment loss on trade receivables | 1,830 | N/A | 1,801 | (310) |
| Impairment loss on contract assets | 9,027 | - | 9,027 | - |
| Amortisation / Depreciation of investment properties | 20 | N/A | 80 | 80 |
| Amortisation / depreciation of property, plant & equipment | 5,244 | N/A | 18,735 | 16,175 |

No comparative figures for the preceding year's quarter is available as this is the fourth interim financial report on the consolidated results for the fourth quarter ended 31 August 2021 announced by the Company in compliance with the Listing Requirements.

BY ORDER OF THE BOARD

Date: 29 October 2021