

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31 December 2022 RM'000	Preceding Period Corresponding Quarter Ended 31 December 2021 RM'000	Current Period To Date Ended 31 December 2022 RM'000	Preceding Period To Date Ended 31 December 2021 RM'000
<b>Revenue</b>	40,663	41,891	161,633	183,823
Cost of sales	(36,487)	(34,792)	(141,048)	(158,012)
<b>Gross profit</b>	4,176	7,099	20,585	25,811
Other income	309	403	1,156	1,913
Selling and distribution expenses	(1,369)	77	(5,120)	(2,630)
Administration expenses	(3,319)	(4,648)	(11,235)	(15,241)
Other expenses	504	62	(353)	(584)
<b>Operating profit</b>	301	2,993	5,033	9,269
Finance cost	(165)	(141)	(504)	(852)
<b>Profit before tax</b>	136	2,852	4,529	8,417
Tax expense	713	(975)	(501)	(2,411)
<b>Profit for the period</b>	849	1,877	4,028	6,006
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>849</b>	<b>1,877</b>	<b>4,028</b>	<b>6,006</b>
Total comprehensive income attributable to the Owners of the Company	705	1,701	3,603	5,480
Non-controlling interests	144	176	425	526
	<b>849</b>	<b>1,877</b>	<b>4,028</b>	<b>6,006</b>
Weighted average no. of ordinary shares in issue ('000)	275,214	275,214	275,214	273,932
Earnings per share (sen):				
-Basic	0.26	0.62	1.31	2.00

Note:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended ("FYE") 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.

**PETERLABS HOLDINGS BERHAD (Registration No: 201001025806 (909720-W))**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	<b>Unaudited As at 31 December 2022 RM'000</b>	<b>Audited As at 31 December 2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,971	17,738
Investment properties	987	998
Deferred tax assets	441	-
Goodwill on consolidation	9,957	9,957
	<u>28,356</u>	<u>28,693</u>
<b>Current assets</b>		
Inventories	23,207	22,023
Trade receivables	34,712	41,101
Other receivables	8,959	5,571
Tax recoverable	693	30
Cash and bank balances	10,298	14,150
	<u>77,869</u>	<u>82,875</u>
<b>TOTAL ASSETS</b>	<u>106,225</u>	<u>111,568</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	40,401	40,401
Unappropriated profits	33,970	32,018
	<u>74,371</u>	<u>72,419</u>
Non-controlling interests	2,033	1,608
<b>Total equity</b>	<u>76,404</u>	<u>74,027</u>
<b>Non-current liabilities</b>		
Lease liabilities	2,824	2,946
Borrowings	1,009	1,272
Deferred tax liabilities	1,043	1,049
	<u>4,876</u>	<u>5,267</u>
<b>Current liabilities</b>		
Trade payables	11,036	9,403
Other payables	5,368	7,460
Lease liabilities	1,063	942
Borrowings	7,476	14,248
Tax payable	2	221
	<u>24,945</u>	<u>32,275</u>
<b>Total liabilities</b>	<u>29,821</u>	<u>37,541</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>106,225</u>	<u>111,568</u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	27.02	26.31

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2021.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	Attributable to Equity Holders of the Company				
	<u>Non-Distributable</u> Share Capital RM'000	<u>Distributable</u> Unappropriated Profits RM'000	Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 January 2022	40,401	32,018	72,419	1,608	74,027
Dividend of RM0.006 per share in respect of FYE 31 December 2022 and paid on 22 July 2022	-	(1,651)	(1,651)	-	(1,651)
Total comprehensive income for the financial period	-	3,603	3,603	425	4,028
At 31 December 2022 (Unaudited)	40,401	33,970	74,371	2,033	76,404
At 1 January 2021	31,821	26,538	58,359	-	58,359
Issuing of 39,000,000 shares @ RM0.22 per unit	8,580	-	8,580	-	8,580
Acquisition of subsidiary	-	-	-	1,082	1,082
Total comprehensive income for the financial period	-	5,480	5,480	526	6,006
At 31 December 2021 (Audited)	40,401	32,018	72,419	1,608	74,027

Note:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2021.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022**

	<b>Current Period To Date Ended 31 December 2022 (Unaudited) RM'000</b>	<b>Preceding Year Corresponding Period Ended 31 December 2021 (Unaudited) RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	4,529	8,418
Adjustments for:-		
- Non cash items	2,174	2,679
- Non-operating items	137	508
<b>Operating profit before working capital changes</b>	<b>6,840</b>	<b>11,605</b>
Changes in working capital		
Inventories	(1,008)	(907)
Receivables	2,792	(4,963)
Payables	407	2,660
Bill payables	(6,971)	(11,713)
<b>Cash generated/ (used in) from operations</b>	<b>2,060</b>	<b>(3,318)</b>
Tax paid	(1,830)	(2,000)
Tax refunded	1	32
Interest received	173	343
Interest paid	(293)	(111)
<b>Net cash from / (used in) from operating activities</b>	<b>111</b>	<b>(5,054)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(259)	(561)
Net outflow acquisition of equity interest in a subsidiary	-	(1,335)
Proceed from disposal of property, plant and equipment	195	145
<b>Net cash from investing activities</b>	<b>(64)</b>	<b>(1,751)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of revolving credit	(649)	(2,000)
Dividend paid	(1,651)	-
Interest paid	(211)	(851)
Repayment of term loans	(258)	(256)
Repayment of lease liabilities	(1,018)	(331)
<b>Net cash used in financing activities</b>	<b>(3,787)</b>	<b>(3,438)</b>
<b>Net changes in cash and cash equivalents</b>	<b>(3,740)</b>	<b>(10,249)</b>
<b>Effect of exchange rate changes</b>	<b>(112)</b>	<b>86</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>14,150</b>	<b>24,313</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>10,298</b>	<b>14,150</b>

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2021.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022

**A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (MFRS 134): INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements (“AMLR”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**A2. Significant accounting policies**

Significant accounting policies adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the FYE 31 December 2021 except for the adoption of the following Amendments to Malaysian Financial Reporting Standards (“MFRSs”) during the current financial period:

- Amendments to MFRS 3 Business Combination : Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment : Proceeds before intended use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract
- Annual improvements to MFRS standards 2018 - 2020

The adoption of these Amendments to MFRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on these interim financial statements.

As at the date of authorisation of these interim financial statements, the following amendments to MFRSs which were in issue but not yet effective and have not been early adopted by the Group:

<b>MFRS and Amendments to MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements : Disclosure of Accounting Policies	1 January 2024
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors : Definition of Accounting Estimates	1 January 2023
MFRS 17*	Insurance Contracts 1 January 2023
Amendments to MFRS 17*	Insurance Contracts: Initial Application of MFRS 17 and MFRS 9- Comparative Information 1 January 2023
Amendments to MFRS 4*	Insurance Contracts: Extension of the Temporary Exemption from Applying MFRS 9 1 January 2023

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (CONT'D)

**A2. Significant accounting policies (Cont'd)**

<b>MFRS and Amendments to MFRSs</b>		<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 112	Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MRFS 128 *	Consolidated Financial Statements and Investment in Associates and Joint Ventures : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be confirmed

\* Not applicable to the Group's and the Company's operation.

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

**A3. Auditors' report**

There was no qualification on the Audited Financial Statements of the Group for the FYE 31 December 2021.

**A4. Seasonal or cyclical factors**

The operations of the Group were not significantly affected by seasonal or cyclical factors during the current financial quarter under review and current period-to-date.

**A5. Items of unusual nature and amount**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence for the quarter under review and current period-to-date.

**A6. Material changes in estimates**

There were no changes in estimates that had a material effect in the current quarter and period-to-date results.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (CONT'D)

**A7. Profit for the period**

Profit for the current quarter and period-to-date ended 31 December 2022 is arrived at after charging / (crediting), amongst other items, the following:

	<i>Quarter Ended</i>	<i>Period To Date Ended</i>
	31.12.2022 RM'000	31.12.2022 RM'000
Other income including investment income	(103)	(526)
Interest income	(50)	(173)
Gain on disposal of property, plant & equipment	(52)	(195)
Reversal of inventory written down	(32)	(190)
Expected credit losses on trade receivables (net)	(491)	207
Interest expense	165	504
Depreciation	543	2,068
Net realised foreign exchange loss	(107)	(72)
Net unrealised foreign exchange gain	54	94

**A8. Segmental information**

The Group is organised into the following operating segments:

- a) Trading
- b) Manufacturing

<b>Quarter ended 31 December 2022</b>	<b>Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue from</b>				
External customers	40,352	311	-	40,663
Inter-segment revenue	1,052	4,957	(6,009)	-
<b>Total revenue</b>	41,404	5,268	(6,009)	40,663
<b>Profit before tax</b>	383	(247)	-	136
Tax expense				713
<b>Profit for the period</b>				849

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 (CONT'D)

A8. Segmental information (cont'd)

Period to Date ended 31 December 2022	Trading RM'000	Manufacturing RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue from</b>				
External customers	158,797	2,836	-	161,633
Inter-segment revenue	3,123	19,810	(22,933)	-
<b>Total revenue</b>	161,920	22,646	(22,933)	161,633
<b>Profit before tax</b>	4,295	234	-	4,529
Tax expense				(501)
<b>Profit for the period</b>				4,028

A9. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current quarter under review.

A10. Capital commitments

The material capital commitments of the Group as at 31 December 2022 are as follow:

	RM'000
Additions of Industrial Land	<u>6,750</u>

A11. Material subsequent events

There were no material events subsequent to the reporting date up to the date of this report.

A12. Changes in composition of the Group

There was no change in composition of the Group for the current quarter under review.

A13. Contingent liabilities or contingent assets

	Company	
	As at 31/12/2022	As at 31/12/2021
	RM'000	RM'000
Corporate guarantee given by the Company to financial institutions for credit facilities granted to subsidiaries		
- Utilised	8,485	15,521
- Limit	44,239	44,239



**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)**

**A14. Significant related party transactions**

Save as disclosed in the audited financial statements for the FYE 31 December 2021, there were no other significant related party transactions for the current quarter under review.

**A15. Issuances, cancellations, repurchase, resale and repayment of debt and equity**

There were no issuance or repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares during the quarter and financial period under review.

*(This space has been left blank intentionally)*

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

**B: ADDITIONAL INFORMATION PURSUANT TO THE ACE LR**

**B1. Review of performance**

	4QFY22	4QFY21	Variance	FY2022	FY2021	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	40,663	41,891	-2.93%	161,633	183,823	-12.07%
Operating Profit	301	2,993	-89.94%	5,033	9,269	-45.70%
Profit Before Interest And Tax	301	2,993	-89.94%	5,033	9,269	-45.70%
Profit Before Tax	136	2,852	-95.23%	4,529	8,417	-46.19%
Profit After Tax	849	1,877	-54.77%	4,028	6,006	-32.93%
Profit Attributable to Ordinary Equity Holders Of The Parent	705	1,701	-58.55%	3,603	5,480	-34.25%

The Group registered RM40.663 million revenue for the current quarter which represents decrease of RM1.228 million or 2.93% as compared to the revenue of RM41.891 million in the previous period's corresponding quarter. The Group registered profit before tax of RM0.136 million for the quarter under review which represents decrease of RM2.716 million or 95.23% as compared to the Group's profit before tax of RM2.852 million reported in the previous period's corresponding quarter. Profit before tax decreased significantly due to decrease in gross profit achieved by the Group couple with higher operating expenses incurred.

For the current quarter, trading segment registered revenue of RM40.352 million from the external customers and RM1.052 million from inter-company transactions and reported profit before tax of RM0.383 million for the quarter under review. In the previous period's corresponding quarter, the group achieved revenue of RM40.196 million from the external customers and RM1.300 million from inter-company transactions and reported profit before tax of RM2.328 million for the trading segment. The decrease in profit before tax for the trading segment for the current quarter was mainly due to lower gross profit achieved.

The manufacturing segment registered revenue of RM0.311 million from the external customers and RM4.957 million from inter-company transactions and reported loss before tax of RM0.247 million for the quarter under review. In the previous period's corresponding quarter, the Group achieved revenue of RM1.057 million from external customers and RM6.473 million from inter-company transactions and reported profit before tax of RM0.524 million for the manufacturing segment. The decrease in loss before tax for the manufacturing segment for the current quarter was mainly due to lower gross profit margin achieved coupled with lower revenue achieved.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

**B2. Material changes in the current quarter's results compared to the results of the immediate preceding quarter**

	4QFY22	3QFY22	Variance
	RM'000	RM'000	%
Revenue	40,663	38,570	5.43%
Operating Profit	301	1,276	-76.41%
Profit Before Interest And Tax	301	1,276	-76.41%
Profit Before Tax	136	1,180	-88.47%
Profit After Tax	849	875	-2.97%
Profit Attributable to Ordinary Equity Holders Of The Parent	705	815	-13.50%

For the quarter under review, the Group registered increase in revenue of 5.43% from RM38.570 million to RM40.663 million and decrease in profit before tax of 88.47% from RM1.180 million to RM0.136 million as compared to preceding quarter ended 30 September 2022. The decrease in profit before tax was mainly attributable to lower gross profit achieved. For the current quarter, trading segment achieved revenue of RM40.352 million and profit before tax of RM0.383 million as compared to revenue of RM37.601 million and profit before tax of RM1.038 million in the previous quarter, whilst the manufacturing segment achieved revenue of RM0.311 million and reported loss before tax of RM0.247 million as compared to revenue of RM0.969 million and profit before tax of RM0.142 million in the previous quarter.

**B3. Prospects**

The Group is adopting a cautious approach while remaining flexible in executing strategic plan in expanding our existing business and identifying new business opportunities to ensure adequate funding and sustainable profitability throughout the unprecedented time. The Group will continue strengthen its core business segments and maintain healthy cash flow position in facing the various economic challenges.

Despite the uncertain market condition, the Group is optimistic to deliver a reasonable performance for the financial year ending 31 December 2023.

Barring any unforeseen circumstances, the Group is committed to the fulfillment of its obligations to steer through these tough times.

**B4. Profit forecast**

No profit forecast has been issued by the Group previously in any public document.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

**B5. Tax expense**

	Current quarter ended 31.12.2022 RM'000	Current period-to-date 31.12.2022 RM'000
Income tax		
-Current period	(226)	959
-Under/(Over) provision in previous period	(7)	(11)
-Deferred taxation	(480)	(447)
	(713)	501

**B6. Profit from sale of unquoted investments and/or properties**

There was no disposal of unquoted investments or properties for the current quarter under review.

**B7. Quoted securities**

There was no acquisition and/or disposal of quoted securities for the current quarter under review.

**B8. Status of corporate proposals**

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

**B9. Group borrowings and debts securities**

The Group's borrowings as at 31 December 2022 were as follows:

	<b>Total RM'000</b>
<b><u>Short-term borrowings (secured):</u></b>	
Lease liabilities-finance lease	269
Bank borrowings	<u>7,476</u>
Total	<u><u>7,745</u></u>
	<b>Total RM'000</b>
<b><u>Long-term borrowings(secured):</u></b>	
Lease liabilities-finance lease	530
Bank borrowings	<u>1,009</u>
Total	<u><u>1,539</u></u>

All the Group's borrowings are denominated in Ringgit Malaysia.

**B10. Off balance sheet financial instruments**

The Group does not have any financial instruments with off-balance sheet risk as at the date of this quarterly report.

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022 (CONT'D)

**B11. Material litigation**

As at the date of this announcement, neither the Company nor any of its subsidiaries companies is engaged in any material litigation and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiaries companies and the Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company or its subsidiaries.

**B12. Dividends**

- a) No dividend has been proposed by the Board of Directors for the current quarter ended 31 December 2022.
- b) No interim dividend has been recommended for the previous year's corresponding period ended 31 December 2021.

**B13. Earnings per share**

The basic earnings per share is calculated based on the Group's comprehensive income attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	<u>Quarter Ended</u>		<u>Period To Date Ended</u>	
	<u>31.12.2022</u>	<u>31.12.2021</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
Comprehensive income attributable to owners of the Company (RM'000)	705	1,701	3,603	5,480
Weighted average number of ordinary shares in issue ('000)	275,214	275,214	275,214	273,932
Earnings per share (sen)				
- Basic	0.26	0.62	1.31	2.00

By Order of the Board  
 PeterLabs Holdings Berhad  
 Wong Yuet Chyn (MAICSA 7047163)  
 Company Secretary  
 Kuala Lumpur

Date: 28 February 2023