

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

Interim Financial Report
31 December 2021

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INTERIM FINANCIAL REPORT

Interim financial report on consolidated results for the financial period ended 31 December 2021.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000	6 Months Ended	
			31.12.2021 RM'000	31.12.2020 RM'000
Revenue	821,045	350,470	1,105,622	718,377
Cost of sales	(578,623)	(314,002)	(854,462)	(627,522)
Gross profit	242,422	36,468	251,160	90,855
Other operating income	21,820	9,412	37,453	19,093
Other operating expenses	(151,765)	(49,640)	(204,567)	(101,385)
Profit/(loss) from operations	112,477	(3,760)	84,046	8,563
Finance costs	(45,847)	(10,512)	(57,278)	(21,653)
Share of results in joint venture	12,714	7,874	20,305	8,012
Profit/(loss) before tax	79,344	(6,398)	47,073	(5,078)
Taxation	(24,677)	1,168	(16,638)	(1,735)
Profit/(loss) for the financial period	54,667	(5,230)	30,435	(6,813)
Attributable to:				
Owners of the parent	54,918	(4,897)	31,171	(6,214)
Non-controlling interests	(251)	(333)	(736)	(599)
	54,667	(5,230)	30,435	(6,813)
Earnings/(loss) per share (sen)				
- Basic	4.19	(0.58)	2.73	(0.73)
- Diluted	3.09	-	2.23	-

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

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000	6 Months Ended 31.12.2021 31.12.2020 RM'000 RM'000	
Profit/(loss) for the financial period	54,667	(5,230)	30,435	(6,813)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	296	(370)	(3)	(1,210)
Total other comprehensive income/(loss) for the financial period, net of tax	296	(370)	(3)	(1,210)
Total comprehensive income/(loss) for the financial period	54,963	(5,600)	30,432	(8,023)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	55,214	(5,267)	31,168	(7,424)
Non-controlling interests	(251)	(333)	(736)	(599)
	54,963	(5,600)	30,432	(8,023)

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

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31.12.2021 RM'000	Audited As at 30.06.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,851,314	1,372,119
Right-of-use assets	188,181	103,070
Investment property	3,121	3,123
Goodwill on consolidation	5,592,003	1,387,089
Other intangible assets	11,739	12,804
Investment in joint venture	71,403	51,132
Other financial assets	3,449	3,449
Net investment in leases	5,883	7,586
Deferred tax assets	251,473	238,324
	<u>8,978,566</u>	<u>3,178,696</u>
Current assets		
Inventories	436,791	233,596
Current tax assets	50,406	10,139
Trade receivables	451,415	90,778
Other receivables, prepaid expenses and refundable deposits	112,646	39,123
Amounts owing by holding and related companies	34,606	177,180
Amounts owing by joint venture	23,836	21,669
Net investment in leases	3,793	4,107
Fixed deposits	507,166	73,383
Cash and bank balances	125,167	61,655
	<u>1,745,826</u>	<u>711,630</u>
TOTAL ASSETS	<u><u>10,724,392</u></u>	<u><u>3,890,326</u></u>

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

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued

	Unaudited As at 31.12.2021 RM'000	Audited As at 30.06.2021 RM'000
EQUITY		
Share capital	3,595,817	2,187,669
Irredeemable convertible preference shares	1,750,000	-
Reserves:		
Exchange equalisation reserve	30,214	30,217
Investments revaluation reserve	2,810	2,810
Retained earnings	340,538	309,367
	<hr/>	<hr/>
Equity attributable to owners of the parent	5,719,379	2,530,063
Non-controlling interests	4,517	5,253
	<hr/>	<hr/>
TOTAL EQUITY	<hr/> 5,723,896 <hr/>	<hr/> 2,535,316 <hr/>
 LIABILITIES		
Non-current liabilities		
Borrowings	3,001,198	499,910
Retirement benefits	21,430	21,764
Lease liabilities	39,152	37,504
Deferred tax liabilities	318,937	128,349
	<hr/>	<hr/>
	3,380,717	687,527
	<hr/>	<hr/>
Current liabilities		
Trade payables	381,396	204,577
Other payables and accrued expenses	207,217	135,891
Amounts owing to holding and related companies	65,260	91,691
Borrowings	929,114	220,000
Lease liabilities	16,876	14,381
Current tax liabilities	19,916	943
	<hr/>	<hr/>
	1,619,779	667,483
	<hr/>	<hr/>
TOTAL LIABILITIES	<hr/> 5,000,496 <hr/>	<hr/> 1,355,010 <hr/>
	<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES	<hr/> 10,724,392 <hr/>	<hr/> 3,890,326 <hr/>
	<hr/>	<hr/>
Net assets per share (RM)	4.37	2.71
	<hr/>	<hr/>

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

	← Attributable to Owners of the Parent →					Non- controlling Interests	Total Equity	
	Share Capital	Irredeemable Convertible Preference Shares	Exchange Equalisation Reserve	Investments Revaluation Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at 1 July 2021	2,187,669	-	30,217	2,810	309,367	2,530,063	5,253	2,535,316
Issuance of ordinary shares	1,408,148	-	-	-	-	1,408,148	-	1,408,148
Issuance of irredeemable convertible preference shares	-	1,750,000	-	-	-	1,750,000	-	1,750,000
Profit for the financial period	-	-	-	-	31,171	31,171	(736)	30,435
Other comprehensive loss for the financial period, net of tax	-	-	(3)	-	-	(3)	-	(3)
As at 31 December 2021	<u>3,595,817</u>	<u>1,750,000</u>	<u>30,214</u>	<u>2,810</u>	<u>340,538</u>	<u>5,719,379</u>	<u>4,517</u>	<u>5,723,896</u>
As at 1 July 2020	1,950,692	-	29,977	2,133	301,884	2,284,686	5,474	2,290,160
Loss for the financial period	-	-	-	-	(6,214)	(6,214)	(599)	(6,813)
Other comprehensive loss for the financial period, net of tax	-	-	(1,210)	-	-	(1,210)	-	(1,210)
As at 31 December 2020	<u>1,950,692</u>	<u>-</u>	<u>28,767</u>	<u>2,133</u>	<u>295,670</u>	<u>2,277,262</u>	<u>4,875</u>	<u>2,282,137</u>

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

	6 Months Ended	
	31.12.2021	31.12.2020
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(loss) before tax	47,073	(5,078)
Adjustments for:-		
Provision for inventory obsolescence	1,080	980
Amortisation of:		
- other intangible assets	1,065	1,065
Depreciation of:		
- investment property	2	1
- property, plant and equipment	95,148	71,724
- right-of-use assets	10,148	6,739
Finance costs	57,278	21,653
(Reversal of impairment)/impairment loss on trade receivables	(9,870)	186
Dividend income	(180)	(180)
Interest income	(3,095)	(4,299)
Gain on disposal of:		
- property, plant and equipment	(2,179)	(473)
Property, plant and equipment written off	37	164
Provision for retirement benefits	460	467
Unrealised (gain)/loss on foreign exchange	(2,511)	507
Share of results in joint venture	(20,305)	(8,012)
Operating profit before changes in working capital	174,151	85,444
Changes in working capital:-		
Decrease/(Increase) in:		
Inventories	(15,947)	6,315
Receivables	(97,428)	(26,069)
Amounts owing by holding, related and joint venture companies	210,995	(58,405)
(Decrease)/Increase in:		
Payables	30,038	6,566
Amounts owing to holding and related companies	(90,418)	84,992
Cash generated from operations	211,391	98,843
Interest paid	(55,658)	(19,414)
Retirement benefits paid	(794)	(13,918)
Net tax (paid)/refunded	(19,697)	12,901
Net cash generated from operating activities	135,242	78,412

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

INTERIM FINANCIAL REPORT

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 - continued**

	6 Months Ended	
	31.12.2021	31.12.2020
	RM'000	RM'000
Cash Flows From/(Used In) Investing Activities		
Additions to property, plant and equipment	(21,124)	(24,675)
Acquisition of subsidiaries	(1,586,831)	-
Interest received	3,095	4,299
Dividend income received	180	180
Proceeds from net investment in leases	2,017	2,092
Proceeds from disposal of:		
- property, plant and equipment	4,344	3,445
Settlement of debenture matured	-	1,255
	<u>(1,598,319)</u>	<u>(13,404)</u>
Net cash used in investing activities		
Cash Flows From/(Used In) Financing Activities		
Payment of lease liabilities	(8,136)	(5,565)
Drawdown/(repayment) of borrowings (net)	1,968,374	(97,000)
	<u>1,960,238</u>	<u>(102,565)</u>
Net cash generated from/(used in) financing activities		
Net Change in Cash and Cash Equivalents	497,161	(37,557)
Effects of currency translations	134	(209)
Cash and Cash Equivalents at beginning of the financial period	<u>135,038</u>	<u>77,152</u>
Cash and Cash Equivalents at end of the financial period	<u><u>632,333</u></u>	<u><u>39,386</u></u>
Cash and cash equivalent comprise :-		
Fixed deposit with licensed bank	507,166	-
Cash and cash balances	<u>125,167</u>	<u>39,386</u>
	<u><u>632,333</u></u>	<u><u>39,386</u></u>

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

INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021.

A1. Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The explanatory notes contained herein provide an explanation of the events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2021.

The accounting policies and methods of computations adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2021.

The adoption of MFRSs or amendments to MFRSs which were effective for financial year beginning on or after 1 July 2021 do not have significant financial impact on the Group.

A2. Seasonal or Cyclical Factors

The operations of the Group are closely linked to the construction sector which would normally experience a slow-down in construction activities during the festive seasons in Malaysia and Singapore.

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INTERIM FINANCIAL REPORT

Notes – Continued

A3. Disaggregation of Revenue

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2021	Preceding Year Corresponding Quarter 31.12.2020	6 Months Ended	
	RM'000	RM'000	RM'000	RM'000
Cement:				
Sales of clinker, cement and other building materials	610,837	281,480	840,742	577,068
Others	299	204	4,965	257
	<u>611,136</u>	<u>281,684</u>	<u>845,707</u>	<u>577,325</u>
Aggregates & Concrete				
Sales of aggregates	5,473	2,858	12,100	4,282
Sales of ready-mixed concrete	204,363	65,450	247,737	136,088
Others	73	478	78	682
	<u>209,909</u>	<u>68,786</u>	<u>259,915</u>	<u>141,052</u>
Total Revenue	<u>821,045</u>	<u>350,470</u>	<u>1,105,622</u>	<u>718,377</u>

A4. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A5. Changes in Estimates of Amount Reported

There was no significant change in estimates of amounts reported in prior interim periods or prior financial years.

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INTERIM FINANCIAL REPORT

Notes – Continued

A6. Changes in Debt and Equity Securities

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

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

The total amount raised of RM3,158 million forms part of the total purchase consideration of RM5,159 million for the acquisition by the Company of the entire equity interest of 10 companies and their respective subsidiaries which are involved in cement and ready-mixed concrete businesses in Malaysia, from its immediate holding company, YTL Cement Berhad on 21 September 2021.

A7. Dividend Paid

There was no dividend payment during the financial period ended 31 December 2021.

A8. Segmental Information

Segment information is presented in respect of the Group’s business segments, which reflect the Group’s internal reporting structure that are regularly reviewed by the Group’s chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

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

- cement
- aggregates and concrete

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

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INTERIM FINANCIAL REPORT

Notes – Continued

A8. Segmental Information (continued)

Analysis of the Group's segment information is as follows:

6 Months Ended 31 December	Cement		Aggregates & Concrete		Elimination		Total	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
External revenue	845,707	577,325	259,915	141,052	-	-	1,105,622	718,377
Inter-segment revenue	99,490	12,386	-	-	(99,490)	(12,386)	-	-
Total revenue	945,197	589,711	259,915	141,052	(99,490)	(12,386)	1,105,622	718,377
Segment results								
Profit/(loss) from operations	107,605	25,469	(23,559)	(16,906)	-	-	84,046	8,563
Finance costs							(57,278)	(21,653)
Share of results in joint venture							20,305	8,012
Profit/(loss) before tax							47,073	(5,078)
Finance costs							57,278	21,653
Depreciation and amortisation							106,363	79,529
EBITDA							210,714	96,104

INTERIM FINANCIAL REPORT

Notes – Continued

A9. Valuation of Property, Plant and Equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

A10. Changes in Group Composition

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

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

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

A11. Contingent Liabilities

The Group has no material contingent liabilities as at the date of this report.

A12. Subsequent Events

There were no items, transactions or event of material or unusual in nature during the period from the end of the quarter under review to the date of this report.

A13. Commitments

Outstanding commitments in respect of capital commitments at end of reporting date not provided for in the financial statements are as follows:

	As at
	31.12.2021
	RM'000
In respect of capital expenditure:	
Approved and contracted for	<u>20,583</u>

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INTERIM FINANCIAL REPORT

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

B1. Review of Group's Performance

	Individual Quarter		Variance	Cumulative Quarter		Variance
	31.12.2021	31.12.2020	%	31.12.2021	31.12.2020	%
	RM'000	RM'000	+/-	RM'000	RM'000	+/-
Revenue	821,045	350,470	134%	1,105,622	718,377	54%
Profit/(loss) before tax	79,344	(6,398)	1340%	47,073	(5,078)	1027%

For the current financial quarter under review, the Group recorded a revenue of RM821.0 million as compared to RM350.5 million recorded in the preceding year corresponding quarter. The significant increase was mainly contributed by the consolidation of revenue of the companies purchased under the Acquisition. In addition, revenue for the current financial quarter was also bolstered by higher cement and clinker exports.

The consolidation of results of the companies purchased under the Acquisition also improved the Group's profit before tax for the current financial quarter to RM79.3 million from a loss before tax of RM6.4 million in the preceding year corresponding quarter.

For the current six months financial period under review, the Group recorded a revenue of RM1.1 billion as compared to RM718.4 million recorded in the preceding year corresponding period, due mainly to the impact of the Acquisition. The revenue during the current six months financial period was adversely impacted to some extent by the movement controls in July and August 2021 caused by the Covid-19 pandemic.

Combined with the results of the companies purchased through the Acquisition, the Group recorded a profit before tax of RM47.1 million for the current financial period under review as compared to a loss before tax of RM5.1 million in the preceding year corresponding period.

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INTERIM FINANCIAL REPORT

Notes – Continued

B2. Comparison with Preceding Quarter

	Current Quarter 31.12.2021 RM'000	Preceding Quarter 30.09.2021 RM'000	Variance % +/-
Revenue	821,045	284,577	189%
Profit/(loss) before tax	79,344	(32,271)	346%
Profit/(loss) after tax	54,667	(24,232)	326%

The Group's revenue of RM821.0 million recorded for the current financial quarter increased considerably compared to the preceding quarter of RM284.6 million. This is mainly due to the full three months impact of consolidating the revenue of the companies purchased through the Acquisition whereas in the preceding quarter, the revenue was only consolidated following the completion of the Acquisition on 21 September 2021. Revenue for the current financial quarter also benefited from the easing of restrictions in the construction sector which were previously impacted by the movement controls caused by the Covid-19 pandemic.

In line with the better revenue, the Group recorded a profit before tax of RM79.3 million in the current financial quarter as compared to a loss before tax of RM32.3 million in the preceding quarter.

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

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

B4. Prospects

The construction sector is on the path to recovery due to the revival and acceleration of major infrastructure projects and affordable housing projects coupled with the easing of the restrictions on the sector following the high vaccination rate amongst the workers. However, the full impact of the COVID-19 pandemic on the Group's performance could still not be reasonably ascertained as the situation is evolving especially with the emergence of the new Omicron variant which hopefully will not become more threatening than what it appears to be as of now.

The Acquisition has started to bolster profitability and value enhancement, increasing the size of the Group's cement and ready-mixed concrete businesses. The effectiveness and efficiency of the Group's cement operations and ability to deliver seamless solutions to customers will be optimised, boding well for the positive growth and outlook of the Group and the industry going forward.

B5. Profit Forecast

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

INTERIM FINANCIAL REPORT

Notes – Continued

B6. Profit/(loss) for the financial period

	Current Quarter 31.12.2021 RM'000	Period To Date 31.12.2021 RM'000
Profit/(loss) for the financial period is arrived after charging:		
Provision for inventory obsolescence	540	1,080
Amortisation of:		
- other intangible assets	532	1,065
Depreciation of:		
- investment property	1	2
- property, plant and equipment	60,218	95,148
- right-of-use assets	7,069	10,148
Property, plant and equipment written off	2	37
Provision for retirement benefits	230	460
Realised loss on foreign exchange	1,387	3,118
	<hr/>	<hr/>
and after crediting:		
Gain on disposal of:		
- property, plant and equipment	2,163	2,179
Reversal of impairment loss on trade receivables	1,480	9,870
Unrealised gain on foreign exchange	1,769	2,511
	<hr/>	<hr/>

B7. Taxation

Taxation comprise the following:

	Current Quarter 31.12.2021 RM'000	Period To Date 31.12.2021 RM'000
In respect of current year:		
- income tax	(25,579)	(27,094)
- deferred tax	1,635	11,315
In respect of prior year:		
- income tax	289	111
- deferred tax	(1,022)	(970)
Total tax expense	<hr/> (24,677) <hr/>	<hr/> (16,638) <hr/>

The effective tax rate for the current quarter and 6 months financial period ended 31 December 2021 was higher than the Malaysian statutory tax rate of 24% due to the non-deductibility of certain expenses for tax purposes.

INTERIM FINANCIAL REPORT

Notes – Continued

B8. Status of Corporate Proposals Announced

As at the date of this report, being the latest practicable date, there are no corporate proposals announced and pending completion save for the following:-

On 8 February 2022, CIMB Investment Bank Berhad (“CIMB”) announced on behalf of the Company, the proposal to establish and implement an employees share option scheme (“ESOS”) (“2022 Scheme”) of up to 15% of the total number of issued shares (excluding treasury shares, if any) at any one time over the duration of the 2022 Scheme for the eligible employees and directors of the Company and/or its subsidiaries (“Proposed ESOS”).

On 14 February 2022, CIMB announced that Bursa Securities has in its letter dated 14 February 2022, resolved to approve the listing of such number of additional new ordinary shares, representing up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any), to be issued pursuant to the exercise of options under the Proposed ESOS, subject to certain conditions.

The Proposed ESOS is subject to the following approvals being obtained:

- (i) the shareholders of the Company at an extraordinary general meeting to be convened; and
- (ii) any other relevant authorities, if required.

The Proposed ESOS is not conditional upon any other corporate exercise/scheme of the Company.

B9. Group Borrowings

The Group borrowings as at 31 December 2021 are as follows:-

	Secured RM’000	Unsecured RM’000	Total RM’000
Current			
Revolving credit and banker’s acceptance	-	605,000	605,000
Term Loans	224,114	-	224,114
Bonds	-	100,000	100,000
	<u>224,114</u>	<u>705,000</u>	<u>929,114</u>
Non-current			
Term Loans	2,601,348	-	2,601,348
Bonds	-	399,850	399,850
	<u>2,601,348</u>	<u>399,850</u>	<u>3,001,198</u>
Total Group Borrowings	<u><u>2,825,462</u></u>	<u><u>1,104,850</u></u>	<u><u>3,930,312</u></u>

All borrowings are denominated in Ringgit Malaysia.

INTERIM FINANCIAL REPORT

Notes – Continued

B10. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- (i) Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date, the Group held the following financial instruments carried at fair value on the statement of financial position:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
31 December 2021				
Assets				
Financial assets at fair value through other comprehensive income	724	-	2,725	3,449

B11. Material Litigation

There was no material litigation pending as at the date of this report.

B12. Dividend

No dividend has been declared for the current financial quarter.

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INTERIM FINANCIAL REPORT

Notes – Continued

B13. Earnings/(loss) per share

a) Basic earnings/(loss) per share

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	6 Months Ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Profit/(loss) attributable to owners of the parent (RM'000)	<u>54,918</u>	<u>(4,897)</u>	<u>31,171</u>	<u>(6,214)</u>
Weighted average number of ordinary shares ('000)	<u>1,310,202</u>	<u>849,695</u>	<u>1,140,816</u>	<u>849,695</u>
Basic earnings/(loss) per share (sen)	<u>4.19</u>	<u>(0.58)</u>	<u>2.73</u>	<u>(0.73)</u>

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INTERIM FINANCIAL REPORT

Notes – Continued

B13. Earnings/(loss) per share (continued)

b) Diluted earnings per share

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2021	Preceding Year Corresponding Quarter 31.12.2020	6 Months Ended	
			31.12.2021	31.12.2020
Profit attributable to owners of the parent (RM'000)	54,918	-	31,171	-
Weighted average number of ordinary shares ('000)	1,310,202	-	1,140,816	-
Effect of conversion of ICPS to ordinary shares ('000)	466,667	-	256,159	-
Adjusted weighted average number of ordinary shares ('000) for the purpose of arriving at diluted earnings per share	1,776,869	-	1,396,975	-
Diluted earnings per share (sen)	3.09	-	2.23	-

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated: 24 February 2022