

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

**A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(RM'000)	Note	3 MONTHS ENDED		6 MONTHS ENDED	
		30.6.2021 (unaudited)	30.6.2020 (restated)	30.6.2021 (unaudited)	30.6.2020 (restated)
Revenue		225,749	167,183	452,457	592,935
Expenses		(262,575)	(386,213)	(483,496)	(780,297)
Other operating income	13	8,139	10,280	17,222	18,141
Loss from operations		(28,687)	(208,750)	(13,817)	(169,221)
Finance costs		(20,208)	(17,032)	(38,452)	(32,537)
Share of results of associates		4,792	3,702	9,014	7,159
Share of results of joint ventures		5,871	(1,481)	10,736	(1,361)
Loss before tax		(38,232)	(223,561)	(32,519)	(195,960)
Income tax expense	15	(1,467)	2,963	(3,255)	(8,471)
Loss for the financial period		(39,699)	(220,598)	(35,774)	(204,431)
Other comprehensive income for the financial period, net of tax					
Item that may be reclassified subsequent to comprehensive income					
- currency translation differences		(730)	2,218	94	1,056
- share of associate's gain on re-measurement of financial derivatives		-	-	-	332
Total comprehensive loss for the financial period, net of tax		(40,429)	(218,380)	(35,680)	(203,043)
<b>Loss for the financial period attributable to:</b>					
Equity holders of the Company		(32,416)	(220,900)	(27,214)	(204,807)
Non-controlling interests		(7,283)	302	(8,560)	376
		(39,699)	(220,598)	(35,774)	(204,431)
<b>Total comprehensive loss for the financial period attributable to:</b>					
Equity holders of the Company		(36,146)	(218,679)	(27,127)	(203,425)
Non-controlling interests		(7,283)	299	(8,553)	382
		(40,429)	(218,380)	(35,680)	(203,043)
Loss per share attributable to the ordinary ordinary equity holders of the Company (sen)	23				
- Basic		(0.73)	(5.01)	(0.61)	(4.64)
- Diluted		(0.73)	(4.99)	(0.61)	(4.63)

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.

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

**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(RM'000)	Note	As at 30.06.2021 (unaudited)	As at 31.12.2020 (restated)	As at 1.1.2020 (restated)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		681,219	683,581	600,431
Investment properties		1,461,268	1,445,339	1,419,633
Right-of-use assets		43,632	56,547	77,207
Inventories		1,767,596	1,731,132	1,686,165
Associates		476,821	478,695	467,541
Joint ventures		346,505	335,769	295,148
Long term loan and receivable		231,341	224,326	242,767
Amount due from joint venture		80,316	79,562	79,086
Lease receivable		2,268	2,894	-
Intangible assets		217,507	219,396	224,259
Deferred tax assets		103,880	94,611	86,395
		<u>5,412,353</u>	<u>5,351,852</u>	<u>5,178,632</u>
<b>Current assets</b>				
Inventories		810,688	816,111	927,778
Trade and other receivables		540,574	601,440	868,094
Amount due from associates and joint ventures		18,447	15,578	139,472
Contract assets		618,861	665,374	719,107
Lease receivables		1,246	1,234	-
Tax recoverable		19,921	19,189	19,060
Financial assets at fair value through profit or loss		275,771	302,997	889
Deposits, cash and bank balances		426,130	540,412	516,945
		<u>2,711,638</u>	<u>2,962,335</u>	<u>3,191,345</u>
Assets held for sale		-	-	77,679
<b>TOTAL ASSETS</b>		<b><u>8,123,991</u></b>	<b><u>8,314,187</u></b>	<b><u>8,447,656</u></b>

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

**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)**

(RM'000)	Note	As at 30.06.2021 (unaudited)	As at 31.12.2020 (restated)	As at 1.1.2020 (restated)
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the Company</b>				
Share capital		4,356,106	4,331,702	4,331,702
Retained earnings		115,338	213,721	434,564
Other reserves		5,285	5,211	(844)
		<u>4,476,729</u>	<u>4,550,634</u>	<u>4,765,422</u>
Non-controlling interests		28,606	10,112	30,758
<b>Total equity</b>		<u>4,505,335</u>	<u>4,560,746</u>	<u>4,796,180</u>
<b>Non-current liabilities</b>				
Post-employment benefit obligations		18,794	18,540	20,673
Long term borrowings		1,235,170	1,331,023	1,003,314
Long term liabilities		398,771	388,098	367,918
Government grant		130,491	130,919	131,541
Deferred tax liabilities		72,767	70,068	70,873
Contract liabilities		140,258	140,258	140,258
Lease liabilities		33,650	40,624	58,118
		<u>2,029,901</u>	<u>2,119,530</u>	<u>1,792,695</u>
<b>Current liabilities</b>				
Trade and other payables		824,908	960,525	952,868
Current tax liabilities		12,920	13,773	4,265
Short term borrowings		710,374	601,737	824,799
Contract liabilities		2,083	2,230	37,628
Lease liabilities		13,589	19,053	20,979
Other liabilities		24,881	36,593	18,016
		<u>1,588,755</u>	<u>1,633,911</u>	<u>1,858,555</u>
Liabilities associated with assets held for sale		-	-	226
		<u>3,618,656</u>	<u>3,753,441</u>	<u>3,651,476</u>
<b>Total liabilities</b>		<u>3,618,656</u>	<u>3,753,441</u>	<u>3,651,476</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>8,123,991</b></u>	<u><b>8,314,187</b></u>	<u><b>8,447,656</b></u>
<b>Net assets per share attributable to the equity holders of the Company (sen)</b>		<u><b>101.5</b></u>	<u><b>103.1</b></u>	<u><b>108.0</b></u>

The condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.

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

**C. CONSOLIDATED STATEMENT OF CASH FLOWS**

(RM'000)	6 MONTHS ENDED	
	30.6.2021 (unaudited)	30.6.2020 (unaudited)
<b>Operating activities</b>		
Cash receipts from customers	491,197	553,484
Cash paid to suppliers and employees	(585,593)	(523,974)
Cash (used in)/generated from operations	(94,396)	29,510
Bank services charges paid	(1,385)	(1,564)
Net taxes paid	(13,429)	(6,865)
<b>Net cash (used in)/generated from operating activities</b>	<b>(109,210)</b>	<b>21,081</b>
<b>Investing activities</b>		
Dividend received	12,528	14,153
Non-equity investments	31,831	2,610
<b>Net cash generated from investing activities</b>	<b>44,359</b>	<b>16,763</b>
<b>Financing activities</b>		
Dividend paid to an equity holders	(19,717)	(61,271)
Proceeds from borrowings	488,942	161,083
Repayment of borrowings	(478,866)	(60,601)
Net shareholder's advances received	-	900
Finance costs paid	(39,936)	(41,096)
Pledge of restricted cash	(1,783)	(142,611)
<b>Net cash used in financing activities</b>	<b>(51,360)</b>	<b>(143,596)</b>
Net decrease in cash and cash equivalent	(116,211)	(105,752)
Cash and cash equivalents at beginning of the financial period	431,287	300,926
Effect of foreign exchange rate changes	146	-
<b>Cash and cash equivalent at end of financial period</b>	<b>315,222</b>	<b>195,174</b>

**For the purpose of the consolidated statements of cash flows, the cash and cash equivalents comprised the following:**

Bank balances and deposits	426,130	553,804
Less: Bank balances and deposits held as security value	(110,908)	(358,630)
	<b>315,222</b>	<b>195,174</b>

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.

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

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(RM'000)	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
	Share Capital	Other Reserves	Retained Earnings	Total	Non-controlling Interests	Total Equity
<b>As at 1 January 2021 (as previously stated)</b>	4,331,702	5,211	241,103	4,578,016	10,727	4,588,743
Prior year adjustments (Note 25)	-	-	(27,382)	(27,382)	(615)	(27,997)
<b>As at 1 January 2021 (restated)</b>	4,331,702	5,211	213,721	4,550,634	10,112	4,560,746
<b>Comprehensive income/(loss)</b>						
Loss for the financial period	-	-	(27,214)	(27,214)	(8,560)	(35,774)
<b>Other comprehensive income</b>						
Currency translation differences	-	87	-	87	7	94
Post-employment benefit obligation	-	2	(2)	-	-	-
Total comprehensive income/(loss)	-	89	(27,216)	(27,127)	(8,553)	(35,680)
<b>Transaction with owners</b>						
Share-based payment transaction	-	(15)	-	(15)	-	(15)
Acquisition of balance equity in a subsidiary	-	-	(27,047)	(27,047)	27,047	-
Issue of shares						
- Dividend reinvestment plan	24,404	-	-	24,404	-	24,404
Dividends paid for financial year ended						
- 31 December 2020	-	-	(44,120)	(44,120)	-	(44,120)
Total transaction with owners	24,404	(15)	(71,167)	(46,778)	27,047	(19,731)
<b>As at 30 June 2021 (unaudited)</b>	4,356,106	5,285	115,338	4,476,729	28,606	4,505,335

**OTHER RESERVES**

(RM'000)	Other Reserves	Currency Translation Reserves	Share Scheme Reserves	Retirement Benefit Reserves	Total
<b>As at 1 January 2021</b>	1,666	1,012	8,369	(5,836)	5,211
<b>Other comprehensive income</b>					
Currency translation differences	-	87	-	2	89
Total comprehensive income	-	87	-	2	89
<b>Transactions with owners</b>					
Share-based payment transaction	-	-	(15)	-	(15)
Total transaction with owners	-	-	(15)	-	(15)
<b>As at 30 June 2021 (unaudited)</b>	1,666	1,099	8,354	(5,834)	5,285

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

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**

**ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY**

(RM'000)	<u>Share Capital</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total</u>	<u>Non- controlling Interests</u>	<u>Total Equity</u>
<b>As at 1 January 2020 (as previously stated)</b>	4,331,702	(844)	460,716	4,791,574	31,901	4,823,475
Prior year adjustment (Note 25)	-	-	(26,152)	(26,152)	(1,143)	(27,295)
<b>As at 1 January 2020 (restated)</b>	4,331,702	(844)	434,564	4,765,422	30,758	4,796,180
<b>Comprehensive income/(loss) (Loss)/profit for the financial year (restated)</b>	-	-	(177,373)	(177,373)	805	(176,568)
<b>Other comprehensive income</b>						
Currency translation differences	-	2,156	-	2,156	(6)	2,150
Share of associate's gain on re-measurement of financial derivatives	-	332	-	332	-	332
Post-employment benefit obligation	-	(650)	650	-	-	-
Actuarial gain on post-employment benefit obligations	-	1,230	-	1,230	115	1,345
<b>Total comprehensive income/(loss)</b>	-	3,068	(176,723)	(173,655)	914	(172,741)
<b>Transactions with owners</b>						
Share-based payment transaction	-	2,987	-	2,987	-	2,987
Dividends paid for financial year ended						
- 31 December 2019	-	-	(44,120)	(44,120)	-	(44,120)
- 31 December 2020	-	-	-	-	(21,560)	(21,560)
<b>Total transactions with owners</b>	-	2,987	(44,120)	(41,133)	(21,560)	(62,693)
<b>As at 31 December 2020 (restated)</b>	4,331,702	5,211	213,721	4,550,634	10,112	4,560,746

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

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**

(RM'000)	OTHER RESERVES				Total
	Other Reserves	Currency Translation Reserves	Share Scheme Reserves	Retirement Benefit Reserves	
<b>As at 1 January 2020</b>	1,334	(1,144)	5,382	(6,416)	(844)
<b>Other comprehensive income</b>					
Currency translation differences	-	2,156	-	-	2,156
Share of associate's gain on re-measurement of financial derivatives	332	-	-	-	332
Post-employment benefit obligations	-	-	-	(650)	(650)
Actuarial gain on post-employment benefit obligations	-	-	-	1,230	1,230
<b>Total comprehensive income</b>	<b>332</b>	<b>2,156</b>	<b>-</b>	<b>580</b>	<b>3,068</b>
<b>Transactions with owners</b>					
Share-based payment transaction	-	-	2,987	-	2,987
<b>Total transaction with owners</b>	<b>-</b>	<b>-</b>	<b>2,987</b>	<b>-</b>	<b>2,987</b>
<b>As at 31 December 2020 (audited)</b>	<b>1,666</b>	<b>1,012</b>	<b>8,369</b>	<b>(5,836)</b>	<b>5,211</b>

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.

**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT****1. BASIS OF PREPARATION**

This unaudited quarterly financial report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting, Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's financial statements for the financial year ended 31 December 2020.

Below are the applicable new standards and amendments to standards and interpretations which came into effective in the current financial year beginning on 1 January 2021:

(1) Amendments to MFRS 9, 139, 7, 4 & 16 - Interest Rate Benchmark Reform - Phase 2

The adoption of the above Amendments to MFRSs does not have any significant effect on the consolidated financial statements of the Group.

(2) IFRIC Agenda Decisions that have been concluded and published:

In view of the fact that MFRS is fully converged with IFRS, the Group considers all agenda decisions published by the IFRS Interpretation Committee ('IFRIC'). Where relevant, the Group may change its accounting policy to be aligned with agenda decisions.

In March 2019, IFRIC published an agenda decision on borrowing costs confirming, receivables, contract assets and inventories for which revenue is recognised over time are non-qualifying assets. On 20 March 2019, the Malaysian Accounting Standards Board decided an entity shall apply the change in accounting policy as a result of the IFRIC Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The IFRIC agenda decision explained that receivables and contract assets are not qualifying assets for the purpose of the capitalisation of borrowing costs. The agenda decision also clarified that work-in-progress inventories are not qualifying assets because such inventories are ready for intended sale under their current condition, as the inventories will be transferred to the customer as soon as the Group finds a buyer and signs the contract with the customer.

The impact of the adoption of the agenda decision above to the Group's reported financial position and comprehensive income are disclosed in Note 25.

**2. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the Group's preceding annual financial statements was not subject to any qualification.

**3. SEASONAL OR CYCLICAL FLUCTUATIONS**

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial quarter under review. However, the results of the quarter under review were affected by the unprecedented continuing challenging operating environment and Government mandated restrictions due to the Covid-19 pandemic.



**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****4. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE**

There were no items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows in the financial quarter under review.

**5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED**

There were no changes in estimates of amounts reported in the prior financial year that would have a material effect on the results of the financial quarter under review.

**6. CHANGES IN DEBT AND EQUITY SECURITIES**

The followings are the changes in debt and equity securities for the Company during second quarter ended 30 June 2021:

**(i) Share capital**

The share capital of the Company increased from RM4,331,701,952 as at 31 December 2020 to RM4,356,105,777 as at 30 June 2021 via issuance of 55,463,239 new ordinary shares amounting to RM24,403,825 arising from the Dividend Reinvestment Plan ("DRP") relating to electable portion of the single-tier dividend of 1.00 sen in respect of the financial year ended 31 December 2020.

The issued ordinary shares of the Company as at 30 June 2021 is 4,467,509,508 units (31 December 2020: 4,412,046,269 units).

**(ii) Borrowings**

Issuance of Sukuk Murabahah:

Issuance No	Series No	Issue Date	Maturity Date	Nominal Value	Tenor
2	1	12 April 2021	13 April 2022	RM200,000,000	1 year

Save as disclosed above, there were no other issuances, cancellations, repurchases, and resale of shares by the Company.

**7. DIVIDENDS**

The Company paid a first and final single tier dividend in respect of the financial year ended 31 December 2020 of 1.00 sen per ordinary share, amounting to RM44,120,463.

The Company also determined that the DRP would apply to the single tier dividend, in which the entire 1.00 sen could be elected to be reinvested in new ordinary shares. The cash portion of the dividend paid was RM19,716,638 and the issuance of new 55,463,239 units of ordinary shares amounted to RM24,403,825 on 19 May 2021 and 20 May 2021 respectively.

There was no dividend declared or paid by the Company for the financial quarter under review.



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

**E. NOTES TO THE REPORT (cont'd)**

**8. SEGMENTAL REPORTING**

<b>(RM'000)</b>	<b>Property Development &amp; Investment</b>	<b>Engineering, Construction &amp; Environment</b>	<b>Facilities Management &amp; Parking</b>	<b>Others</b>	<b>Total</b>
<b>6 months ended 30.6.2021</b>					
Total revenue	287,050	295,615	19,510	80,738	682,913
Inter-segment revenue	(12,131)	(139,191)	(1,653)	(77,481)	(230,456)
External revenue	274,919	156,424	17,857	3,257	452,457
Segment profit/(loss)	16,458	(32,982)	560	(632)	(16,596)
Unallocated corporate expenses					(3,951)
Finance income					6,730
Finance costs					(38,452)
Share of results of associates and joint ventures	6,481	13,269	-	-	19,750
Loss before tax					(32,519)



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

**E. NOTES TO THE REPORT (cont'd)**

**8. SEGMENTAL REPORTING (cont'd)**

<b>(RM'000)</b>	<b>Property Development &amp; Investment</b>	<b>Engineering, Construction &amp; Environment</b>	<b>Facilities Management &amp; Parking</b>	<b>Others</b>	<b>Total</b>
<b>6 months ended 30.6.2020 (restated)</b>					
Total revenue	341,678	339,290	24,398	97,180	802,546
Inter-segment revenue	(5,290)	(107,793)	(2,195)	(94,333)	(209,611)
External revenue	336,388	231,497	22,203	2,847	592,935
Segment profit/(loss)	28,592	(195,678)	3,239	(4,515)	(168,362)
Unallocated corporate expenses					(7,720)
Finance income					6,861
Finance costs					(32,537)
Share of results of associates and joint ventures	4,389	1,409	-	-	5,798
Loss before tax					(195,960)

**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****9. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT**

The Group's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. There was no change in the valuation of property and equipment that were brought forward from the previous audited financial statements for the financial year ended 31 December 2020.

**10. MATERIAL EVENTS SUBSEQUENT TO THE FINANCIAL PERIOD**

There was no material event subsequent to the end of the financial quarter ended 30 June 2021 that has not been reflected in this report.

**11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the financial quarter under review.

**12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

<b>(RM'000)</b>	<b>As at 30.6.2021</b>	<b>As at 31.12.2020</b>
Performance guarantees extended to third parties *	1,015,920	1,027,313

\* Included in the performance guarantees extended to third parties is an amount of RM31.3 million that had been called on previously by third parties. The Group has instituted injunction proceedings against the third parties. In the Financial Year 2019, the Group and the third parties entered into a Dispute Resolution Agreement whereby the third parties agreed to an interim injunction to preserve the status quo on the performance guarantees pending determination of the dispute between the parties via Arbitration. On this basis, the performance guarantees have not been provided for in the financial statements.

Pursuant to paragraph 8.23(1)(ii) of Bursa Malaysia Securities Berhad's Listing Requirements, the financial assistance provided by the Company is as follows:

**Company Guarantee**

The Company issued a joint and several corporate guarantee to guarantee the due performance and obligations of MRCB George Kent Sdn Bhd ("MRCBGK") in relation to the design and construction work of the Light Rail Transit Line 3. MRCBGK is a jointly controlled entity of the Company and equally owned by George Kent (Malaysia) Berhad and the Company.

The directors are of the opinion that the transaction above has been entered into in the normal course of business.

There were no material contingent assets to be disclosed.

**13. OTHER OPERATING INCOME**

There were no items of an unusual nature in the other operating income in the financial quarter under review.

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

**E. NOTES TO THE REPORT (cont'd)**

**14. PROFIT FROM OPERATIONS**

Profit from operations was arrived at after (charging)/crediting:

(RM'000)	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.2021	30.6.2020	30.6.2021	30.6.2020
Depreciation of:				
- investment properties	(2,978)	(2,890)	(5,956)	(6,273)
- property, plant and equipment	(4,602)	(3,950)	(9,208)	(8,433)
(Amortisation)/recognition of:				
- order book	(470)	(482)	(1,113)	(1,155)
- right-of-use assets	(4,489)	(5,878)	(9,112)	(11,444)
- government grant	286	66	431	132
- patent	(306)	(306)	(611)	(603)

**15. INCOME TAX EXPENSE**

(RM'000)	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.2021	30.6.2020 (restated)	30.6.2021	30.6.2020 (restated)
<b>In Malaysia</b>				
Current tax	(4,066)	(5,686)	(10,945)	(10,066)
(Under)/over provision in prior years	492	2,636	1,156	1,967
Deferred tax	(1,828)	6,611	6,237	1,057
	(5,402)	3,561	(3,552)	(7,042)
<b>Foreign</b>				
Current tax	22	(9)	5	(53)
Deferred tax	257	(589)	292	(1,376)
	279	(598)	297	(1,429)
<b>Income tax expense</b>	<b>(5,123)</b>	<b>2,963</b>	<b>(3,255)</b>	<b>(8,471)</b>

The dividend income received from the Group's associate, Sentral REIT is taxable. The computation of the tax for the financial quarter under review has been accounted for accordingly.

The deferred tax was mainly due to the net impact of the reversal of deferred tax liabilities and some non-deductible temporary differences, as well as the recognition of unabsorbed tax losses and deductible timing differences as deferred tax assets.

**16. CORPORATE PROPOSALS**

There were no corporate proposals announced that are yet to be completed at the date of this report.

**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****17. GROUP BORROWINGS**

The tenure of the Group borrowings classified as long and short term were as follows:

<b>Denomination (RM'000)</b>	<b>Long term RM</b>	<b>Short term RM</b>	<b>Short term AUD</b>	<b>Total RM</b>
<b>As at 2<sup>nd</sup> quarter of 2021</b>				
Secured	1,235,170	560,374	-	1,795,544
Unsecured	-	150,000	-	150,000
	<b>1,235,170</b>	<b>710,374</b>	<b>-</b>	<b>1,945,544</b>
<b>As at 2<sup>nd</sup> quarter of 2020</b>				
Secured	1,000,857	612,234	165,348	1,778,439
Unsecured	-	156,349	-	156,349
	<b>1,000,857</b>	<b>768,583</b>	<b>165,348</b>	<b>1,934,788</b>

The net increase of RM10.8 million in the Group's borrowings compared to 30 June 2020 was mainly due to the issuance of Sukuk Murabahah of RM600.0 million on 14 August 2020 and RM200.0 million on 12 April 2021. Subsequently, part of the proceeds was utilised to redeem a RM302.0 million land loan that was earlier secured at a higher interest rate. A loan denominated in Australian Dollars was also fully repaid in Australia. Other than that, other project financing and working capital facilities amounting to approximately RM320.0 million were also repaid using proceeds from operations.

As at 30 June 2021, the borrowings consisted mainly of:

Secured term loans

- (a) Financing facility of RM216.9 million for the Group's working capital;
- (b) Sukuk Murabahah Program totaling RM808.6 million, comprising RM800.0 million principal and RM8.6 million accrued profits, for the Group's working capital;
- (c) Other project loans of RM770.0 million for the Group's on-going property development and construction projects.

Unsecured short-term loans

- (d) Short term borrowings of RM150.0 million for the Group's working capital.

The Group's borrowings as at 30 June 2021 were denominated in Ringgit Malaysia. The weighted average interest rate as at 30 June 2021 was 3.83% per annum (30 June 2020: 4.80%).

The Group's Net Gearing as at 30 June 2021 was 0.28 times (30 June 2020: 0.30 times).

**18. MATERIAL LITIGATION**

There was no material litigation arising from the Group's operational transactions as at the date of this report.

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

**E. NOTES TO THE REPORT (cont'd)**

**19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE**

(RM'000)	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	3 MONTHS ENDED		VARIANCE (Value / %)	6 MONTHS ENDED		VARIANCE (Value / %)
	30.6.2021	30.6.2020 (restated)		30.6.2021	30.6.2020 (restated)	
Revenue	225,749	167,183	58,566 35%	452,457	592,935	(140,478) (24%)
Operating loss	(28,687)	(208,750)	180,063 86%	(13,817)	(169,221)	155,404 92%
(Loss)/profit before interest and tax	(18,024)	(206,529)	188,505 91%	5,933	(163,423)	169,356 104%
Loss before tax	(38,232)	(223,561)	185,329 83%	(32,519)	(195,960)	163,441 83%
Loss after tax	(39,699)	(220,598)	180,899 82%	(35,774)	(204,431)	168,657 83%
Total loss attributable to equity holders of the Company	(32,416)	(220,900)	188,484 85%	(27,214)	(204,807)	177,593 87%

In the first half of the financial year ended 30 June 2021, the Group recorded revenue and loss before tax of RM452.5 million and RM32.5 million respectively, compared to revenue of RM592.9 million and loss before tax of RM196.0 million recorded in the corresponding period ended 30 June 2020.

Revenue in the first half of the current financial year was 24% lower compared to the corresponding period in 2020 as the first half of 2020 benefited from a full 2 months of operations before the first Movement Control Order ("MCO") was imposed. However, both periods under review were during the Covid-19 pandemic which resulted in multiple site closures at almost all construction project sites undertaken either due to Government mandated lock downs or as precautionary measures when Covid-19 positive cases were detected on site. When the Group was able to resume construction work under the permissible SOPs and other guidelines issued by the Government and regulatory authority, productivity rates remained very low due to caps placed on the percentage of workforce allowed at sites at any given time, restrictions on the eligibility of workforce and the type of works that could be carried out, as well as disruptions in the construction supply chain which led to a shortage of skilled workers and certain building materials. Additional restrictions imposed via the MCO 3.0 and Full Movement Control Order ("FMCO") rulings also resulted in further site closures in May and June 2021, effectively making April 2021 the only productive month for all of our project sites in the second quarter.

The lower loss after tax recorded in the first half of the current financial year was due to the one-off RM197.4 million provision made for the impairment of contract assets, trade and other receivables as a result of the pandemic in the corresponding period in 2020.

Operating profits were mainly derived from the sale of completed unsold inventory and on-going property development projects, namely Sentral Suites in KL Sentral, the 9 Seputeh mixed residential developments in Jalan Klang Lama and Alstonia in Bukit Rahman Putra. The Group also continued to recognise revenue from the Group's property development project 1060 Carnegie in Melbourne, Australia, albeit at a much slower pace as the speed of achieving financial settlement for the units sold only started to pick up following the easing of multiple Covid-19 related restrictions imposed in the State of Victoria, Australia in November 2020.

The Group's 50%-owned LRT 3 project joint venture company MRCB GK contributed higher profit after tax of RM13.2 million to the Group compared to RM1.4 million in the corresponding period in 2020 due to construction progress, which reached 58% as at 30 June 2021. The Group's 27.94% equity owned Sentral REIT and associated company, Sentral REIT Management Sdn Bhd, contributed a combined profit after tax of RM9.4 million to the Group compared with RM7.7 million in the preceding financial quarter ended 30 June 2020.

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

**E. NOTES TO THE REPORT (cont'd)**

**19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE (cont'd)**

**Segmental Breakdown of Revenue & Profit/(Loss) - Note 8\***

RM'000	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.2021	30.6.2020	30.6.2021	30.6.2020
<u>Revenue</u>				
Property development & investment	142,757	99,976	274,919	336,388
Engineering, construction & environment	71,990	56,665	156,424	231,497
Facilities management & parking	8,967	9,551	17,857	22,203
Others	2,035	991	3,257	2,847
	<u>225,749</u>	<u>167,183</u>	<u>452,457</u>	<u>592,935</u>
RM'000	3 MONTHS ENDED		6 MONTHS ENDED	
	30.6.2021	30.6.2020 (restated)	30.6.2021	30.6.2020 (restated)
<u>Profit/(loss)</u>				
Property development & investment	3,340	4,395	16,458	28,592
Engineering, construction & environment	(31,337)	(208,244)	(32,982)	(195,678)
Facilities management & parking	127	859	560	3,239
Others	(5,043)	(5,044)	(632)	(4,515)
	<u>(32,913)</u>	<u>(208,034)</u>	<u>(16,596)</u>	<u>(168,362)</u>

\* Profit/(loss) before unallocated corporate expenses, finance costs and income and share of associates & joint ventures results.

The revenue and profit of the Group was mainly attributable to the two core operating segments below:

**(i) Property Development & Investment**

The Property Development & Investment Division recorded revenue of RM274.9 million. The main revenue contributors were the Group's on-going property development projects, namely Sentral Suites in KL Sentral, the 9 Seputeh mixed residential development in Jalan Klang Lama and Alstonia in Bukit Rahman Putra, as construction progressed further, reaching construction progress of 52%, 48% and 22% respectively. In addition, the sale of completed units from 1060 Carnegie in Melbourne, which saw an additional 42 units achieving financial settlement further contributed to the Division's revenue. Recurring rental income from the Group's investment properties, such as Celcom Tower in PJ Sentral Garden City and Plaza Alam Sentral in Shah Alam, also contributed to the revenue recognised by the Division.

The lower profit of RM16.5 million recorded in the first half of financial year ended 30 June 2021 compared to RM28.6 million in the corresponding period in 2020, was largely due to only 42 units of the 1060 Carnegie development achieving financial settlement in 1HFY2021 compared to 79 units in 1HFY2020.

The Group's investment holding in Sentral REIT contributed income of RM8.3 million in the financial period ended 30 June 2021.



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

**E. NOTES TO THE REPORT (cont'd)**

**19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE (cont'd)**

**(ii) Engineering, Construction & Environment**

The Engineering, Construction and Environment Division recorded Revenue of RM156.4 million in the financial period ended 30 June 2021, compared to RM231.5 million in the corresponding period ended 30 June 2020.

The bulk of the Division's revenue was contributed from the construction progress of the EPF Headquarters at Kwasa Sentral, Damansara-Shah Alam Elevated Highway Package CB2 ("DASH"), Mass Rapid Transit 2 Package V210 ("MRT2") and Sungai Besi-Ulu Kelang Elevated Expressway Package CA2 ("SUKE").

The Loss of RM33.0 million recorded in the first half of financial year ended 30 June 2021 was mainly due to the halt in construction works at the Division's construction sites during the MCO 3.0 and FMCO. The higher loss recorded in the corresponding period in 2020 was due to the RM197.4 million provision made for the impairment of contract assets, trade and other receivables as a result of the pandemic.

The Group's 50%-owned LRT 3 project joint venture company MRCB GK contributed higher profit after tax of RM13.2 million to the Group compared to RM1.4 million in 2020 due to construction progress achieved in 2021.

**20. FINANCIAL REVIEW FOR THE QUARTER UNDER REVIEW COMPARED WITH THE PRECEDING QUARTER**

	<b>CURRENT QUARTER</b>	<b>IMMEDIATE PRECEDING QUARTER</b>	<b>VARIANCE (Value / %)</b>
RM'000	<b>30/6/2021</b>	<b>31/3/2021</b>	
Revenue	225,749	226,709	(960) / (0.4%)
Operating (loss)/profit	(28,687)	14,871	(43,558) / (293%)
(Loss)/profit before interest and tax	(18,024)	11,043	(29,067) / (263%)
(Loss)/profit before tax	(38,232)	5,714	(43,946) / (769%)
(Loss)/profit after tax	(39,699)	3,924	(43,623) / (1,112%)
Total (loss)/profit attributable to equity holders of the Company	(32,416)	2,133	(34,549) / (1,620%)

The Group recorded revenue and loss before taxation of RM225.7 million and RM38.2 million respectively, in the quarter ended 30 June 2021, compared to revenue of RM226.7 million and profit before taxation of RM5.7 million recorded in the preceding quarter ended 31 March 2021.

The Group achieved asimilar level of revenue in the quarter under review compared to the immediate preceding quarter. In the quarter under review, 35 units achieved financial settlement at the Group's 1060 Carnegie development in Melbourne, compared to just 7 units in the preceding quarter ended 31 March 2021. However, challenged with fewer productive days in the Group's construction sites for both its Property Development & Investment and Engineering, Construction & Environment divisions, revenues for both quarters remained comparable.

The loss before taxation in the current quarter compared to the profit recorded in the preceding quarter was largely due to additional restrictions imposed via the MCO 3.0 and FMCO rulings resulting in site closures in May and June 2021, effectively making April 2021 the only productive month for all of our project sites in the quarter under review.

**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****21. PROSPECTS**

The Group's major source of revenue and operating profits come from its Property Development & Investment and Engineering, Construction & Environment divisions.

**(i) Property Development & Investment**

The Group's Property Development & Investment Division achieved sales of RM107.4 million in the first half 2021 from its developments. Of the Group's residential projects currently in development, Sentral Suites had achieved a sales rate of 84%, TRIA in 9 Seputeh had achieved a sales rate of 41% and Alstonia in Bukit Rahman Putra achieved a sales rate of 27%. The Division will continue to focus its marketing efforts on its residential development projects, namely Sentral Suites in KL Sentral (GDV: RM1,535 million), TRIA in 9 Seputeh (GDV: RM934 million) and Alstonia in Bukit Rahman Putra (GDV: RM248 million), as well as the remaining completed unsold units in Sentral Residences in KL Sentral, VIVO Residences in 9 Seputeh, Kalista Park Homes in Bukit Rahman Putra, and 1060 Carnegie in Melbourne, Australia. Of the Group's completed developments, as at 30 June 2021, Sentral Residences had achieved a sales rate of 99%, VIVO Residences in 9 Seputeh had achieved a sales rate of 82% and Kalista in Bukit Rahman Putra 85%. In Melbourne, 155 units of 1060 Carnegie in Melbourne have achieved financial settlement out of total of 158 units sold as at 30 June 2021, out of a total of 176 units available for sale.

Revenue and operating profit in the Property Development & Investment Division will continue to be progressively recognized in line with construction progress in 2021 and beyond. Sentral Suites had reached 52% construction progress, TRIA had reached 48% construction progress and Alstonia had reached 22% construction progress as at 30 June 2021 and will continue to contribute revenue and profits as construction at these projects progresses. The Division had total cumulative unbilled sales which are expected to deliver RM979 million in revenue to be booked over the construction period of its projects, of which all are residential projects.

Overall, the Group believes the outlook for the economy and the property market will remain challenging for the foreseeable future. This concern is further reinforced with the continued increase of Covid-19 infections experienced in Malaysia, and the Klang Valley in particular where most of the Company's on-going developments are located, and where a MCO continues to be imposed. Nevertheless, construction of the Division's key ongoing property developments continues to progress during this MCO, albeit at significantly lower productivity levels.

The Company's immediate priorities in 2021 remain on enhancing cashflow by monetising its inventory of unsold completed stock, which stood at RM398.2 million on 30 June 2021. However, sales are likely to remain subdued due to the general Covid-19 environment, more stringent movement controls and the closure of borders, which has impacted access to foreign markets that have been a source of sales for VIVO 9 Seputeh, Sentral Residences and St Regis units.

In the meantime, the Group will continue to closely monitor conditions in the broader economy and property market, revising its strategies and financial targets accordingly, including reviewing its future launches if conditions dictate.

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

**E. NOTES TO THE REPORT (cont'd)**

**21. PROSPECTS (cont'd)**

**(i) Property Development & Investment (continued)**

With interests in 323 acres of urban land, the Group has a sustainable supply of land for future projects over the long term with a total GDV of RM32 billion, as shown in the following table:

<b>Developments</b>	<b>Land Size (Acres)</b>	<b>GDV (RM' Mil)</b>
Transport Oriented Developments	145.33	25,548
Commercial	67.52	770
Residential	93.96	5,803
International	1.00	300
Others	15.63	-
<b>Grand Total</b>	<b>323.44</b>	<b>32,421</b>

The Division also earns a relatively stable income stream from its remaining investment property in Shah Alam and from Celcom Tower, as well as its 27.94% interest in Sentral REIT.

**(ii) Engineering, Construction & Environment**

The Engineering, Construction & Environment Division continues to actively tender for more infrastructure contracting projects to replenish its order book, but there have been very few new large infrastructure construction projects put out to tender. The Division's open tenders remained at RM2,136 million as at 30 June 2021, with many of these project tenders being delayed or indefinitely postponed due to the pandemic. As at 30 June 2021, the external client order book stood at RM21.7 billion. This long-term orderbook will ensure that the Division has a steady pipeline of contracts to sustain its business over the very long term, but with few infrastructure projects being tendered out, the short term to medium term outlook remains challenging.

Construction activity remains at a slower pace, with low productivity levels compared to before the pandemic, due to distancing and strict adherence to other Government imposed health and safety protocols, and the implementation of the full MCO. The Division is also grappling with supply chain disruptions resulting in a shortage of foreign labour due to Government imposed restrictions as well as a shortage of certain building materials due to suppliers being either unable to operate, or only operating at very low capacity levels. Despite this, the Division anticipates the completion of several key construction projects in 2021, namely the DASH, SUKE, and MRT2. The LRT3 project, which achieved construction progress of 58% as at 30 June 2021 and is expected to reach 65% construction progress by the end of 2021, should also see profit recognition continue to pick up in 2021 compared to 2020, albeit at a slower pace than previously anticipated due to the implementation of stricter standard operating procedures to prevent the spread of Covid-19.

<b>Major Construction Projects</b>	<b>Contract Value (RM' Mil)</b>
Bukit Jalil Sentral	10,957
LRT3 *	5,686
Kwasa Utama C8	3,093
MRT2 Package V210	497
PR1MA Brickfields	335
DASH	341
SUKE	317
Others	433
<b>Total</b>	<b>21,659</b>

\* 50% of joint venture's total contract value

As at 30 June 2021, the unbilled construction order book stood at RM17.6 billion.

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

**E. NOTES TO THE REPORT (cont'd)**

**22. VARIANCE ON FORECAST PROFIT/PROFIT GUARANTEE**

Not applicable.

**23. EARNINGS PER SHARE (EPS)**

**Basic EPS**

The basic EPS is calculated by dividing the net loss in the financial period by the weighted average number of shares in issue during the financial period.

	<b>3 MONTHS ENDED</b>		<b>6 MONTHS ENDED</b>	
	<b>30.6.2021</b>	<b>30.6.2020 (restated)</b>	<b>30.6.2021</b>	<b>30.6.2020 (restated)</b>
Net loss for the financial period attributable to the owners of the parent (RM'000)	(32,416)	(220,900)	(27,214)	(204,807)
Weighted average number of ordinary shares in issue ('000)	4,425,223	4,412,046	4,425,223	4,412,046
Basic EPS (sen)	(0.73)	(5.01)	(0.61)	(4.64)

**Diluted EPS**

The diluted EPS is calculated by dividing the net loss in the financial period by the adjusted weighted average number of shares in issue during the financial period.

	<b>3 MONTHS ENDED</b>		<b>6 MONTHS ENDED</b>	
	<b>30.6.2021</b>	<b>30.6.2020 (restated)</b>	<b>30.6.2021</b>	<b>30.6.2020 (restated)</b>
Net loss for the financial period attributable to the owners of the parent (RM'000)	(32,416)	(220,900)	(27,214)	(204,807)
Weighted average number of ordinary shares in issue ('000)	4,425,223	4,412,046	4,425,223	4,412,046
- Adjustment for warrants B ('000)	-	-	-	-
- Adjustment for ordinary shares not yet granted under Restricted Share Plan ('000)	10,239	14,081	10,239	14,081
	4,435,462	4,426,127	4,435,462	4,426,127
Diluted EPS (sen)	(0.73)	(4.99)	(0.61)	(4.63)

Warrants B were not included in the calculation for the financial period under review because the fair value of the issued ordinary shares as at 30 June 2021 was lower than warrant B's exercise price. Accordingly, there is no bonus element in the outstanding shares for the purpose of computing the dilution.

**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****24. TRADE RECEIVABLES**Exposure to credit risk, credit quality and collateral

Given the varied nature of the Group's customer base, the following analysis of trade receivables by type of customers are considered the most appropriate disclosure of credit concentration.

<b>(RM'000)</b>	<b>As at 30.6.2021</b>	<b>As at 31.12.2020</b>
Property development	99,093	78,864
Property investment	22,843	20,310
Engineering, construction & environment	143,035	159,838
Facilities management & parking	5,968	5,601
Others	5,453	3,624
	<u>276,392</u>	<u>268,237</u>
Trade receivables include retention sums for contracts, under engineering, construction & environment	<u>124,185</u>	<u>128,369</u>

Impairment losses

## (a) Property development

Generally, property units sold are progressively invoiced and settled by end-buyers' financiers posing minimal credit risk. The Group experiences a low risk of default from its property development activities as sales of development units are made to a large number of property purchasers with end financing facilities from reputable end-financiers, and the ownership and rights to the properties revert to the Group in the event of default. In view of that, the Group has not recognised any further impairment losses in respect of trade receivables arising from its property development.

## (b) Engineering, construction &amp; environment

The Group is exposed to significant concentration of credit risk to a few customers, mainly consisting of Government-linked Companies ("GLCs"). The expected credit loss rate on the amounts outstanding from GLCs are determined subsequent to considering the capacity of the GLCs in meeting their contractual cash flow obligations in the near term and the economic and business conditions in the longer term.

The closing allowances for trade receivables of the engineering, construction and environmental segment as at 30 June 2021 was RM47.5 million (31 December 2020: RM35.6m).

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

**E. NOTES TO THE REPORT (cont'd)**

**24. TRADE RECEIVABLES (cont'd)**

Impairment losses (cont'd)

(c) Property investment and facilities management & parking

The Group applies MFRS 9 'Financial Instruments' simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables in its property investment and facilities management & parking segments.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The loss allowances as at 30 June 2021 and 31 December 2020 were determined as follows for trade receivables in the property investment and facilities management & parking segments:

The ageing of trade receivables of the Group arising from the property investment and facilities management & parking segments as at the end of the financial quarter under review were as follows:

<b>(RM'000)</b>	<b>Gross</b>	<b>Individual impairment</b>	<b>Expected loss rate</b>	<b>Collective impairment</b>	<b>Net</b>
<b>30.6.2021</b>					
Not past due	537	-	-	-	537
Past due					
- less than three months	4,733	-	-	-	4,733
- between three to six months	2,884	-	-	-	2,884
- between six months and one year	4,649	-	-	-	4,649
- more than one year	16,009	(12,680)	-	-	3,329
	<u>28,812</u>	<u>(12,680)</u>	<u>-</u>	<u>-</u>	<u>16,132</u>
<b>31.12.2020</b>					
Not past due	32	-	-	-	32
Past due					
- less than three months	3,506	-	-	-	3,506
- between three to six months	2,489	-	-	-	2,489
- between six months and one year	4,440	-	-	-	4,440
- more than one year	11,395	(8,876)	-	-	2,519
	<u>21,862</u>	<u>(8,876)</u>	<u>-</u>	<u>-</u>	<u>12,986</u>

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**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****24. TRADE RECEIVABLES (cont'd)**Impairment losses (cont'd)

## (c) Property investment and facilities management &amp; parking (cont'd)

The closing allowances for the Group's trade receivables in the property investment and facilities management & parking segments as at 30 June 2021 reconcile to the opening loss allowances as follows:

<b>(RM'000)</b>	<b>As at 30.6.2021</b>	<b>As at 31.12.2020</b>
Opening loss allowance as at 1 January	8,876	7,041
Impairment loss recognised	3,804	1,859
Impairment loss reversed	-	(24)
As at 30 June 2021 / 31 December 2020	<u>12,680</u>	<u>8,876</u>

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

**E. NOTES TO THE REPORT (cont'd)**

**25. PRIOR YEAR ADJUSTMENTS**

During the financial year under review, the Group made prior year adjustments in relation to IFRIC Agenda Decisions that have been concluded and published as stated in Note 1.

The financial effects arising from the Group's prior year adjustments are as follows:

RM'000	<b>As previously reported</b>	<b>Prior year adjustments</b>	<b>As restated</b>
<b>At 1 January 2020</b>			
<b>Consolidated statement of financial position</b>			
<b><u>Assets</u></b>			
Deferred tax assets	84,394	2,001	86,395
Inventories	963,153	(35,375)	927,778
<b><u>Equity and liabilities</u></b>			
Retained earnings	460,716	(26,152)	434,564
Non-controlling interests	31,901	(1,143)	30,758
Deferred tax liabilities	76,953	(6,080)	70,873
<b>At 31 December 2020</b>			
<b>Consolidated statement of financial position</b>			
<b><u>Assets</u></b>			
Deferred tax assets	93,161	1,450	94,611
Inventories	852,281	(36,170)	816,111
<b><u>Liabilities</u></b>			
Retained earnings	241,103	(27,382)	213,721
Non-controlling interests	10,727	(615)	10,112
Deferred tax liabilities	76,791	(6,723)	70,068



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

**E. NOTES TO THE REPORT (cont'd)**

**25. PRIOR YEAR ADJUSTMENTS (cont'd)**

The financial effects arising from the Group's prior year adjustments for the consolidated statements of comprehensive income are as follows:

RM'000	<u>As previously reported</u>	<u>Prior year adjustments</u>	<u>As restated</u>
<b>Consolidated statements of comprehensive income 6 months ended 30 June 2020</b>			
Expenses	(786,293)	5,996	(780,297)
Loss from operations	(175,217)	5,996	(169,221)
Finance costs	(25,739)	(6,798)	(32,537)
Loss before tax	(195,158)	(802)	(195,960)
Income tax expenses	(8,663)	192	(8,471)
Loss for the financial year	(203,821)	(610)	(204,431)
Total comprehensive loss	(202,433)	(610)	(203,043)
Loss attributable to equity holders of the Company	(203,961)	(846)	(204,807)
Profit attributable to non-controlling interests	140	236	376
Total comprehensive loss attributable to equity holders of the Company	(202,579)	(846)	(203,425)
Total comprehensive income attributable to non-controlling interests	146	236	382
Loss per share (sen)			
- Basic	(4.62)	(0.02)	(4.64)
- Diluted	(4.61)	(0.02)	(4.63)

**UNAUDITED REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****E. NOTES TO THE REPORT (cont'd)****26. PRIOR YEAR ADJUSTMENTS (cont'd)**

The financial effects arising from the Group's prior year adjustments for the consolidated statements of comprehensive income are as follows:

RM'000	As previously reported	Prior year adjustments	As restated
<b>Consolidated statements of comprehensive income 3 months ended 30 June 2020</b>			
Expenses	(388,566)	2,353	(386,213)
Loss from operations	(211,103)	2,353	(208,750)
Finance costs	(13,144)	(3,888)	(17,032)
Loss before tax	(222,026)	(1,535)	(223,561)
Income tax expenses	2,566	397	2,963
Loss for the financial year	(219,460)	(1,138)	(220,598)
Total comprehensive loss	(217,242)	(1,138)	(218,380)
Loss attributable to equity holders of the Company	(219,606)	(1,294)	(220,900)
Profit attributable to non-controlling interests	146	156	302
Total comprehensive loss attributable to equity holders of the Company	(217,385)	(1,294)	(218,679)
Total comprehensive income attributable to non-controlling interests	143	156	299
Loss per share (sen)			
- Basic	(4.98)	(0.03)	(5.01)
- Diluted	(4.96)	(0.03)	(4.99)

Kuala Lumpur  
30 August 2021

By Order of the Board

Mohd Noor Rahim Yahaya  
Company Secretary