

**UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| | Individual Quarter (3rd quarter) | | Changes % | Cumulative Quarter | | Changes % |
|--|-------------------------------------|-----------------------------------|--------------|-------------------------------------|--|--------------|
| | Current quarter ended | Corresponding quarter ended | | Current period-to-date ended | Corresponding period-to-date ended | |
| | 30.09.2021 RM'000 | 30.09.2020 RM'000 | | 30.09.2021 RM'000 (UNAUDITED) | 30.09.2020 RM'000 (AUDITED) | |
| 1 Revenue | 222,644 | 222,206 | 0.2% | 681,208 | 562,146 | 21.2% |
| 2 Cost of sales | (190,787) | (187,100) | 2.0% | (578,535) | (467,692) | 23.7% |
| 3 Gross profit | 31,857 | 35,106 | -9.3% | 102,673 | 94,454 | 8.7% |
| 4 Other income | 9,934 | 14,540 | -31.7% | 17,077 | 20,431 | -16.4% |
| 5 Administrative expenses | (6,750) | (6,183) | 9.2% | (20,885) | (21,539) | -3.0% |
| 5A Other operating expenses | (4,156) | (5,577) | -25.5% | (7,948) | (11,275) | -29.5% |
| 6 Profit from operations | 30,885 | 37,886 | -18.5% | 90,917 | 82,071 | 10.8% |
| 7 Finance cost | (276) | (230) | 20.0% | (829) | (754) | 9.9% |
| 8 Profit before tax | 30,609 | 37,656 | -18.7% | 90,088 | 81,317 | 10.8% |
| 9 Taxation | (6,343) | (7,271) | -12.8% | (23,593) | (18,539) | 27.3% |
| 10 Profit after tax ("PAT") for the period | 24,266 | 30,385 | -20.1% | 66,495 | 62,778 | 5.9% |
| Attributable to : | | | | | | |
| Owners of the Company | 24,180 | 30,383 | -20.4% | 66,569 | 62,772 | 6.0% |
| Non-controlling Interests ("NCI") | 86 | 2 | 4200.0% | (74) | 6 | -1333.3% |
| | 24,266 | 30,385 | -20.1% | 66,495 | 62,778 | 5.9% |
| 11 Profit per share attributable to owners of the Company: | | | | | | |
| (i) Basic earnings per ordinary share ("EPS")(sen)* | 1.95 | 2.48 | | 5.38 | 5.10 | |
| (ii) Diluted earnings per ordinary share (sen)* | 1.72 | 2.18 | | 4.73 | 4.49 | |

* 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 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Individual Quarter | | Cumulative Quarter | |
|---|-----------------------|-----------------------------|------------------------------|------------------------------------|
| | Current quarter ended | Corresponding quarter ended | Current period-to-date ended | Corresponding period-to-date ended |
| | 30.09.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | (UNAUDITED) | (AUDITED) |
| 1 PAT for the period | 24,266 | 30,385 | 66,495 | 62,778 |
| 2 Other Comprehensive Expense: | | | | |
| - Foreign currency translation differences | (85) | 88 | 188 | (11) |
| 3 Total comprehensive income for the period | <u>24,181</u> | <u>30,473</u> | <u>66,683</u> | <u>62,767</u> |
| Attributable to : | | | | |
| Owners of the Company | 24,095 | 30,471 | 66,757 | 62,761 |
| Non-controlling Interests ("NCI") | 86 | 2 | (74) | 6 |
| | <u>24,181</u> | <u>30,473</u> | <u>66,683</u> | <u>62,767</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 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As at 30.09.2021 RM'000 (UNAUDITED) | As at 31.12.2020 RM'000 (AUDITED) |
|-------------------------------|--|--|
| ASSETS | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 94,587 | 122,736 |
| Right-Of-Use Assets | 3,487 | 1,026 |
| Investment Properties | 1,262 | 1,689 |
| Other Investments | 2,378 | 13,727 |
| Intangible Assets | 356,229 | 356,169 |
| Trade Receivables | 228,618 | 200,492 |
| | 686,561 | 695,839 |
| Current Assets | | |
| Inventories | 174,114 | 167,195 |
| Trade and Other Receivables | 340,749 | 349,630 |
| Contract Assets | 14,339 | 9,364 |
| Tax Recoverables | 347 | 554 |
| Cash and Bank Balances | 266,677 | 266,731 |
| | 796,226 | 793,474 |
| TOTAL ASSETS | 1,482,787 | 1,489,313 |

UNAUDITED 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

| | As at 30.09.2021 RM'000 (UNAUDITED) | As at 31.12.2020 RM'000 (AUDITED) |
|---|--|--|
| EQUITY AND LIABILITIES | | |
| Equity Attributable to Equity Holders of the Company | | |
| Share Capital | 642,658 | 642,658 |
| Treasury Shares | (5,031) | (4,996) |
| Other Reserves | 855 | 667 |
| Retained Profits | 501,318 | 471,870 |
| | 1,139,800 | 1,110,199 |
| Non-controlling Interests | 909 | 111 |
| Total Equity | 1,140,709 | 1,110,310 |
| Non-Current Liabilities | | |
| Deferred Tax Liabilities | 6,829 | 8,414 |
| Trade and Other Payables | 129,869 | 124,540 |
| Lease Liabilities | 897 | 993 |
| | 137,595 | 133,947 |
| Current Liabilities | | |
| Trade and Other Payables | 79,320 | 121,346 |
| Contract Liabilities | 26,314 | 39,403 |
| Lease Liabilities | 220 | 30 |
| Income Tax Payable | 8,915 | 3,665 |
| Short Term Borrowings | 89,714 | 80,612 |
| | 204,483 | 245,056 |
| Total Liabilities | 342,078 | 379,003 |
| | 1,482,787 | 1,489,313 |
| TOTAL EQUITY AND LIABILITIES | | |
| 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 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 | | |
| 9 MONTHS PERIOD ENDED 30 SEPTEMBER 2021 | | | | | | |
| Balance as at 1 January 2021 | 642,658 | 667 | (4,996) | 471,870 | 111 | 1,110,310 |
| Total Comprehensive Income for the period | - | 188 | - | 66,569 | (74) | 66,683 |
| Dividend declared and paid | - | - | - | (37,121) | - | (37,121) |
| Accretion of interest in a subsidiary | - | - | - | - | 872 | 872 |
| Shares repurchased | - | - | (35) | - | - | (35) |
| Balance as at 30 September 2021 | 642,658 | 855 | (5,031) | 501,318 | 909 | 1,140,709 |
| 9 MONTHS PERIOD ENDED 30 SEPTEMBER 2020 | | | | | | |
| Balance as at 1 January 2020 | 642,658 | 686 | (10,893) | 438,502 | 2,081 | 1,073,034 |
| Total Comprehensive Income for the period | - | (11) | - | 62,772 | 6 | 62,767 |
| Dividend paid | - | - | - | (24,544) | - | (24,544) |
| Share dividends distributed to shareholders | - | - | 14,282 | (14,282) | - | - |
| Shares repurchased | - | - | (7,660) | - | - | (7,660) |
| Balance as at 30 September 2020 | 642,658 | 675 | (4,271) | 462,448 | 2,087 | 1,103,597 |

(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 3RD QUARTER REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| | Current period-to-date ended 30.09.2021 RM'000 (UNAUDITED) | Corresponding period-to-date ended 30.09.2020 RM'000 (AUDITED) |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 90,088 | 81,317 |
| Adjustments for : | | |
| Amortisation and depreciation | 25,835 | 28,088 |
| Non-cash items | 904 | (4,930) |
| Operating Profit Before Working Capital Changes | 116,827 | 104,475 |
| Changes in working capital : | | |
| Net change in operating assets | (26,433) | (25,832) |
| Net change in operating liabilities | (43,943) | (39,882) |
| Net Cash Generated from Operations | 46,451 | 38,761 |
| Interest received | 3,615 | 4,857 |
| Interest paid | (817) | (675) |
| Income tax paid | (19,720) | (10,851) |
| Net Cash Generated From Operating Activities | 29,529 | 32,092 |
| CASH FLOW USED IN INVESTING ACTIVITIES | | |
| Acquisition of property, plant and equipments | (17,174) | (20,721) |
| Acquisition of subsidiaries, net of cash acquired | 855 | - |
| Acquisition of other investment | (150) | - |
| Proceeds from disposal of property, plant and equipments | 5,013 | - |
| Proceeds from disposal of quoted shares | 10,239 | 12,375 |
| Net Cash Used In Investing Activities | (1,217) | (8,346) |
| CASH FLOW USED IN FINANCING ACTIVITIES | | |
| Lease payment | (583) | (1,044) |
| Purchase of treasury shares | (35) | (7,661) |
| Dividend paid during the period | (37,121) | (43,037) |
| Net Cash Used In Financing Activities | (37,739) | (51,742) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (9,427) | (27,996) |
| EFFECT OF EXCHANGE RATE CHANGES | 271 | 40 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 186,119 | 210,087 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | 176,963 | 182,131 |
| | 30.09.2021 | 30.09.2020 |
| | RM'000 | RM'000 |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD CONSIST OF: | | |
| Cash and Bank Balances | 108,613 | 40,237 |
| Fixed Deposits and investment funds | 158,064 | 165,100 |
| Less: Short term borrowing | (89,714) | (23,206) |
| | 176,963 | 182,131 |

(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 - Phase 2

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 September 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 SEPTEMBER 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.

Subsequently, 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 total amount of RM18.56 million was paid on 8 October 2021.

A9. Segmental Information

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

| | Construction | Manufacturing | Property Development | Investment | Others | Elimination | Total |
|---------------------|---------------------|----------------------|---------------------------------|-------------------|-----------------|--------------------|-----------------|
| | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) |
| External Revenue | 679,956 | 286 | 966 | - | - | - | 681,208 |
| Inter Group Revenue | 66,023 | 2,017 | - | 15,000 | - | (83,040) | - |
| | <u>745,979</u> | <u>2,303</u> | <u>966</u> | <u>15,000</u> | <u>-</u> | <u>(83,040)</u> | <u>681,208</u> |

RESULTS

| | | | | | | | |
|-------------------|---------------|-----------|------------|---------------|-----------|-----------------|---------------|
| Segmental Results | <u>64,646</u> | <u>91</u> | <u>194</u> | <u>25,344</u> | <u>29</u> | <u>(23,735)</u> | <u>66,569</u> |
|-------------------|---------------|-----------|------------|---------------|-----------|-----------------|---------------|

OTHER INFORMATION

| | | | | | | | |
|-----------------------|----------------|---------------|----------------|----------------|---------------|------------------|------------------|
| Segmental Assets | <u>959,689</u> | <u>46,289</u> | <u>139,223</u> | <u>704,535</u> | <u>9,561</u> | <u>(376,510)</u> | <u>1,482,787</u> |
| Segmental Liabilities | <u>441,202</u> | <u>15,899</u> | <u>119,039</u> | <u>36,523</u> | <u>38,531</u> | <u>(309,116)</u> | <u>342,078</u> |

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

| | Construction | Manufacturing | Property Development | Investment | Others | Elimination | Total |
|---------------------|---------------------|----------------------|---------------------------------|-------------------|-----------------|--------------------|-----------------|
| | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) | (RM'000) |
| External Revenue | 559,171 | 262 | 2,713 | - | - | - | 562,146 |
| Inter Group Revenue | 24,982 | 3,066 | - | - | - | (28,048) | - |
| | <u>584,153</u> | <u>3,328</u> | <u>2,713</u> | <u>-</u> | <u>-</u> | <u>(28,048)</u> | <u>562,146</u> |

RESULTS

| | | | | | | | |
|-------------------|---------------|------------|------------|---------------|-----------|------------|---------------|
| Segmental Results | <u>50,129</u> | <u>155</u> | <u>429</u> | <u>11,059</u> | <u>52</u> | <u>948</u> | <u>62,772</u> |
|-------------------|---------------|------------|------------|---------------|-----------|------------|---------------|

OTHER INFORMATION

| | | | | | | | |
|-----------------------|----------------|---------------|----------------|----------------|---------------|------------------|------------------|
| Segmental Assets | <u>849,001</u> | <u>72,427</u> | <u>158,014</u> | <u>702,815</u> | <u>13,979</u> | <u>(392,296)</u> | <u>1,403,940</u> |
| Segmental Liabilities | <u>385,811</u> | <u>43,485</u> | <u>143,337</u> | <u>32,025</u> | <u>39,269</u> | <u>(343,584)</u> | <u>300,343</u> |

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

NOTES TO THE FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

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 September 2021 as compared to corresponding preceding period ended 30 September 2020

(i) Construction

The construction segment has achieved a total revenue of RM745.98 million in the current financial period representing an increase of approximately 27.70% as compared to its corresponding preceding financial period of RM584.15 million. Segmental profit was recorded at RM64.65 million on current financial period compare to corresponding preceding financial period of RM50.13 million. The increase in revenue was mainly due to the progress of construction works on site and the construction works progress 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 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 decreased to RM2.30 million in the current financial period as compared to its corresponding preceding financial period of RM3.33 million. This segment has reported a segmental profit of RM0.09 million as compared to profit of RM0.15 million 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 RM2.71 million. This segment has reported a segmental profit of RM0.19 million as compared to a profit of RM0.43 million reported in the corresponding preceding period.

(iv) Investment

The Investment segment shows a segmental profit of RM25.34 million in the current financial period as compared to its corresponding financial period of RM11.06 million. The increased of RM14.28 million as compared to corresponding preceding financial period mainly due to dividend received from its subsidiary company which amounted to RM15.00 million.

NOTES TO THE FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

A10. Profit Before Taxation

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

| | Individual Quarter 30.09.2021 RM'000 | Cumulative Quarter 30.09.2021 RM'000 |
|--|---|---|
| Interest income | (1,023) | (3,615) |
| Fair value loss arising from short term fund | 113 | 477 |
| Fair value loss arising from investment in quoted shares | 489 | 2,676 |
| Reversal of allowance for ECL (MFRS 9) | (2,615) | (2,955) |
| Amortisation and depreciation of property, plant and equipment | 7,939 | 25,835 |
| Interest expenses | 284 | 817 |

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. ("VESSB"), 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 VESSB.

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 | 167,594 |
| | <u>503,583</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 RM222.64 million as compared to its corresponding preceding year financial quarter of RM222.21 million. The Profit After Tax ("PAT") in the current quarter of RM24.27 million, representing an decrease of RM6.12 million from its corresponding preceding year financial quarter of RM30.39 million.

Overall, the increase in revenue for current quarter under review was mainly due to progress construction work on-site. 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

| | Current Quarter ended 30.09.2021 RM'000 | Immediate Preceding Quarter ended 30.06.2021 RM'000 | Changes % |
|--|--|--|----------------------|
| Revenue | 222,644 | 189,890 | 17.2% |
| Operating Profit | 30,885 | 23,596 | 30.9% |
| Profit Before Tax | 30,609 | 23,255 | 31.6% |
| Profit After Tax | 24,266 | 15,852 | 53.1% |
| Profit Attributable to Owners of the Company | 24,180 | 16,003 | 51.1% |

For the current quarter, the Group recorded a revenue and profit before tax of RM222.64 million and RM30.61 million respectively as compared to RM189.89 million and RM23.26 million respectively in its immediate preceding quarter. The increase was mainly due to construction projects were resumed works after the FMCO that took effect from 1 June 2021 to 28 June 2021.

B3. Current Year Prospects

For the final quarter of Year 2021, 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 RM3.6 billion for construction contracts as at 30 September 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 first half of 2022.

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

| | Individual Quarter 30.09.2021 RM'000 | Cumulative Quarter 30.09.2021 RM'000 |
|--------------------------------|---|---|
| Malaysia income tax | | |
| - current year | 5,687 | 24,174 |
| - under provided in prior year | 2 | 1,004 |
| | <u>5,689</u> | <u>25,178</u> |
| Real property gain tax | - | - |
| Deferred tax | | |
| - current year | 654 | (1,585) |
| | <u>6,343</u> | <u>23,593</u> |

Effective tax rates for the financial period ended 30 September 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 September 2021 were as follows:

| | 30.09.2021 RM'000 |
|---|------------------------------|
| <u>Short term borrowings - Unsecured</u> | |
| (i) Cashline facilities (denominated in RM) | <u>89,714</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 FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

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 on 22-26 November 2021, 29-30 November 2021 and 1-3 December 2021 ("Trial Dates") as parties were unable to agree to arbitrate this matter pursuant to section 24A of the Arbitration Act 2005.
- (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) On 8 November 2021, parties attended Case Management and have vacated the earlier Trial dates. The next Case Management is now fixed on 2 December 2021 in order for parties to seek for further directions from Court.

B9. Dividend

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

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

* 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 total amount of dividend of RM18.56 million was paid on 8 October 2021.

** 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 SEPTEMBER 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 loss for current quarter and financial period which amounted to RM0.60 million and RM3.15 million respectively.

B11. Earnings Per Share

| | Individual Quarter Ended | | Cumulative Quarter Ended | |
|---|--------------------------|-------------|--------------------------|-------------|
| | 30.09.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 |
| Earnings | | | | |
| Profit attributable to owners of the Company (RM'000) | 24,180 | 30,383 | 66,569 | 62,772 |
| a) Basic | | | | |
| Weighted average number of ordinary shares ('000) | 1,237,337 | 1,226,368 | 1,237,401 | 1,230,198 |
| Basic earnings per share attributable to equity holders of the Company (Sen) | 1.95 | 2.48 | 5.38 | 5.10 |

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 | |
|---|--------------------------|-------------|--------------------------|-------------|
| | 30.09.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 |
| Earnings | | | | |
| Profit attributable to owners of the Company (RM'000) | 24,180 | 30,383 | 66,569 | 62,772 |
| Weighted average number of ordinary shares ('000) | 1,237,337 | 1,226,368 | 1,237,401 | 1,230,198 |
| 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) | 1,406,696 | 1,395,727 | 1,406,760 | 1,399,557 |
| Diluted earnings per share attributable to equity holders of the Company (Sen) | 1.72 | 2.18 | 4.73 | 4.49 |

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 25 November 2021.