



SOUTHERN CABLE GROUP BERHAD

(Registration No. 201901011439 (1320767-M))
(Incorporated in Malaysia under the Companies Act 2016)

Interim Financial Report

For The First Quarter Ended

31 March 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME⁽¹⁾

	Note	QUARTER ENDED		YEAR TO-DATE ENDED	
		Unaudited	Unaudited	Unaudited	Unaudited
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	240,934	185,141	240,934	185,141
Cost of sales		(227,220)	(175,690)	(227,220)	(175,690)
Gross profit		13,714	9,451	13,714	9,451
Other income		1,836	1,029	1,836	1,029
Distribution expenses		(3,426)	(2,754)	(3,426)	(2,754)
Administrative expenses		(2,606)	(2,419)	(2,606)	(2,419)
Other expenses		-	(3)	-	(3)
Operating profit	B12	9,518	5,304	9,518	5,304
Finance costs		(2,701)	(1,823)	(2,701)	(1,823)
Profit before tax		6,817	3,481	6,817	3,481
Income tax expense	B5	(1,677)	(870)	(1,677)	(870)
Profit/Total comprehensive income for the financial period		5,140	2,611	5,140	2,611
Profit/Total comprehensive income for the financial period after taxation attributable to:					
Owners of the Company		5,140	2,611	5,140	2,611
		5,140	2,611	5,140	2,611
Earnings per Share					
Basic/Diluted (sen) ⁽²⁾⁽³⁾	B11	0.64	0.33	0.64	0.33



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME⁽¹⁾
(CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
- (3) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the financial period-to-date.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾

	Unaudited as at 31.03.2023 RM'000	Audited as at 31.12.2022 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	51,146	51,956
Right-of-use assets	40,682	40,389
Investment properties	515	517
Total non-current assets	92,343	92,862
Current Assets		
Inventories	205,219	223,256
Current tax assets	7,332	7,879
Trade and other receivables	224,020	224,663
Cash and short-term deposits	27,762	21,872
Total current assets	464,333	477,670
TOTAL ASSETS	556,676	570,532
EQUITY AND LIABILITIES		
Equity		
Share capital	217,656	217,656
Retained earnings	196,263	191,123
Reserves	(120,947)	(120,947)
Total equity	292,972	287,832
Non-current Liabilities		
Loans and borrowings	6,818	6,184
Deferred tax liabilities	7,775	7,759
Total non-current liabilities	14,593	13,943
Current Liabilities		
Loans and borrowings	202,264	211,554
Provisions	238	221
Current tax liabilities	2	2
Trade and other payables	46,465	56,013
Derivative financial liabilities	142	967
Total current liabilities	249,111	268,757
TOTAL LIABILITIES	263,704	282,700
TOTAL EQUITY AND LIABILITIES	556,676	570,532
Number of issued shares ('000)	800,000	800,000
Net assets per share attributable to owners of the company (RM)	0.37	0.36



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY⁽¹⁾

	Attributable to owners of the Company			Total equity RM'000
	Non-Distributable		Distributable	
	Share capital RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	
Balance as at 1 January 2023 (Audited)	217,656	(120,947)	191,123	287,832
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	5,140	5,140
Balance as at 31 March 2023 (Unaudited)	217,656	(120,947)	196,263	292,972

	Attributable to owners of the Company			Total equity RM'000
	Non-Distributable		Distributable	
	Share capital RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	
Balance as at 1 January 2022 (Audited)	217,656	(120,947)	178,258	274,967
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	2,611	2,611
Balance as at 31 March 2022 (Unaudited)	217,656	(120,947)	180,869	277,578

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 Company's audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾

	CURRENT YEAR TO-DATE 31.03.2023 Unaudited RM'000	PRECEDING YEAR TO-DATE 31.12.2022 Audited RM'000
Cash flows from operating activities		
Profit before tax	6,817	19,859
Adjustments for:		
Amortisation/depreciation of investment properties	2	6
Amortisation/depreciation of property, plant and equipment	1,655	5,837
Depreciation of right-of-use assets	550	2,334
Derecognition of right-of-use assets	-	(49)
Fair value (gain)/loss on derivative financial instruments	(825)	359
Gain on disposal of property, plant and equipment	(101)	(8)
Impairment losses on trade receivables	-	1,620
Interest expenses	2,701	8,342
Interest income	(98)	(195)
Provision for employee benefit (net)	17	(166)
Property, plant and equipment written off	2	-
Unrealised gain on foreign exchange	(87)	(608)
Operating profit before changes in working capital	10,633	37,331
Changes in working capital:		
Inventories	18,037	(40,727)
Trade and other receivables	784	(26,376)
Trade and other payables	(9,603)	(6,246)
Net cash generated from/(used in) operations	19,851	(36,018)
Income tax paid	(1,113)	(5,177)
Interest received	98	195
Interest paid	(112)	(305)
Net cash from/(used in) operating activities	18,724	(41,305)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS⁽¹⁾ (CONT'D)

	CURRENT YEAR TO-DATE 31.03.2023 Unaudited RM'000	PRECEDING YEAR TO-DATE 31.12.2022 Audited RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(707)	(12,413)
Purchase of right-of-use assets	(76)	(307)
Derecognition of right-of-use assets	-	115
Proceed from disposal of property, plant and equipment	101	13
Change in pledged deposits	-	5,166
Net cash used in investing activities	(682)	(7,426)
Cash flows from financing activities		
Interest paid	(2,589)	(8,037)
Repayment of term loans	(274)	(1,482)
Drawdown of lease liabilities	1,000	-
Repayment of lease liabilities	(610)	(2,423)
Drawdown of bankers' acceptance	209,084	873,251
Repayment of bankers' acceptance	(218,763)	(819,271)
Dividend paid to shareholders	-	(1,680)
Net cash (used in)/from financing activities	(12,152)	40,358
Net increase/(decrease) in cash and cash equivalents	5,890	(8,373)
Cash and cash equivalents at the beginning of the financial period	21,840	30,213
Cash and cash equivalents at the end of the financial period	27,730	21,840

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report of Southern Cable Group Berhad (“**Southern Cable**” or “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRSs**”) 134: Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This interim financial report should be read in conjunction with the Company’s audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 December 2022, except for the following New MFRS and amendments/improvements to MFRSs which are relevant and mandatory for the current financial period:

New MFRS

MFRS 17 Insurance Contracts

Amendments/Improvements to MFRSs

MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards#

MFRS 3 Business Combinations#

MFRS 5 Non-current Assets Held for Sale and Discontinued Operations#

MFRS 7 Financial Instruments: Disclosures#

MFRS 9 Financial Instruments#

MFRS 15 Revenue from Contracts with Customers#

MFRS 17 Insurance Contracts

MFRS 101 Presentation of Financial Statements#

MFRS 107 Statements of Cash Flows#

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 112 Income Taxes

MFRS 116 Property, Plant and Equipment#

MFRS 119 Employee Benefits#

MFRS 128 Investments in Associates and Joint Ventures#

MFRS 132 Financial Instruments: Presentation#

MFRS 136 Impairment of Assets#

MFRS 137 Provisions, Contingent Liabilities and Contingent Assets#

MFRS 138 Intangible Assets#

MFRS 140 Investment Property#

Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

A3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualification on the audited consolidated financial statements of the Group for the financial year ended 31 December 2022.



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A4. Seasonal or Cyclical Factors

The Group's performance has not been materially affected by any seasonal or cyclical factors during the current quarter and financial year-to-date.

A5. Items or Incidence of an Unusual Nature

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and financial year-to-date.

A6. Material Changes in Estimates

There were no material changes in estimates for the current quarter and financial year-to-date.

A7. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares during the current quarter and financial year-to-date.

A8. Dividend Paid

There were no dividends paid for the current quarter.



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental Reporting

The Group is principally a manufacturer of cables and wires that are used for power distribution and transmission, communications as well as control and instrumentation applications. The Group's segmental revenue for the current quarter and financial year-to-date is as follows:

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current quarter 31 March 2023						
Revenue:						
Revenue from external customers	207,844	3,649	6,231	23,210	-	240,934
Inter-segment revenue	-	-	-	8,748	(8,748)	-
	<u>207,844</u>	<u>3,649</u>	<u>6,231</u>	<u>31,958</u>	<u>(8,748)</u>	<u>240,934</u>
Segment profit	11,584	456	761	845	68	13,714
Other income						1,836
Unallocated expenses						(6,032)
Finance costs						(2,701)
Income tax expenses						(1,677)
Profit for the financial period						<u>5,140</u>
Result:						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						8,675
Depreciation and amortisation						2,207



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Previous quarter 31 March 2022						
Revenue:						
Revenue from external customers	161,113	2,544	2,893	18,591	-	185,141
Inter-segment revenue	-	-	-	8,601	(8,601)	-
	<u>161,113</u>	<u>2,544</u>	<u>2,893</u>	<u>27,192</u>	<u>(8,601)</u>	<u>185,141</u>
Segment profit	8,179	270	235	843	(76)	9,451
Other income						1,029
Unallocated expenses						(5,176)
Finance costs						(1,823)
Income tax expenses						(870)
Profit for the financial period						<u>2,611</u>
Result:						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,629
Depreciation and amortisation						1,898



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year-to-date 31 March 2023						
Revenue:						
Revenue from external customers	207,844	3,649	6,231	23,210	-	240,934
Inter-segment revenue	-	-	-	8,748	(8,748)	-
	<u>207,844</u>	<u>3,649</u>	<u>6,231</u>	<u>31,958</u>	<u>(8,748)</u>	<u>240,934</u>
Segment profit	11,584	456	761	845	68	13,714
Other income						1,836
Unallocated expenses						(6,032)
Finance costs						(2,701)
Income tax expenses						<u>(1,677)</u>
Profit for the financial period						<u>5,140</u>
Result:						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						8,675
Depreciation and amortisation						2,207



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year-to-date 31 March 2022						
Revenue:						
Revenue from external customers	161,113	2,544	2,893	18,591	-	185,141
Inter-segment revenue	-	-	-	8,601	(8,601)	-
	<u>161,113</u>	<u>2,544</u>	<u>2,893</u>	<u>27,192</u>	<u>(8,601)</u>	<u>185,141</u>
Segment profit	8,179	270	235	843	(76)	9,451
Other income						1,029
Unallocated expenses						(5,176)
Finance costs						(1,823)
Income tax expenses						(870)
Profit for the financial period						<u>2,611</u>
Result:						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,629
Depreciation and amortisation						1,898

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)
A10. Material Events Subsequent to the End of the Current Quarter

There are no other material events subsequent to the end of the current quarter and financial year-to-date that have not been reflected in this interim financial report.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

A12. Contingent Assets and Contingent Liabilities

Save as disclosed below, there were no other contingent assets or contingent liabilities as at the date of this interim financial report.

	Unaudited as at 31.03.2023 RM'000	Audited as at 31.12.2022 RM'000
Bank guarantee		
- Trade facilities	17,872	19,360
- Contract financing for performance bonds and guarantee	31,167	31,167
	<u>49,039</u>	<u>50,527</u>

A13. Capital Commitments

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred.

	Unaudited as at 31.03.2023 RM'000	Audited as at 31.12.2022 RM'000
Capital expenditures contracted but not provided for:		
- Construction of building,	-	1,157
- Purchase of machineries and factory equipment,	81	5,374
- Enterprise Resource Planning information technology system	-	65
Capital expenditures not contracted and not provided for:		
- Construction of building and Enterprise Resource Planning information technology system	7,953	7,953
	<u>8,034</u>	<u>14,549</u>

A14. Related Party Transactions

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2023 RM'000	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2023 RM'000	Unaudited 31.03.2022 RM'000
Rental expenses charged by a person connected to a director	14	14	14	14

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS
B1. Review of Group Performance

Result for current quarter

	QUARTER ENDED		Variance	
	Current Quarter	Previous Corresponding Quarter	RM'000	%
	31.03.2023 RM'000	31.03.2022 RM'000		
Revenue	240,934	185,141	55,793	30.14
Profit before tax	6,817	3,481	3,336	95.83

In the current quarter ended 31 March 2023, the Group recorded revenue of RM240.93 million compared with RM185.14 million previous corresponding quarter ended 31 March 2022, an increase of RM55.79 million or 30.14%.

Geographically, the Malaysian market remained the largest contributor to group revenue, accounting for approximately 94.25% of total revenue, while overseas market made up the balance 5.75% in the current financial quarter. In absolute terms, sales from Malaysia and overseas grew 27.63% and 91.91% respectively from a year ago.

The Group's revenue growth in the current financial quarter was attributed to higher sales volume and adjusted average selling prices of cables and wires in line with raw material prices.

The power cables and wires segment accounted for RM207.84 million or 86.27% of the Group's total revenue for the current quarter, an increase of RM46.73 million or 29.01% from RM161.11 million in the previous corresponding quarter.

The balance RM33.09 million or 13.73% of total group revenue was derived from the communication cables and wires segment, control and instrumentation cables and wires segment, and others. Overall, revenue from these segments increased by RM9.06 million or 37.71% from RM24.03 million in the previous corresponding quarter, mainly on higher sales of aluminium rods.

The Group's profit before tax jumped to RM6.82 million in the current quarter compared with RM3.48 million in the previous corresponding quarter, an increase of RM3.34 million or 95.83%, on the back of the higher revenue, better product mix, improved efficiency, and adjusted selling prices in line with raw material prices.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B2. Comparison with the Immediate Preceding Quarter Result

	INDIVIDUAL QUARTER		Variance	
	Current Quarter	Preceding Quarter		
	31.03.2023	31.12.2022	RM'000	%
	RM'000	RM'000	RM'000	
Revenue	240,934	238,177	2,757	1.16
Profit before tax	6,817	6,486	331	5.10

The Group's revenue for the current quarter increased by 1.16% to RM240.93 million from RM238.18 million in the preceding quarter ended 31 December 2022 on higher sales volume of power cables and wires.

The Group recorded a 5.10% increase in profit before tax from RM6.49 million in the preceding quarter to RM6.82 million in the current quarter attributed to improved efficiency, higher other income, and lower administrative expenses and income tax expenses.

B3. Commentary of Prospects

The onboarding of additional workers in the fourth quarter in 2022 improved Southern Cable's overall efficiency and increased its annual cable and wire capacity by approximately 15% to 38,780 km from 33,780 km per year.

The Group has RM692.7 million current orders in hand, comprising unbilled purchase orders and outstanding order book. These include two power cable and conductor supply contracts worth more than RM120 million secured from Tenaga Nasional Berhad in first half of 2023, a RM83 million power cable and conductor supply contract secured in 2022 from Sarawak Energy Berhad, and other contracts from telecommunications players, EPCC (Engineering, procurement, construction and commissioning) contractors, and resellers.

With the revamped Budget 2023 approved in April 2023, the anticipated rollout of high impact projects worth RM99 billion under the development expenditure is expected to positively impact demand for cables and wires from key sectors including power distribution and transmission, renewable energy, telecommunication, and construction, as well as oil and gas. Furthermore, Malaysia's gross domestic product is projected to expand by 4% - 5% in 2023, which enhances the overall outlook for the general industrial sector.

On initiatives to improve export sales, Southern Cable is currently applying for UL certificates for several new products to target the United States (US) market. The Group is also in the process of formalising an agreement with a US-based customer to supply various power cables and wires.

Barring unforeseen circumstances, Southern Cable's outlook remains positive for the financial year ending 31 December 2023.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial year-to-date.

B5. Tax Expense

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2023 RM'000	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2023 RM'000	Unaudited 31.03.2022 RM'000
In respect of current period:				
Income tax	1,677	870	1,677	870
Effective tax rate (%)	24.60	24.99	24.60	24.99
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate of the Group for the current quarter and financial year-to-date was higher than the statutory tax rate mainly due to non-deductible expenses.

B6. Status of Corporate Proposals

There are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B7. Use of Proceeds Raised from Public Issue

The gross proceeds of approximately RM71.18 million from the Public Issue is intended to be utilised in the following manner:

Detail of utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation from the date of listing
Capital expenditure and expansion				Within 36 months
- Purchase and upgrade of new machinery and equipment	18,500	18,500	-	
- Construction of factories	7,500	2,162	5,338	
- Purchase and installation of Enterprise Resource Planning information technology system	4,000	276	3,724	
	30,000	20,938	9,062	
Repayment of bank borrowings	9,188	9,188	-	Within 6 months
Working capital	27,490	27,490	-	Within 6 months
Estimated listing expenses	4,500	4,500	-	Within 3 months
Total	71,178	62,116	9,062	

The use of proceeds as disclosed above should be read together with the Prospectus.

B8. Borrowings

The details of the Group's borrowings are as follows:

	Unaudited 31.03.2023 RM'000	Audited 31.12.2022 RM'000
Non-current		
Term loans	3,643	3,891
Lease liabilities	3,175	2,293
	6,818	6,184
Current		
Term loans	950	977
Lease liabilities	2,427	2,011
Bankers' acceptance	198,887	208,566
	202,264	211,554
Total	209,082	217,738

All the borrowings are secured and denominated in Ringgit Malaysia.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B9. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation.

B10. Proposed Dividends

The Board of Directors have proposed a final single tier dividend of 0.28 sen per ordinary share, amounting to approximately RM2.24 million for the financial year ended 31 December 2022. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

B11. Basic and Diluted Earnings per Share

The basic and diluted earnings per share ("EPS") for the current quarter and financial year-to-date are computed as follows:

	<u>QUARTER ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	<u>Unaudited</u> <u>31.03.2023</u>	<u>Unaudited</u> <u>31.03.2022</u>	<u>Unaudited</u> <u>31.03.2023</u>	<u>Unaudited</u> <u>31.03.2022</u>
Profit attributable to owners of the Company (RM'000)	5,140	2,611	5,140	2,611
Weighted average number of shares ('000)	800,000	800,000	800,000	800,000
Basic/Diluted EPS (sen) ⁽¹⁾⁽²⁾	0.64	0.33	0.64	0.33

Notes:

- (1) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
- (2) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the quarter and financial period/year-to-date.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)
B12. Notes to the Condensed Consolidated Statement of Comprehensive Income

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2023 RM'000	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2023 RM'000	Unaudited 31.03.2022 RM'000
Interest income	(98)	(84)	(98)	(84)
Interest expenses	2,701	1,823	2,701	1,823
Amortisation/depreciation of investment properties	2	2	2	2
Amortisation/depreciation of property, plant and equipment	1,655	1,313	1,655	1,313
Depreciation of right-of-use assets	550	583	550	583

Save as disclosed above, the other disclosure items as required under Paragraph 16 of Appendix 9B of the Listing Requirements of Bursa Securities are not applicable.

B13. Derivative Financial Instruments

The Group has entered into forward foreign exchange contracts in the current quarter to manage the foreign currency exposures arising from the Group's payables denominated in United States Dollar (USD). Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The notional principal amounts of the Group's outstanding forward foreign exchange contracts as at 31 March 2023 was RM90.10 million. The derivative financial liabilities of RM0.14 million, which measured at fair value, has been recognised in the Unaudited Condensed Consolidated Statement of Financial Position as at the date of this interim financial report.