

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Individual Quarter (2nd quarter)		Changes %	Cumulative Quarter		Changes %
	Current quarter ended 30.06.2021 RM'000	Corresponding quarter ended 30.06.2020 RM'000		Current period-to-date ended 30.06.2021 RM'000 (UNAUDITED)	Corresponding period-to-date ended 30.06.2020 RM'000 (AUDITED)	
1 Revenue	189,890	128,104	48.2%	458,563	339,939	34.9%
2 Cost of sales	(161,074)	(111,311)	44.7%	(387,748)	(280,593)	38.2%
3 Gross profit	28,816	16,793	71.6%	70,815	59,346	19.3%
4 Other income	1,815	2,451	-25.9%	7,143	5,892	21.2%
5 Administrative expenses	(6,908)	(6,108)	13.1%	(14,135)	(15,356)	-8.0%
5A Other operating expenses	(127)	(2,581)	-95.1%	(3,792)	(5,697)	-33.4%
6 Profit from operations	23,596	10,555	123.6%	60,031	44,185	35.9%
7 Finance cost	(341)	(240)	42.1%	(553)	(524)	5.5%
8 Profit before tax	23,255	10,315	125.4%	59,478	43,661	36.2%
9 Taxation	(7,403)	(257)	2780.5%	(17,249)	(11,268)	53.1%
10 Profit after tax ("PAT") for the period	15,852	10,058	57.6%	42,229	32,393	30.4%
<b>Attributable to :</b>						
Owners of the Company	16,003	10,062	59.0%	42,388	32,389	30.9%
Non-controlling Interests ("NCI")	(151)	(4)	3675.0%	(159)	4	-4075.0%
	15,852	10,058	57.6%	42,229	32,393	30.4%
11 Profit per share attributable to owners of the Company:						
(i) Basic earnings per ordinary share ("EPS")(sen)*	1.29	0.82		3.43	2.63	
(ii) Diluted earnings per ordinary share (sen)*	1.14	0.72		3.01	2.32	

\* Basic earnings per share for the quarter and cumulative financial period is calculated based on the profit for the period divided by the weighted average number of ordinary shares in issue for the quarter and financial period respectively. Diluted earnings per share for the current financial period is calculated by dividing the profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares. Please refer to Note B11 for further details.

**(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Report)**

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.06.2021 RM'000	Corresponding quarter ended 30.06.2020 RM'000	Current period-to-date ended 30.06.2021 RM'000 (UNAUDITED)	Corresponding period-to-date ended 30.06.2020 RM'000 (AUDITED)
1 PAT for the period	15,852	10,058	42,229	32,393
2 Other Comprehensive Expense:				
- Foreign currency translation differences	273	(58)	232	(99)
3 Total comprehensive income for the period	<u>16,125</u>	<u>10,000</u>	<u>42,461</u>	<u>32,294</u>
<b>Attributable to :</b>				
Owners of the Company	16,276	10,004	42,620	32,290
Non-controlling Interests ("NCI")	(151)	(4)	(159)	4
	<u>16,125</u>	<u>10,000</u>	<u>42,461</u>	<u>32,294</u>

**(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Report)**

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at 30.06.2021 RM'000 (UNAUDITED)</b>	<b>As at 31.12.2020 RM'000 (AUDITED)</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	101,239	122,736
Right-Of-Use Assets	3,487	1,026
Investment Properties	1,677	1,689
Other Investments	2,746	13,727
Intangible Assets	356,155	356,169
Trade Receivables	214,706	200,492
	<b>680,010</b>	<b>695,839</b>
<b>Current Assets</b>		
Inventories	174,566	167,195
Trade and Other Receivables	323,216	349,630
Contract Assets	18,961	9,364
Tax Recoverables	435	554
Cash and Bank Balances	276,085	266,731
	<b>793,263</b>	<b>793,474</b>
<b>TOTAL ASSETS</b>	<b>1,473,273</b>	<b>1,489,313</b>

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)**

	<b>As at 30.06.2021 RM'000 (UNAUDITED)</b>	<b>As at 31.12.2020 RM'000 (AUDITED)</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Company</b>		
Share Capital	642,658	642,658
Treasury Shares	(5,031)	(4,996)
Other Reserves	899	667
Retained Profits	495,698	471,870
	1,134,224	1,110,199
<b>Non-controlling Interests</b>	824	111
<b>Total Equity</b>	1,135,048	1,110,310
<b>Non-Current Liabilities</b>		
Deferred Tax Liabilities	6,174	8,414
Trade and Other Payables	128,096	124,540
Lease Liabilities	1,043	993
	135,313	133,947
<b>Current Liabilities</b>		
Trade and Other Payables	82,285	121,346
Contract Liabilities	31,250	39,403
Lease Liabilities	30	30
Income Tax Payable	9,318	3,665
Short Term Borrowings	80,029	80,612
	202,912	245,056
<b>Total Liabilities</b>	338,225	379,003
	1,473,273	1,489,313
<b>TOTAL EQUITY AND LIABILITIES</b>	1,473,273	1,489,313
Net assets per share attributable to owners of the Company (RM)	0.92	0.90
No. of ordinary shares (in thousand)	1,237,372	1,237,402

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Report)**

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to Equity Holders of the Company			Non Controlling Interests RM'000	Total Equity RM'000	
	<----- Non-Distributable ----->		Distributable			
	Share Capital RM'000	Other Reserves RM'000	Treasury Shares RM'000			Retained Profits RM'000
<b>6 MONTHS PERIOD ENDED 30 JUNE 2021</b>						
Balance as at 1 January 2021	642,658	667	(4,996)	471,870	111	1,110,310
Total Comprehensive Income for the period	-	232	-	23,828	(159)	23,901
Accretion of interest in a subsidiary	-	-	-	-	872	872
Shares repurchased	-	-	(35)	-	-	(35)
Balance as at 30 June 2021	642,658	899	(5,031)	495,698	824	1,135,048
<b>6 MONTHS PERIOD ENDED 30 JUNE 2020</b>						
Balance as at 1 January 2020	642,658	686	(10,893)	438,502	2,081	1,073,034
Total Comprehensive Income for the period	-	(99)	-	32,389	4	32,294
Shares repurchased	-	-	(6,063)	-	-	(6,063)
Balance as at 30 June 2020	642,658	587	(16,956)	470,891	2,085	1,099,265

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Report)**

**UNAUDITED 2ND QUARTER REPORT ON CONSOLIDATED RESULTS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current period-to-date ended 30.06.2021 RM'000 (UNAUDITED)</b>	<b>Corresponding period-to-date ended 30.06.2020 RM'000 (AUDITED)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	59,478	43,661
Adjustment for :		
Amortisation and depreciation	17,896	18,685
Non-cash items	2,310	1,970
Operating Profit Before Working Capital Changes	79,684	64,316
Changes in working capital :		
Net change in operating assets	4,022	28
Net change in operating liabilities	(44,021)	(44,412)
Net Cash Generated from Operations	39,685	19,932
Interest received	2,592	3,656
Interest paid	(533)	(478)
Income tax paid	(13,716)	(7,654)
Net Cash Generated From Operating Activities	28,028	15,456
<b>CASH FLOW USED IN INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipments	(15,435)	(14,971)
Acquisition of quoted shares	-	(223)
Acquisition of subsidiaries, net of cash acquired	855	-
Acquisition of other investment	(150)	-
Dividend received	-	223
Proceeds from disposal of property, plant and equipments	5,013	-
Proceeds from disposal of quoted shares	10,274	-
Net Cash Generated From/(Used In) Investing Activities	557	(14,971)
<b>CASH FLOW USED IN FINANCING ACTIVITIES</b>		
Lease payment	(340)	(748)
Purchase of treasury shares	(35)	(6,063)
Dividend paid during the period	(18,561)	(18,493)
Net Cash Used In Financing Activities	(18,936)	(25,304)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	9,649	(24,819)
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	288	(377)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	186,119	210,087
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	196,056	184,891
	<b>30.06.2021</b>	<b>30.06.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD CONSIST OF:</b>		
Cash and Bank Balances	118,021	27,598
Fixed Deposits and investment funds	158,064	180,302
Less: Short term borrowing	(80,029)	(23,009)
	196,056	184,891

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2020 and the accompanying explanatory notes attached to the Interim Financial Report)**

## **NOTES TO THE REPORTS**

### **EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING**

#### **A1. Corporate Information**

Kerjaya Prospek Group Berhad is a public limited company incorporated and domiciled in Malaysia, and is listed on the Bursa Malaysia Securities Berhad. The registered office is located at No. 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor. The principal place of business is located at No.1, 2nd Floor, Bangunan One Wangsa, Jalan Wangsa Permai, Taman Wangsa Permai, 52200 Kuala Lumpur.

#### **A2. Malaysian Financial Reporting Standards ("MFRS")**

##### **A2.1 Basis of Preparations**

The interim financial reports of the Group are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysia Accounting Standard Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial reports should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020.

##### **A2.2 Significant Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this quarterly financial report are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2020, except for the adoption of the following new standards, amendments to the standards and interpretations effective during the current financial period:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform

The adoption of the above standards and interpretation did not have any material effect on the financial performance or position of the Group.

The new and revised standards and amendments issued but not yet effective during the current financial period and not early adopted by the Group/Company are as listed below:

- Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020) (effective for accounting periods beginning on or after 1 January 2022)
- Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework (effective for accounting periods beginning on or after 1 January 2022)
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020) (effective for accounting periods beginning on or after 1 January 2022)
- Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use (effective for accounting periods beginning on or after 1 January 2022)

## **A2. Malaysian Financial Reporting Standards ("MFRS") (Cont'd)**

### **A2.2 Significant Accounting Policies (Cont'd)**

The new and revised standards and amendments issued but not yet effective during the current financial period and not early adopted by the Group/Company are as listed below: (cont'd)

- Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets - Onerous Contract-Cost of Fulfilling a Contract (effective for accounting periods beginning on or after 1 January 2022)
- Amendments to MFRS 101: Classification of Liabilities as Current or Non-current (effective for accounting periods beginning on or after 1 January 2023)
- MFRS 17 Insurance Contracts (effective for accounting periods beginning on or after 1 January 2023)
- Amendments to MFRS 101: Presentation of Financial Statements - Disclosure of Accounting policies (effective for accounting periods beginning on or after 1 January 2023)
- Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates (effective for accounting periods beginning on or after 1 January 2023)
- Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred)

The Group is expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective. The initial application of the abovementioned pronouncements are not expected to have any material impact to financial statements of the Group.

## **A3. Audit Report**

The audited financial statements for the preceding financial year ended 31 December 2020 were not subject to any qualification.

## **A4. Seasonal or Cyclical Factors**

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

## **A5. Unusual Items**

There were no unusual items in the current quarter under review that affecting the assets, liabilities, equity, net income or cashflows of the Group.

## **A6. Changes in Estimates**

There were no significant changes in estimates that have a material effect to the current quarter under review.

## **A7. Debt and Equity Securities**

During the current quarter, there was no share repurchased. The shares repurchased are being held as treasury shares in accordance with the requirement of section 127 of the Companies Act 2016. As at 30 June 2021, 4,596,766 units ordinary shares have been repurchased for RM5.0 million including transaction costs.

Other than the above, there were no issuance, cancellations, resale and repayment of debt and equity securities for the Group during the current quarter and financial period under review.



**NOTES TO THE FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**A8. Dividends Paid**

On 26 November 2020, the Board of Directors has approved an interim dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2020. The approved interim dividend represents approximately 20.45% of profit after tax for financial year ended 31 December 2020. The total amount of RM18.56 million was paid on 6 January 2021.

On 19 April 2021, the Board of Directors, pursuant to the Company's Constitution, recommended a final cash dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2020 which was approved by the shareholders at the Annual General Meeting on 27 May 2021. The total cash dividend amounted to RM18.56 million was paid on 7 July 2021.

**A9. Segmental Information**

**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

	<b>Construction</b>	<b>Manufacturing</b>	<b>Property</b>	<b>Investment</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>Development</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
			<b>(RM'000)</b>				
External Revenue	457,311	286	966	-	-	-	458,563
Inter Group Revenue	46,639	1,646	-	-	-	(48,285)	-
	<u>503,950</u>	<u>1,932</u>	<u>966</u>	<u>-</u>	<u>-</u>	<u>(48,285)</u>	<u>458,563</u>

**RESULTS**

Segmental Results	<u>40,325</u>	<u>29</u>	<u>385</u>	<u>3,813</u>	<u>29</u>	<u>(2,193)</u>	<u>42,388</u>
-------------------	---------------	-----------	------------	--------------	-----------	----------------	---------------

**OTHER INFORMATION**

Segmental Assets	<u>924,949</u>	<u>51,541</u>	<u>135,504</u>	<u>701,479</u>	<u>9,774</u>	<u>(349,974)</u>	<u>1,473,273</u>
Segmental Liabilities	<u>415,828</u>	<u>21,212</u>	<u>115,247</u>	<u>36,439</u>	<u>38,637</u>	<u>(289,138)</u>	<u>338,225</u>

**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

	<b>Construction</b>	<b>Manufacturing</b>	<b>Property</b>	<b>Investment</b>	<b>Others</b>	<b>Elimination</b>	<b>Total</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>Development</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
			<b>(RM'000)</b>				
External Revenue	339,000	198	741	-	-	-	339,939
Inter Group Revenue	9,365	1,548	-	-	-	(10,913)	-
	<u>348,365</u>	<u>1,746</u>	<u>741</u>	<u>-</u>	<u>-</u>	<u>(10,913)</u>	<u>339,939</u>

**RESULTS**

Segmental Results	<u>30,413</u>	<u>1</u>	<u>101</u>	<u>709</u>	<u>140</u>	<u>1,025</u>	<u>32,389</u>
-------------------	---------------	----------	------------	------------	------------	--------------	---------------

**OTHER INFORMATION**

Segmental Assets	<u>832,099</u>	<u>72,890</u>	<u>134,429</u>	<u>718,673</u>	<u>13,999</u>	<u>(381,028)</u>	<u>1,391,062</u>
Segmental Liabilities	<u>388,632</u>	<u>44,102</u>	<u>120,074</u>	<u>32,217</u>	<u>39,298</u>	<u>(332,526)</u>	<u>291,797</u>

As the business of the Group is engaged entirely in Malaysia, no reporting by geographical location of operation is presented.

**A9. Segmental Information (Cont'd)**

For management purposes, the Group is organised into business units based on their products and services, and has four (4) reportable operating segments as follow:

- (i) Construction - Main building construction works, provision of contract workmanship and other related services.
- (ii) Manufacturing - Manufacture, assemble, installation and sale of light fittings, furniture, kitchen cabinetry and related products.
- (iii) Property Development - Development of residential and/or commercial properties.
- (iv) Investment - Investment holding companies.
- (v) Others - Other dormant companies.

**Segment performance for the financial period ended 30 June 2021 as compared to corresponding preceding period ended 30 June 2020**

**(i) Construction**

The construction segment has achieved a total revenue of RM503.95 million in the current financial period representing an increase of approximately 44.66% as compared to its corresponding preceding financial period of RM348.37 million. Segmental profit was recorded at RM40.33 million on current financial period compare to corresponding preceding financial period of RM30.41 million. The increase in revenue was mainly due to all construction projects were on-going and were halted only in June 2021 as a result of Full Movement Control Order (FMCO) being implemented, whereas in previous year were halted by MCO implemented from 8 March 2020 and slowly resumed work in early May 2020. The construction segment is expected to continue to be the main contributor to the Group's overall turnover and profitability moving forward.

**(ii) Manufacturing**

The revenue on manufacturing segment has increased to RM1.93 million in the current financial period as compared to its corresponding preceding financial period of RM1.75 million. This segment has reported a segmental profit of RM29 thousand as compared to profit of RM1 thousand reported in the corresponding preceding period. The manufacturing segment complements the Group's construction business.

**(iii) Property Development**

The property development segment has achieved a total revenue of RM0.97 million in the current financial period as compared to its corresponding financial period of RM0.74 million. This segment has reported a segmental profit of RM0.39 million as compared to a profit of RM0.10 million reported in the corresponding preceding period.

**(iv) Investment**

The Investment segment shows a segmental profit of RM3.81 million in the current financial period as compared to its corresponding financial period of RM0.71 million. The increased of RM3.10 million as compared to corresponding preceding financial period mainly due to gain on disposal of foreign quoted shares which amounted to RM1.16 million and reversal of impairment loss which amounted to RM2.00 million.

**A10. Profit Before Taxation**

The following items have been included in arriving at profit before taxation:

	<b>Individual Quarter 30.06.2021 RM'000</b>	<b>Cumulative Quarter 30.06.2021 RM'000</b>
Interest income	(1,198)	(2,592)
Fair value loss arising from short term fund	65	364
Fair value (gain)/loss arising from investment in quoted shares	(234)	2,187
Reversal of allowance for ECL (MFRS 9)	(137)	(340)
Amortisation and depreciation of property, plant and equipment	8,651	17,896
Interest expenses	334	533

**A11. Subsequent Events**

There were no material events subsequent to the balance sheet date up to the date of this report to be disclosed in the financial statements for the current financial period.

**A12. Changes in Composition of the Group**

There was no change in the composition of the Group for the current quarter and financial year under review except as follows:

- (a) On 7 April 2021, the Company had incorporated a 49% owned company, namely Kerjaya Bina BMK Sdn. Bhd., a company incorporated in Malaysia under the Companies Act, 2016 with an issue and paid up share capital of 100 ordinary shares. On 21 June 2021, the company has increased its issued and paid up share capital from 100 ordinary shares to 750,000 ordinary shares.
- (b) On 24 May 2021, Virent Energy Solutions Sdn. Bhd. ("VRESSB"), a 51% owned subsidiary of the Company had acquired 100% equity interest in Virent Energy Sdn. Bhd. ("VESB") for a total purchase consideration of RM10,000 and upon the acquisition, VESB become a wholly-owned subsidiary company of VRESSB.

**A13. Changes in Contingent Liabilities or Contingent Assets**

- (a) Contingent Liabilities

Corporate guarantee given to:

- banks for facilities granted to subsidiaries	335,989
- third parties for the benefit of the Group's subsidiaries	172,658
	<u>508,647</u>

- (b) Contingent Assets

As at the date of this report, there were no contingent assets.

**A14. Capital Commitments**

As at the date of this report, the Group has no material capital commitments.

**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of Performance**

For the current financial quarter under review, the Group posted a revenue of RM189.89 million as compared to its corresponding preceding year financial quarter of RM128.10 million. The Profit After Tax ("PAT") in the current quarter of RM15.85 million, representing an increase of RM5.79 million from its corresponding preceding year financial quarter of RM10.06 million.

Overall, the increase in revenue for current quarter under review was mainly due to the Group has fully resumed its construction projects except during FMCO which started from 1 June 2021 to 28 June 2021 as compared to corresponding preceding financial period which was affected by the implementation of MCO on 18 March 2020 in response to the Covid-19 pandemic. On property development segment, the Vista Residence project at Genting Permai was completed in year 2019 and there are no projects under development for financial quarter under review. Therefore, the property development segment has minimum contribution to the Group's results.

For the financial quarter under review, the main sources of income for investment segment was interest income.

**B2. Change in Results of Current Quarter Compared to Preceding Quarter**

	<b>Current Quarter ended 30.06.2021 RM'000</b>	<b>Immediate Preceding Quarter ended 31.03.2021 RM'000</b>	<b>Changes %</b>
Revenue	189,890	268,673	-29.3%
Operating Profit	23,596	36,436	-35.2%
Profit Before Tax	23,255	36,225	-35.8%
Profit After Tax	15,852	26,379	-39.9%
Profit Attributable to Owners of the Company	16,003	26,387	-39.4%

For the current quarter, the Group recorded a revenue and profit before tax of RM189.89 million and RM23.26 million respectively as compared to RM268.67 million and RM36.23 million respectively in its immediate preceding quarter. The FMCO that took effect from 1 June 2021 to 28 June 2021 have minimal impact on the Group's performance and hence the Group's results for the quarter.

**B3. Current Year Prospects**

In 2021, the domestic economy growth will continue to be uncertain. The Group will continue to monitor and implement appropriate business strategies in a timely manner to address the risk this pandemic may have on the Group's operations and financial performance. Nevertheless, the Group is supported by an outstanding order book of RM3.3 billion for construction contracts as at 30 June 2021.

Moving forward, the Group aims to focus on the construction segment to be the main revenue driver of the Group.

Notwithstanding the Group's objective to expand its core business in construction, it will still maintain the manufacturing segment to complement its core business.

On the property development segment, the Group is planning to launch two new development projects in the second half of 2021.

**NOTES TO THE FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

**B4. Profit Forecast**

There were no profit forecast prepared or profit guarantee made by the Group.

**B5. Taxation**

	<b>Individual Quarter 30.06.2021 RM'000</b>	<b>Cumulative Quarter 30.06.2021 RM'000</b>
Malaysia income tax		
- current year	9,318	18,487
- under provided in prior year	(1)	1,002
	<u>9,317</u>	<u>19,489</u>
Real property gain tax	-	-
Deferred tax		
- current year	(1,914)	(2,240)
	<u>7,403</u>	<u>17,249</u>

Effective tax rates for the financial period ended 30 June 2021 was higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for the tax purposes.

**B6 Group Borrowings and Debt Securities**

Details of the group borrowings as at 30 June 2021 were as follows:

	<b>Cumulative Quarter 30.06.2021 RM'000</b>
<b>Short term borrowings - Unsecured</b>	
(i) Cashline facilities (denominated in RM)	<u>80,029</u>

**B7. Status of Corporate Proposals**

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

**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

**B8. Changes in Material Litigation**

There was no material litigation against the Group as at the reporting date save and except for the Group has made announcements on 11 September 2020 and most recent on 21 September 2020 as follows:

- (a) On 11 September 2020, the Group announced that its wholly owned subsidiary, Kerjaya Prospek (M) Sdn. Bhd. ("KPM"), had received a letter dated 10 September 2020 from Messrs. Wong & Partners, the solicitors acting for Pembinaan Yeng Tong Sdn. Bhd. ("Plaintiff"), accompanied by Writ of Summons dated 7 September 2020 and Statement of Claim dated 7 September 2020 issued by the Kuala Lumpur High Court demanding inter-alia, payment of works done, expenses and loss and damages totalling RM35,861,133.95.
- (b) On 21 September 2020, the Court has directed the Company to enter appearance on or before 24 September 2020 and further Case Management was held on 29 September 2020.
- (c) On 5 May 2021, the Court has given its direction to proceed with full Trial as parties were unable to agree to arbitrate this matter pursuant to section 24A of the Arbitration Act 2005. The Trial dates are 22-26 November 2021, 29-30 November 2021 and 1-3 December 2021.
- (d) On 7 July 2021, the Court has directed parties to file and exchange its respective Witness statement in Chief and Expert Reports on/ before 30 August 2021 and to file and exchange its respective Witness statements in rebuttal and Reply expert reports on/before 15 October 2021.
- (e) Whilst all the other directions remained unchanged, the Court has fixed further Case Management on 7 September 2021.

**B9. Dividend**

Total dividend for the financial year ending 31 December 2021 and financial year ended 31 December 2020 are summarised as follow:

	<b>Net Per Share FY2021 sen</b>	<b>Net Per Share FY2020 sen</b>
<u>Interim Dividend</u> Single-tier dividend (Sen)	<b>1.5 *</b>	<b>1.5 **</b>
<u>Final Dividend</u> Single-tier dividend (Sen)	<b>****</b>	<b>1.5***</b>

\* The Board of Directors has approved an interim dividend of 1.5 sen per ordinary share on 26 August 2021 in respect of the financial year ending 31 December 2021.

The proposed entitlement date and payment date are on 20 September 2021 and 08 October 2021 respectively.

\*\* The Board of Directors has approved an interim dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2020. The approved interim dividend payable represents approximately 20.5% of profit after tax for financial year ended 31 December 2020.

The total amount of dividend of RM18.56 million was paid on 6 January 2021.

\*\*\* On 19 April 2021, the Board of Directors proposed a single-tier final dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 December 2020 was approved at the AGM on 27 May 2021.

The total amount of dividend of RM18.56 million was paid on 7 July 2021.

\*\*\*\* Not applicable for the current quarter under review.

**NOTES TO THE FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**B10. Derivatives and Fair Value Changes of Financial Liabilities**

- (a) There were no derivatives as at the current quarter under review.
- (b) The fair value changes arising from quoted investments and short term fund for the current quarter and current period under review have been accounted accordingly. The net fair value gain for current quarter which amounted to RM0.17 million and net fair value loss for financial period which amounted to RM2.55 million.

**B11. Earnings Per Share**

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
<b>Earnings</b>				
Profit attributable to owners of the Company (RM'000)	16,003	10,062	42,388	32,389
<b>a) Basic</b>				
Weighted average number of ordinary shares ('000)	1,237,367	1,226,368	1,237,401	1,229,623
<b>Basic earnings per share attributable to equity holders of the Company (Sen)</b>	1.29	0.82	3.43	2.63

**b) Diluted**

For the purpose of calculating diluted earnings per share, the profit attributable to the equity holders of the Company and the weighted average number of ordinary shares issued during the year have been adjusted for the dilutive effects of all potential ordinary shares, i.e. exercise of warrants.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
<b>Earnings</b>				
Profit attributable to owners of the Company (RM'000)	16,003	10,062	42,388	32,389
Weighted average number of ordinary shares ('000)	1,237,367	1,226,368	1,237,401	1,229,623
Effect of dilution of warrants ('000)	169,359	169,359	169,359	169,359
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,406,726	1,395,727	1,406,760	1,398,982
<b>Diluted earnings per share attributable to equity holders of the Company (Sen)</b>	1.14	0.72	3.01	2.32

**B12 Authorisation for Issue**

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Board passed on 26 August 2021.