



CARZO HOLDINGS BERHAD

Registration No: 202001026908 (1383228-K)
(Incorporated in Malaysia under the Companies Act 2016)

**FIRST HALF YEARLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA
SECURITIES BERHAD (“BURSA SECURITIES”).**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY CARZO HOLDINGS BERHAD (“CARZO” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.



CARZO HOLDINGS BERHAD
 Registration No: 202001026908 (1383228-K)
 (Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021⁽¹⁾

	Unaudited as at 30.6.2021 RM	Audited as at 31.12.2020⁽²⁾ RM
ASSETS		
Non-Current Assets		
Plant and equipment	2,037,545	1,162,894
Right-of-use assets	448,086	428,605
	<u>2,485,631</u>	<u>1,591,499</u>
Current Assets		
Inventories	1,435,674	951,363
Trade and other receivables	20,159,749	15,145,842
Fixed deposits with licensed banks	3,559,515	370,736
Cash and bank balances	1,100,280	1,621,244
	<u>26,255,218</u>	<u>18,089,185</u>
Total Assets	<u>28,740,849</u>	<u>19,680,684</u>
EQUITY		
Share capital	9,694,174	3,177,730
Merger reserve	(1,857,406)	(1,857,406)
Retained earnings	2,371,153	1,413,129
Total Equity	<u>10,207,921</u>	<u>2,733,453</u>
LIABILITIES		
Non-Current Liabilities		
Borrowings	1,741,492	1,968,349
Lease liabilities	688,827	401,869
	<u>2,430,319</u>	<u>2,370,218</u>
Current Liabilities		
Trade and other payables	11,606,966	11,115,374
Borrowings	3,245,331	2,655,365
Lease liabilities	497,857	330,003
Provision for taxation	752,455	476,271
	<u>16,102,609</u>	<u>14,577,013</u>
Total Liabilities	<u>18,532,928</u>	<u>16,947,231</u>
Total Equity and Liabilities	<u>28,740,849</u>	<u>19,680,684</u>
Net assets per share ⁽³⁾	<u>0.12</u>	<u>0.04</u>



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the unaudited condensed consolidated statement of financial position is disclosed in Note A1 and should be read in conjunction with the audited combined financial statements of Carzo and its subsidiaries (“**Group**”) for the financial year ended (“**FYE**”) 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) The comparative figures for the preceding FYE 31 December 2020 were prepared as if the entities have always been combined since the date the entities had come under common control.
- (3) Net assets per share is calculated based on the total number of 63,554,400 ordinary shares in Carzo (“**Carzo Shares**” or “**Shares**”) as at 31 December 2020 and the total number of 88,270,000 Carzo Shares as at 30 June 2021.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
 AND OTHER COMPREHENSIVE INCOME FOR THE 1ST HALF-YEAR ENDED 30
 JUNE 2021⁽¹⁾**

	Individual 6-month ended Unaudited		Cumulative 6-month ended Unaudited	
	30.6.2021 RM	30.6.2020 ⁽²⁾ RM	30.6.2021 RM	30.6.2020 ⁽²⁾ RM
Revenue	42,856,141	15,358,523	42,856,141	15,358,523
Cost of sales	(37,960,002)	(11,756,839)	(37,960,002)	(11,756,839)
Gross profit	<u>4,896,139</u>	<u>3,601,684</u>	<u>4,896,139</u>	<u>3,601,684</u>
Other operating income	461,080	143,006	461,080	143,006
Operating and administrative expenses	(3,736,634)	(2,510,258)	(3,736,634)	(2,510,258)
Profit from operations	<u>1,620,585</u>	<u>1,234,432</u>	<u>1,620,585</u>	<u>1,234,432</u>
Finance costs	(183,316)	(114,901)	(183,316)	(114,901)
Profit before taxation	<u>1,437,269</u>	<u>1,119,531</u>	<u>1,437,269</u>	<u>1,119,531</u>
Taxation	(479,245)	(308,394)	(479,245)	(308,394)
Profit after taxation	<u>958,024</u>	<u>811,137</u>	<u>958,024</u>	<u>811,137</u>
Profit after taxation attributable to:-				
Owners of the Company:	<u>958,024</u>	<u>811,137</u>	<u>958,024</u>	<u>811,137</u>
Total comprehensive income attributable to:-				
Owners of the Company:	<u>958,024</u>	<u>811,137</u>	<u>958,024</u>	<u>811,137</u>
Earnings per Share (sen)				
- Basic	<u>1.19</u>	<u>161.53</u>	<u>1.19</u>	<u>161.53</u>



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME FOR THE 1ST HALF-YEAR ENDED 30
JUNE 2021⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the unaudited condensed consolidated statement of profit or loss and other comprehensive income is disclosed in Note A1 and should be read in conjunction with the audited combined financial statements of the Group for the FYE 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) The comparative figures for the preceding financial period ended (“**FPE**”) 30 June 2020 were prepared as if the entities have always been combined since the date the entities had come under common control.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 1ST HALF-YEAR ENDED 30 JUNE 2021⁽¹⁾

	Share capital RM	Merger reserve RM	(Accumulated losses)/ Retained earnings RM	Total RM
At 1 January 2020	420,200	-	(949,229)	(529,029)
Issuance of shares	900,100	-	-	900,100
Profit for the financial period	-	-	811,137	811,137
At 30 June 2020	<u>1,320,300</u>	<u>-</u>	<u>(138,092)</u>	<u>1,182,208</u>
At 1 January 2021	3,177,730	(1,857,406)	1,413,129	2,733,453
Issuance of new shares	6,516,444	-	-	6,516,444
Profit for the financial period	-	-	958,024	958,024
At 30 June 2021	<u>9,694,174</u>	<u>(1,857,406)</u>	<u>2,371,153</u>	<u>10,207,921</u>

Note:

- (1) The basis of preparation of the unaudited condensed consolidated statement of changes in equity is disclosed in Note A1 and should be read in conjunction with the audited combined financial statements of the Group for the FYE 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR
 FPE 30 JUNE 2021⁽¹⁾**

	Unaudited	
	6-month ended	
	30.6.2021	30.6.2020⁽²⁾
	RM	RM
Cash Flows From Operating Activities		
Profit before taxation	1,437,269	1,119,531
Adjustments for:		
Depreciation of plant and equipment	266,323	191,520
Depreciation of right-of-use assets	104,362	68,304
Impairment of plant and equipment	125,664	-
Interest income	(8,794)	(4,206)
Interest expense	183,316	114,901
Plant and equipment written off	-	6,755
Reversal of allowance for impairment loss	(97,531)	-
Unrealised foreign exchange loss	198,817	81,161
Waiver of lease payment	(37,500)	-
Operating profit before working capital changes	<u>2,171,926</u>	<u>1,577,966</u>
Changes in working capital		
Inventories	(484,311)	328,083
Trade and other receivables	(4,916,376)	1,249,392
Trade and other payables	816,575	(4,123,400)
	<u>(4,584,112)</u>	<u>(2,545,925)</u>
Cash used in operations	<u>(2,412,186)</u>	<u>(967,959)</u>
Interest paid	(38,444)	(10,938)
Interest received	8,794	4,206
Income tax paid	(203,061)	(26,668)
	<u>(232,711)</u>	<u>(33,400)</u>
Net cash used in operating activities	<u>(2,644,897)</u>	<u>(1,001,359)</u>
Cash Flows From Investing Activities		
Purchase of plant and equipment, representing net cash used in investing activities	<u>(728,733)</u>	<u>(24,955)</u>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR
 FPE 30 JUNE 2021⁽¹⁾ (CONT'D)**

	Unaudited	
	6-month ended	
	30.6.2021	30.6.2020⁽²⁾
	RM	RM
Cash Flows From Financing Activities		
Drawdown of bank borrowing	-	500,000
Proceeds from issuance of shares	6,516,444	900,100
Repayment of term loans	(203,223)	(27,959)
Repayment of lease liabilities	(169,436)	(48,681)
Lease interest paid	(39,239)	(21,982)
Term loans interests paid	(105,633)	(81,981)
Increased in fixed deposits pledged	(183,995)	(4,206)
Net cash from financing activities	<u>5,814,918</u>	<u>1,215,291</u>
Net increase in cash and cash equivalents	2,441,288	188,977
Cash and cash equivalents at the beginning of the financial period	<u>1,194,522</u>	<u>223,023</u>
Cash and cash equivalents at the end of the financial period	<u>3,635,810</u>	<u>412,000</u>
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	1,100,280	698,657
Bank overdrafts	(469,254)	(286,657)
Fixed deposits with licensed banks	3,559,515	306,531
	<u>4,190,541</u>	<u>718,531</u>
Less: Fixed deposits pledged with licensed banks	<u>(554,731)</u>	<u>(306,531)</u>
	<u>3,635,810</u>	<u>412,000</u>

Notes:

- (1) The basis of preparation of the unaudited condensed consolidated statement of cash flows is disclosed in Note A1 and should be read in conjunction with the audited combined financial statements of the Group for the FYE 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) The comparative figures for the preceding FPE 30 June 2020 were prepared as if the entities have always been combined since the date the entities had come under common control.



PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST HALF-YEAR ENDED 30 JUNE 2021

1. BASIS OF PREPARATION

- 1.1 The unaudited interim financial report of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRS**”) 134 – Interim Financial Reporting issued by the Malaysian Accounting Standard Board (“**MASB**”) and in compliance with Rule 6.12 and Appendix 6A of the LEAP Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). The unaudited interim financial report should be read in conjunction with the audited combined financial statements for the FYE 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- 1.2 The accounting standards and/or interpretations adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited combined financial statements for the FYE 31 December 2020.
- 1.3 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial period:-

		Effective dates for financial periods beginning on or after
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022
Amendments to MFRS 3	Business Combinations	1 January 2022
Amendments to MFRS 9	Financial Instruments	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment	1 January 2022
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
Amendments to MFRS 141	Agriculture	1 January 2022
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2023



PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

1. BASIS OF PREPARATION (CONT'D)

1.3 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial period:-
 (Cont'd)

		Effective dates for financial periods beginning on or after
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Errors	1 January 2023
Amendments to MFRS 112	Income Taxes	1 January 2023
Amendments to MFRS 10	Consolidated Financial Statement	Deferred
Amendments to MFRS 128	Investments in Associates and Joint Ventures	Deferred

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the Group's most recent annual audited combined financial statements for the FYE 31 December 2020 were not subject to any qualification.

3. SEASONAL OR CYCLICAL FACTORS

The Group's business is subject to seasonal demand. The demand for the Group's products is higher prior to the commencement and during festive seasons such as Chinese New Year, Hari Raya and Christmas.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period under review.

5. CHANGES IN MATERIAL ACCOUNTING ESTIMATES AND JUDGMENTS

There were no material changes in accounting estimates and judgments during the financial period under review.

6. DIVIDENDS PAID

There were no dividends paid during the financial period under review.

PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

7. SEGMENTAL INFORMATION

7.1 Analysis of revenue by business segments

The Group's revenue based on its business segment is presented as follows:

Revenue by business segments	Individual 6-month ended				Cumulative 6-month ended			
	30.6.2021		30.6.2020		30.6.2021		30.6.2020	
	RM	%	RM	%	RM	%	RM	%
Distribution and retail	31,505,048	73.51	10,714,996	69.77	31,505,048	73.51	10,714,996	69.77
Retail chain stores	10,229,726	23.87	2,806,255	18.27	10,229,726	23.87	2,806,255	18.27
Convenience stores	245,437	0.57	179,936	1.17	245,437	0.57	179,936	1.17
E-commerce	220,832	0.52	1,103,954	7.19	220,832	0.52	1,103,954	7.19
Others*	655,098	1.53	553,382	3.60	655,098	1.53	553,382	3.60
Total	42,856,141	100.00	15,358,523	100.00	42,856,141	100.00	15,358,523	100.00

Note:

* Comprising hotels, hospitals, airline food providers and consumers who purchased through vending machines and at the Group's display store.

7.2 Analysis of revenue by product group

The Group's revenue based on its product group is presented as follows:

Revenue by product group	Individual 6-month ended				Cumulative 6-month ended			
	30.6.2021		30.6.2020		30.6.2021		30.6.2020	
	RM	%	RM	%	RM	%	RM	%
Fresh fruits	42,571,591	99.34	14,837,646	96.61	42,571,591	99.34	14,837,646	96.61
Fruit products ⁽¹⁾	243,857	0.57	313,307	2.04	243,857	0.57	313,307	2.04
Other food products ⁽²⁾	40,693	0.09	207,570	1.35	40,693	0.09	207,570	1.35
Total	42,856,141	100.00	15,358,523	100.00	42,856,141	100.00	15,358,523	100.00



PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

7. SEGMENTAL INFORMATION (CONT'D)

7.2 Analysis of revenue by product group (Cont'd)

Notes:

- (1) *Comprising fruit juices, plant based drinks, pickled fruits, dried fruits, cut fruits, frozen fruits and ready-to-eat fruit products.*
- (2) *Comprising frozen meat and seafood, nuts, vegetables, ready-to-eat food (e.g. soup, canned food, pre-mix sauces and pastes) and convenience food (e.g. instant noodles and snacks).*

8. TAXATION

	Individual 6-month ended		Cumulative 6-month ended	
	Unaudited 30.6.2021 RM	Unaudited 30.6.2020 RM	Unaudited 30.6.2021 RM	Unaudited 30.6.2020 RM
Tax expenses recognised in profit or loss				
Malaysian statutory tax:				
- Current period tax provision	479,245	319,191	479,245	319,191
- Under provision in prior years	-	6,938	-	6,938
	<u>479,245</u>	<u>326,129</u>	<u>479,245</u>	<u>326,129</u>
Deferred tax:				
- Origination and reversal of temporary differences	-	(29,180)	-	(29,180)
- Under provision in prior years	-	11,445	-	11,445
	<u>-</u>	<u>(17,735)</u>	<u>-</u>	<u>(17,735)</u>
	<u>479,245</u>	<u>308,394</u>	<u>479,245</u>	<u>308,394</u>

The statutory tax rate for small and medium-sized enterprises, which is applicable to the Group for the FPE 30 June 2020, is 17% for the first RM600,000 of chargeable income and the balance of chargeable income is taxable at the rate of 24%.

Meanwhile, the Group are taxed at the statutory rate of 24% on their chargeable income for the FPE 30 June 2021.

9. ACQUISITION AND DISPOSAL OF PLANT AND EQUIPMENT

Save for the acquisition of motor vehicle and renovation of cold room amounting to RM472,950 and RM693,674 respectively, there were no other material acquisitions or disposals of plant and equipment during the financial period under review.



PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)

10. OTHER INVESTMENTS

There were no other investments during the financial period under review.

11. DEBT AND EQUITY SECURITIES

Save for the following allotments of Carzo Shares, there was no other issuance of debt and equity securities of the Company during the financial period under review:

- (i) allotment of 15,888,600 new Carzo Shares at an issue price of RM0.2518 each to an investor, CRI Sdn. Bhd. (“**CRI**”) (a wholly-owned subsidiary of CRG Incorporated Berhad) for total gross proceeds of RM4,000,749. The allotment to CRI was completed on 20 January 2021; and
- (ii) allotment of 8,827,000 new Carzo Shares at an issue price of RM0.285 each to 41 pre-listing investors for total gross proceeds of RM2,515,695. The allotments to all the 41 pre-listing investors were completed on 7 May 2021.

12. CAPITAL COMMITMENTS

There were no material capital commitments as at the date of this interim report.

13. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no material contingent assets and contingent liabilities during the financial period under review.

14. SIGNIFICANT EVENTS OCCURRING AFTER THE FINANCIAL PERIOD

There were no material events after the financial period, save for the following events:

- (i) on 29 July 2021, the Company issued an information memorandum dated 29 July 2021 in relation to the proposed listing by way of introduction of the entire issued share capital of the Company on the LEAP Market of Bursa Securities (“**Information Memorandum**”) and submitted an application for the admission of the Company to the Official List and the listing of and quotation for the entire issued share capital of the Company on the LEAP Market of Bursa Securities by way of introduction (“**Proposed Listing**”); and
- (ii) subsequently, Bursa Securities had, vide its letter dated 13 August 2021, granted the Company the approval for the Proposed Listing.



**PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR
THE FIRST HALF-YEAR ENDED 30 JUNE 2021 (CONT'D)**

15. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period under review.

16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the financial period under review.



PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

Comparison with corresponding 6-month period in the preceding financial year

The Group recorded revenue of RM42.86 million for the FPE 30 June 2021 with 73.51% of the revenue derived from sales to distribution and retail, 23.87% from retail chain stores, 1.53% from others segment, 0.57% from convenience stores and 0.52% from e-commerce. The Group's revenue was predominantly generated from sales of fresh fruits which contributed 99.34% to the Group's revenue in the FPE 30 June 2021.

The revenue increased by approximately RM27.50 million or 179.04% to RM42.86 million in the FPE 30 June 2021 (FPE 30 June 2020: RM15.36 million) mainly arising from:

- (i) higher sales of fresh fruits to the Group's customers in the distribution and retail segment, particularly due to higher demand during the Chinese New Year season in February 2021. Besides, as most businesses were allowed to operate, albeit at limited capacity, during the FPE 30 June 2021 (despite the implementation of the full MCO from 1 June 2021) which led to slight recovery of consumer spending, the consumers have resumed purchasing fresh fruits from the Group's customers which operate in wet markets and small retailers;
- (ii) higher sales volume of fresh fruits to the Group's customers in retail chain store segment as the Group had managed to procure orders for the supply of fresh fruits and fruit products from new customers in the retail chain store segment; and
- (iii) increased sales of fresh fruits to hotels and hospitals in the FPE 30 June 2021 as compared to the FPE 30 June 2020 with sales to hospitals having only been commenced in April 2020.

The sales from the Group's e-commerce segment in the FPE 30 June 2021 decreased by RM0.88 million or 80.00% as compared to FPE 30 June 2020 as the Group reduced its other food product offerings and focused on selling of fresh fruits which resulted in softened online customer demand and lower sales of other food products in the FPE 30 June 2021.

The Group's profit before taxation increased by approximately RM0.32 million or 28.38% to RM1.44 million in the FPE 30 June 2021 (FPE 30 June 2020: RM1.12 million) which was in line with the higher revenue as stated above as well as due to the increase in other operating income which mainly consisted of the realised gain on foreign exchange of RM0.27 million and reversal of allowance for impairment losses of RM0.10 million.



PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)

B2. PROSPECTS

The Coronavirus disease (“**Covid-19**”) pandemic continues to raise demand concerns especially on the Group’s customers in the airline food provider, hotel and hospital segments. Although the Group was allowed to operate throughout the period of the movement control order (“**MCO**”) imposed by the Malaysian government to curb the spread of Covid-19, as the Group’s business operation in fruit distribution, retail and processing activities is recognised as essential service, there were temporary closures of some of the Group’s customers which operate at certain wet markets during the full MCO.

As the Group’s customers in the retail chain store segment continued to operate throughout the MCO period, and in line with the Group’s overall strategy to expand its market share in the retail chain store segment (in addition to the distribution and retail segment), the MCO that was implemented in first half of year 2021 is expected to have less adverse impact on the Group’s business in 2021 in comparison to 2020.

However, as the MCO remains ongoing as at the date of this interim financial report, it is still uncertain to predict the overall impact it has on the Group’s key customers in the distribution and retail segment as well as the impact on the demand for the Group’s products. The Group will closely monitor and assess the impact of Covid-19 pandemic to its financial performance.

With the information above, barring any unforeseen circumstances, the Group is cautiously optimistic about the business performance moving forward.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.



PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)

B4 BASIC EARNINGS PER SHARE

The basic earnings per share amounts are calculated by dividing the net profit for the financial period attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual 6-month ended		Cumulative 6-month ended	
	Unaudited		Unaudited	
	30.6.2021	30.6.2020	30.6.2021	30.6.2020
	RM	RM	RM	RM
Profit attributable to owners of the Company	<u>958,024</u>	<u>811,137</u>	<u>958,024</u>	<u>811,137</u>
Weighted average number of ordinary shares in issue	<u>80,457,373</u>	<u>502,149</u>	<u>80,457,373</u>	<u>502,149</u>
Earnings per share (sen)	<u>1.19</u>	<u>161.53</u>	<u>1.19</u>	<u>161.53</u>

Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive instruments as of the financial period under review.



PART C: OTHER INFORMATION

C1 STATUS OF CORPORATE PROPOSALS

Save for the Proposed Listing, there were no other corporate proposals announced but pending completion as at the date of this report.

C2 BOROWINGS AND DEBT SECURITIES

The Group's borrowings as at 30 June 2021 are as follows:

	Current RM	Non-Current RM	Total RM
Secured			
Term loans	340,272	1,383,493	1,723,765
Bank overdraft	469,254	-	469,254
Banker's acceptances	2,351,137	-	2,351,137
	<u>3,160,663</u>	<u>1,383,493</u>	<u>4,544,156</u>
Unsecured			
Term loan	84,668	357,999	442,667
	<u>3,245,331</u>	<u>1,741,492</u>	<u>4,986,823</u>
		Unaudited 30.6.2021 RM	Audited 31.12.2020 RM
Total bank borrowings		4,986,823	4,623,714
Less: Deposits, bank and cash balances		<u>(4,659,795)</u>	<u>(1,991,980)</u>
		<u>327,028</u>	<u>2,631,734</u>



PART C: OTHER INFORMATION (CONT'D)

C3 MATERIAL LITIGATION

There are no material litigations involving the Group as at the date of this interim financial report.

C4 UTILISATION OF PROCEEDS

The status of utilisation of proceeds raised of RM6,516,444 from CRI and the 41 pre-listing investor prior to the Proposed Listing as at the date of this report, is as follows:

Utilisation purposes:	Allocation of funds RM	Utilisation of proceeds as of 30.6.2021 RM	Un-utilised proceeds RM	Expected time frame for utilisation of proceeds (from 30.6.2021, being the latest practicable date prior to the date of the Information Memorandum) RM
Capital expenditure for:				
- acquisition of premises or land	1,000,000	-	1,000,000	Within 18 months
- new cold room facilities	316,494	(316,494)	-	Utilised
- acquisition of trucks and machineries	1,870,000	(92,929)	1,777,071	Within 14 months
Working capital for business expansion	2,429,950	(2,388,132)	41,818	Within 14 months
Estimated listing expenses	900,000	(534,852)	365,148	Within 7 months
Total proceeds	6,516,444	(3,332,407)	3,184,037	