



VOLCANO BERHAD

Registration No: 201801004790 (1266804-D)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

VOLCANO BERHAD

(Incorporated in Malaysia)

Registration No: 201801004790 (1266804-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

	Individual Quarter		Cumulative Period	
	Current	Preceding	Current	Preceding
	Quarter	Quarter	Year-To-	Year-To-
	31.12.2021	31.12.2020	Date	Date
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Revenue	18,183	N/A	72,952	52,527
Cost of goods sold	(13,219)	N/A	(51,921)	(37,388)
Gross profit	4,964	N/A	21,031	15,139
Other income	-	N/A	835	216
Administrative and general expenses	(2,847)	N/A	(12,974)	(10,575)
Distribution expenses	(91)	N/A	(438)	(522)
Finance costs	-	N/A	(2)	(1)
Profit before tax	2,026	N/A	8,452	4,257
Tax expense	(10)	N/A	(1,771)	(874)
Profit for the period	2,016	N/A	6,681	3,383
Foreign currency translation	454	N/A	(3,213)	(558)
Total comprehensive income	2,470	N/A	3,468	2,825
Profit attributable to:				
Owners of the Company	2,016	N/A	6,681	3,383
Non-controlling interest	-	N/A	-	-
Profit for the period	2,016	N/A	6,681	3,383
Total comprehensive income attributable to:				
Owners of the Company	2,470	N/A	3,468	2,825
Non-controlling interest	-	N/A	-	-
Total comprehensive income	2,470	N/A	3,468	2,825
Earnings per share attributable to owners of the Company#:				
Basic (sen)	1.27	N/A	4.22	2.42
Diluted (sen)	1.27	N/A	4.22	2.42

Notes :

(1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 16 March 2021 and the accompanying explanatory notes attached to this interim financial report.

(2) No comparative figures for the preceding year's quarter are available as this is the Company's fourth interim financial report on its consolidated results for the fourth quarter ended 31 December 2021 being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

N/A Not applicable

Based on profit for the period attributable to owners of the Company divided by the weighted average share capital of 158,493,000 ordinary shares as at 31 December 2021.

VOLCANO BERHAD

(Incorporated in Malaysia)

Registration No: 201801004790 (1266804-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	As at 31.12.2021 (Unaudited) RM'000	As at 31.12.2020 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	31,837	28,892
Intangible assets	179	21
Deferred tax assets	63	631
TOTAL NON-CURRENT ASSETS	32,079	29,544
CURRENT ASSETS		
Inventories	24,738	16,500
Trade and other receivables	17,629	14,022
Current tax assets	-	1,486
Cash and short-term deposits	12,486	12,852
TOTAL CURRENT ASSETS	54,853	44,860
TOTAL ASSETS	86,932	74,404
EQUITY AND LIABILITIES		
Equity attributable to owners of Volcano		
Share capital	78,750	70,000
Other reserve	(63,009)	(59,796)
Retained earnings	63,849	57,168
TOTAL EQUITY	79,590	67,372
NON-CURRENT LIABILITIES		
Employee benefits	182	143
Deferred tax liabilities	831	642
Lease liabilities	19	-
TOTAL NON-CURRENT LIABILITIES	1,032	785
CURRENT LIABILITIES		
Trade and other payables	6,273	6,247
Lease liabilities	37	-
TOTAL CURRENT LIABILITIES	6,310	6,247
TOTAL LIABILITIES	7,342	7,032
TOTAL EQUITY AND LIABILITIES	86,932	74,404
Net assets per share (sen) (3)	48.24	48.12

Notes :

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 16 March 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) The audited Condensed Consolidated Statements of Financial Position are in the Accountants' Report as disclosed in the Prospectus of the Company dated 16 March 2021.
- (3) Net assets per share is calculated based the Company's share capital of 165,000,000 ordinary shares as at 31 December 2021 and share capital of 140,000,000 ordinary shares as at 31 December 2020.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

	I----- Attributable to the owners of Volcano Berhad-----I				Total equity RM'000
	Share capital RM'000	Exchange reserve RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	
Balance as at 1 January 2020	70,000	8,760	(68,000)	56,886	67,646
Total comprehensive income for the financial year	-	(556) *	-	3,382 *	2,826
Dividends paid	-	-	-	(3,100)	(3,100)
Balance as at 31 December 2020	<u>70,000</u>	<u>8,204</u>	<u>(68,000)</u>	<u>57,168</u>	<u>67,372</u>
Balance as at 1 January 2021	70,000	8,204	(68,000)	57,168	67,372
Issuance of shares	8,750	-	-	-	8,750
Total comprehensive income for the financial year	-	(3,213)	-	6,681	3,468
Balance as at 31 December 2021	<u>78,750</u>	<u>4,991</u>	<u>(68,000)</u>	<u>63,849</u>	<u>79,590</u>

Notes :

* Subject to rounding adjustments.

1. The basis of preparation of the above Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 16 March 2021 and the accompanying explanatory notes attached to this interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

	Current Year-To-Date Ended 31.12.21 (Unaudited) RM'000	Corresponding Preceding Year-To-Date Ended 31.12.20 (Audited) RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,452	4,257
Adjustments for:-		
Amortisation and Depreciation	3,021	2,543
Interest income	(57)	(97)
Interest expense	2	1
Dividend income	(48)	(39)
Employee benefits	51	(28)
Loss/(Gain) on disposal on property, plant and equipment	4	(48)
Unrealised (gain)/loss on foreign exchange	(521)	417
Fair value (gain)/loss on derivatives	(68)	45
Impairment of inventories	679	63
Operating profit before working capital changes	11,515	7,114
Changes in:-		
Inventories	(8,917)	(1,674)
Receivables and prepayments	(3,607)	(3,939)
Payables	547	271
Cash (used in)/generated from operations	(462)	1,772
Net income tax paid	(472)	(1,040)
Net cash (used in)/generated from operating activities	(934)	732
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	48	39
Interest received	57	97
Proceeds from disposal of property, plant and equipment	14	86
Purchase of property, plant and equipments	(7,561)	(2,824)
Net cash used in investing activities	(7,442)	(2,602)
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in pledged deposit	1,907	4
Interests paid	(2)	(1)
Payment of lease liabilities	(37)	-
Proceeds from issuance of shares	8,750	-
Dividends paid	-	(3,100)
Net cash generated from/(used in) financing activities	10,618	(3,097)
Net increase/(decrease) in cash and cash equivalents	2,242	(4,967)
Cash and cash equivalents at the beginning of financial year	8,440	13,556
Effect of exchange rate changes on cash and cash equivalents	(620)	(149)
Cash and cash equivalents at the end of the financial year	10,062	8,440
Analysis of cash and cash equivalents		
Cash and short-term deposits	12,486	12,852
Less : Pledged deposits	(2,424)	(4,412)
	10,062	8,440

Note :

1 The above Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 16 March 2021 and the accompanying explanatory notes attached to this interim financial report.

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Registration No: 201801004790 (1266804-D)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation of Financial Statements

This interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 16 March 2021 and the accompanying explanatory notes attached to this interim financial report.

This is the Company’s fourth interim financial report on its consolidated results for the fourth quarter ended 31 December 2021 being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and as such, there are no comparative figures for the preceding year’s corresponding period.

A2. Changes in Accounting Policies

The accounting policies adopted by the Company and its subsidiaries (“the Group”) in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2020.

The amendments/improvements to the MFRS adopted by the Group with effect from 1 January 2021 are as follows:

MFRS 4 - Insurance Contracts

MFRS 7 - Financial Instruments: Disclosures

MFRS 9 - Financial Instruments

MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2

MFRS 139 - Financial Instruments: Recognition and Measurement

The adoption of the above MFRSs did not have any material impact to the consolidated financial statements of the Group.

A3. Auditors’ Report on Preceding Annual Financial Statements

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2020.

A4. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factor during the current quarter under review.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

A6. Changes in Estimates

There were no changes in estimates that had any material effects on the current quarter under review.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A7. Debt and Equity Securities

There were no issuances, repurchases or repayments of debt and equity securities during to the current quarter under review.

A8. Dividends Paid

No dividend was paid during the current quarter under review.

A9. Segmental Information

The Group is organised into business units based on their nature of business and has the following operating segments:

- (i) Nameplates
- (ii) Plastic injection moulded parts

Current quarter ended 31 December 2021

	Nameplates	Plastic injection moulded parts	Total
	RM'000	RM'000	RM'000
Revenue	10,939	7,244	18,183
Results			
EBITDA*	1,274	1,702	2,976
Depreciation and amortisation	(558)	(330)	(888)
Interest expenses	-	-	-
Tax expenses	(83)	80	(3)
Interest income	14	4	18
Profit after tax	647	1,456	2,103
Holding company expenses			(87)
Total profit after tax			2,016

Note :

* Earnings Before Interest, Tax, Depreciation and Amortisation.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

Current year-to-date ended 31 December 2021

	Nameplates	Plastic injection moulded parts	Total
	RM'000	RM'000	RM'000
Revenue	45,678	27,274	72,952
Results			
EBITDA*	8,612	4,088	12,700
Depreciation and amortisation	(1,844)	(1,177)	(3,021)
Interest expenses	(1)	(1)	(2)
Tax expenses	(1,488)	(276)	(1,764)
Interest income	52	5	57
Profit after tax	5,331	2,639	7,970
Holding company expenses#			(1,289)
Total profit after tax			6,681

Notes :

* Earnings Before Interest, Tax, Depreciation and Amortisation.

Includes expenses of RM1.02 million for the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad on 6 April 2021.

The Group generates revenue from the following geographical location of customers:

	Individual Quarter		Cumulative Period	
	Current Quarter	Corresponding Preceding Quarter	Current Year-To-Date	Corresponding Year-To-Date
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Thailand	8,804	N/A	34,078	23,171
Singapore	6,752	N/A	30,334	23,102
Malaysia	1,327	N/A	4,060	2,188
Indonesia	493	N/A	1,613	1,324
China	190	N/A	880	1,051
United States of America	384	N/A	1,416	722
Others	233	N/A	571	969
	18,183	N/A	72,952	52,527

Note :

N/A Not applicable

There are no comparative figures for the corresponding preceding year's quarter as this is the Company's fourth interim financial report on its consolidated results for the fourth quarter ended 31 December 2021 being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A10. Related Party Transaction Disclosures

Save as disclosed below, there were no related party transactions during the current quarter under review.

	Individual Quarter		Cumulative Period	
	Current Quarter 31.12.2021 RM'000	Corresponding Preceding Quarter 31.12.2020 RM'000	Current Year-To-Date 31.12.2021 RM'000	Corresponding Year-To-Date 31.12.2020 RM'000
Recurrent related party transaction with a company which is controlled by a Director : - rental of marketing space at a monthly rental of RM1,000	3	N/A	8	-
Related party transaction with a Director : - Acquisition of one unit of used motor vehicle	-	N/A	53	-

A11. Valuation of Property, Plant and Equipment

There were no valuation of property, plant and equipment during the current quarter under review.

A12. Capital Commitments

Save as disclosed below, there were no material capital commitments in respect of property, plant and equipment as at the end of the reporting quarter under review.

	As at 31.12.2021 (Unaudited) RM'000
Approved and contracted for: Purchase of property, plant and equipment	1,294

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A13. Derivatives Financial Instruments

There were no outstanding derivatives financial instruments entered into by the Group as at the date of this interim financial report save for the forward exchange contracts to hedge our foreign currency exposure against the United States Dollar ("USD") as below:

	Notional Value as at 31.12.2021 RM'000	Fair Value Asset as at 31.12.2021 RM'000
Foreign exchange contracts - Less than 1 year	3,124	68

There was no change to the cash requirements of the derivatives, related accounting policies, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the previous financial year.

A14. Contingent Assets and Liabilities

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

A15. Changes in Composition of The Group

There were no changes in the composition of the Group during the current quarter under review.

A16. Material Events Subsequent to The End of The Current Quarter

There were no other material events subsequent to the end of the current quarter under review.

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PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance - Comparison with Corresponding Preceding Quarter and Cumulative Period

	Individual Quarter				Cumulative Period			
	Corresponding				Corresponding			
	Current Quarter	Preceding Quarter	Variance		Current Year-To-Date	Preceding Year-To-Date	Variance	
	31.12.2021 (Unaudited) RM'000	31.12.2020 (Unaudited) RM'000	RM'000	%	31.12.2021 (Unaudited) RM'000	31.12.2020 (Audited) RM'000	RM'000	%
Revenue	18,183	N/A	N/A	N/A	72,952	52,527	20,425	38.88%
Profit before tax	2,026	N/A	N/A	N/A	8,452	4,257	4,195	98.54%
Profit for the period	2,016	N/A	N/A	N/A	6,681	3,383	3,298	97.49%
Profit attributable to the owners of the Company	2,016	N/A	N/A	N/A	6,681	3,383	3,298	97.49%

For the current quarter under review, the Group recorded revenue of RM18.18 million and profit after tax of RM2.02 million. The nameplates segment and the plastic injection moulded parts segment contributed RM10.94 million (60.16%) and RM7.24 million (39.84%) respectively.

For the current year-to-date under review, the Group's revenue and profit after tax have increased by 38.88% and 97.49% to RM72.95 million and RM6.68 million respectively. The significant increase in performance was mainly due to the higher demand across the key customers from both the nameplates segment and the plastic injection moulded parts segment on the backdrop of gradual reopening of the global economy in year 2021 as compared to year 2020.

There are no comparative figures for the corresponding preceding quarter's results as this is the fourth interim financial report being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

B2. Performance Review - Comparison with Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Variance	
	31.12.2021 (Unaudited) RM'000	30.9.2021 (Unaudited) RM'000	RM'000	%
Revenue	18,183	16,062	2,121	13.21
Profit before tax	2,026	1,707	319	18.69
Profit for the period	2,016	1,418	598	42.17
Profit attributable to the owners of the Company	2,016	1,418	598	42.17

The Group's revenue for the current quarter increased by RM2.12 million or 13.21% from RM16.06 million in the previous quarter to RM18.18 million in the current quarter. This was mainly due to the gradual recovery in demand for the nameplates products despite the ongoing chips shortage that affects the electrical & electronics industry and higher orders for the plastic injection moulded parts from the key customers.

The Group's profit after tax for the current quarter increased by RM0.60 million or 42.17% from RM1.42 million in the previous quarter to RM2.02 million in the current quarter mainly due to higher production efficiencies and in line with the increase in revenue.

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PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B3. Commentary on Prospects

We are cautiously optimistic about the outlook for our products' end-user industries such as electrical & electronics industry which is expected to register positive growth. For the nameplate segment, there is a gradual recovery in demand despite the ongoing chips shortage that affects the electrical & electronics industry. For the plastic injection moulding segment, the orders across key customers are expected to remain positive for the next quarter. Barring any unforeseen circumstances such as disruption of Covid-19, we are of the opinion that our financial results for the next financial year will remain favourable.

B4. Profit Forecast

Not applicable

B5. Tax Expense

	Current Quarter 31.12.2021 RM'000	Year -To-Date 31.12.2021 RM'000
Income tax	141	1,228
Deferred tax	(131)	543
Total tax expense	10	1,771
Effective tax rate (%)	0.49	20.95

The effective tax rate of the Group for the current quarter was lower than the statutory tax rate mainly due to over recognition of deferred tax expenses in the previous quarter. The effective tax rate of the Group for the financial year-to-date was within the range of Thailand statutory tax rate of 20% and Malaysia statutory tax rate of 24%.

B6. Corporate Proposals

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

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PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B7. Utilisation of Proceeds from Public Issue

The status of utilisation of proceeds from the public issue as at the date of this interim financial report and after the board's approval on the variation of utilisation of proceeds on 24 November 2021 is as follows:

Details of utilisation	Proposed Utilisation RM'000	Actual Utilisation RM '000	Balance Unutilised RM '000	Variation RM'000	Revised Utilisation RM '000	Actual Utilisation (Revised) RM '000	Balance Unutilised (Revised) RM'000	Estimated timeframe for utilisation upon Listing
Purchase of machineries and equipment								Within 24 months
- 6 units of laser cutting machines	3,550	(2,730)	820 ⁽ⁱ⁾	(820)	-	-	-	
- 5 units of pick and paste machines	2,000	-	2,000 ⁽ⁱⁱ⁾	(2,000)	-	-	-	
Sub-total	5,550	(2,730)	2,820	(2,820)	-	-	-	
Estimated listing expenses	3,200	(3,200)	-	-	-	-	-	Immediately
Working capital	-	-	-	2,820	2,820	(2,820) ⁽ⁱⁱⁱ⁾	-	Immediately
Total	8,750	(5,930)	2,820	-	2,820	(2,820)	-	

Notes:

- (i) The Group had completed the acquisition of seven (7) units of laser cutting machines amounting to RM2.73 million as at 30 September 2021 instead of six (6) units and hence, in accordance to Section 4.10 of the Prospectus, the excess of RM0.82 million will be utilised for working capital requirements.
- (ii) The Group is of the view that there are rooms of improvement for the current technology of the pick and paste machines for the manufacturing of nameplates products and has resolved that the proceeds for the purchase of five (5) units of pick and paste machines of RM2.00 million be re-allocated for working capital requirements such as payment of salaries and staff related expenses, and settlement of trade payables. Should the needs for the acquisition of pick and paste machines arise in the future, the Group will utilise its internal generated funds for the acquisition.
- (iii) The Group has fully utilised RM2.82 million for working capital requirements with the breakdown as follows:

Description	RM' 000
Payment of salaries and staff related expenses	1,420
Settlement of trade payables	1,400
Total	2,820

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 16 March 2021.

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PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B8. Trade and Other Receivables

The Group grants credit on various terms. Trade receivables disclosed below include amounts that are past due at the end of the reporting period but have not been recognised as receivables subject to impairment as there has not been a significant change in credit quality and are still considered recoverable by the management.

	As at 31.12.2021 (Unaudited) RM'000	As at 31.12.2020 (Audited) RM'000
Trade receivables	16,125	12,862
Less : Allowance for impairment	-	-
	16,125	12,862
Other receivables	1,504	1,160
Total	17,629	14,022
<u>Ageing analysis of trade receivables</u>		
Neither past due nor impaired	13,910	11,526
1 – 30 days	1,443	1,127
31 – 60 days	649	134
61 – 90 days	102	24
91 – 120 days	21	16
More than 120 days	-	35
	16,125	12,862
Less : Allowance for impairment	-	-
Total	16,125	12,862

B9. Borrowings

There were no borrowings as at the end of the reporting quarter under review except for the financing lease liability of RM56,000.

B10. Changes in Material Litigation

As at the date of this interim financial report, there is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

B11. Dividend

No dividend has been declared or recommended for payment during the current quarter under review.

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PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B12. Fair Value Changes of Financial Liabilities

Except for the derivate financial instruments as set out in A13 above, there were no gains/losses arising from fair value changes of financial liabilities for the current quarter and financial year-to-date.

B13. Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative Period	
	Current Quarter 31.12.2021	Corresponding Preceding Quarter 31.12.2020	Current Year-To-Date 31.12.2021	Corresponding Year-To-Date 31.12.2020
Profit attributable to Owners of the Company (RM'000)	2,016	N/A	6,681	3,383
Weighted average number of ordinary shares in issue ('000)	158,493	N/A	158,493	140,000
Basic EPS (sen) ⁽¹⁾	1.27	N/A	4.22	2.42
Diluted EPS (sen) ⁽²⁾	1.27	N/A	4.22	2.42

Notes :

* No comparative figures for the corresponding preceding quarter are available as this is the Company's fourth interim financial report on its consolidated results for the fourth quarter ended 31 December 2021 being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

(1) Basic EPS is calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue as at 31 December 2021.

(2) Diluted EPS is equivalent to the basic EPS as the Company did not have dilutive potential ordinary shares during the current quarter under review.

N/A Not applicable

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PART B: EXPLANATORY NOTES PURSUANT TO ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B14. Notes to the Profit Before Tax

Profit before tax is arrived at after charging/ (crediting):

	Individual Quarter		Cumulative Period	
	Current Quarter 31.12.2021 RM'000	Corresponding Preceding Quarter 31.12.2020 RM'000	Current Year To-date 31.12.2021 RM'000	Corresponding Year To-date 31.12.2020 RM'000
Interest expenses	-	N/A	2	1
Interest income	(18)	N/A	(57)	(97)
Dividend income	(18)	N/A	(48)	(39)
Depreciation and amortisation	888	N/A	3,021	2,543
Impairment of inventories	679	N/A	679	63
Loss/(Gain) on disposal of property, plant and equipment	16	NA	4	(48)
(Gain)/Loss on foreign exchange:				
- realised	18	N/A	(119)	99
- unrealised	(2)	N/A	(521)	417
Fair value loss/(gain) on derivatives	25	N/A	(68)	45

Notes :

* No comparative figures for the preceding quarter are available as this is the Company's fourth interim financial report on its consolidated results for the fourth quarter ended 31 December 2021 being announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

N/A Not applicable

By Order of the Board
24 February 2022