



CEKD BERHAD

[Registration No. 201801023077 (1285096-M)]
(Incorporated in Malaysia)

Interim Financial Report
For the 3rd Quarter Ended
31 May 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000	Unaudited Current Year-to-date 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.05.2021 RM'000
Revenue		7,852	7,507	22,702	22,458
Cost of sales		(3,944)	(3,635)	(10,956)	(10,945)
Gross profit		3,908	3,872	11,746	11,513
Other income		330	285	719	372
Administrative expenses ⁽²⁾		(1,258)	(1,774)	(5,952)	(4,112)
Selling and distribution expenses		(143)	(99)	(365)	(346)
Other operating expenses		(1)	(100)	(85)	(120)
Net impairment loss on financial assets		-	-	(5)	-
Profit from operations		2,836	2,184	6,058	7,307
Finance costs		(171)	(113)	(468)	(343)
Profit before tax	B12	2,665	2,071	5,590	6,964
Tax expense	B5	(641)	(514)	(1,868)	(1,703)
Net Profit/Total comprehensive income for the financial period		2,024	1,557	3,722	5,261
Net Profit/Total comprehensive income for the financial period attributable to :					
Owner of the Company		2,024	1,557	3,722	5,261
		2,024	1,557	3,722	5,261
Earnings Per Share attributable to Owners of the Company					
Basic ⁽³⁾ EPS (sen)	B11	1.04	1.08	1.91	3.65
Diluted ⁽⁴⁾ EPS (sen)	B11	1.04	0.80	1.91	2.70

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾ (CONTINUED)
Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) Administrative expenses included one-off listing expenses of RM1.87 million. For illustration purposes only, the Company's normalise financial performance after adjusting for the one-off listing expenses is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000
Profit before tax	2,665	2,071	5,590	6,964
Add : Listing expenses	-	509	1,866	509
Adjusted profit before tax	2,665	2,580	7,456	7,473

- (3) Basic earnings per share ("**EPS**") is calculated based on the Company's share capital of 194,573,000 ordinary shares (31 May 2021 : 143,983,000 ordinary shares).
- (4) Diluted EPS is calculated based on the Company's share capital of 194,573,000 ordinary shares.

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Unaudited Interim Financial Report for The Third (3rd) Quarter Ended 31 May 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	Note	Unaudited As at 31.05.2022 RM'000	Audited As at 31.08.2021 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		34,291	25,942
Goodwill on consolidation		453	453
Other investments		65	6,281
		34,809	32,676
Current Assets			
Inventories		5,258	4,800
Trade receivables		6,240	5,534
Other receivables, deposits and prepayment		1,450	3,050
Fixed deposits with licensed bank		3,551	3,504
Cash and bank balances		37,345	6,517
		53,844	23,405
Total Assets		88,653	56,081
Equity			
Invested equity		57,701	34,268
Merger reserves		(31,918)	(31,918)
Retained earnings		39,885	38,109
Total equity		65,668	40,459
Non-Current Liabilities			
Loans and borrowings	B8	18,202	11,466
Deferred tax liabilities		1,064	1,064
		19,266	12,530
Current Liabilities			
Trade payables		466	329
Other payables and accruals		1,437	1,543
Loans and borrowings	B8	1,358	1,133
Tax payable		458	87
		3,719	3,092
Total Liabilities		22,985	15,622
Total Equity and Liabilities		88,653	56,081
Net Assets Per Share (RM) ⁽²⁾		0.34	0.21

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

(2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares as at 31 May 2022 of 194,573,000 shares (31 May 2021 : 143,983,000 ordinary shares).



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	Note	Attributable to Owners of the Company			Total Equity RM'000
		Non-distributable Share Capital RM'000	Merger Reserves RM'000	Distributable Retained earnings RM'000	
Balance as at 31 August 2021 (Audited)		34,268	(31,918)	38,109	40,459
Total comprehensive income for the financial period		-	-	3,722	3,722
Issuance of shares		24,283	-	-	24,283
Share issuance expenses		(850)	-	-	(850)
Dividend paid	B10	-	-	(1,946)	(1,946)
Balance as at 31 May 2022 (Unaudited)		57,701	(31,918)	39,885	65,668

Note:

- (1) The basis of preparation of the Unaudited Condensed Statement of Changes in Equity is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

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Unaudited Interim Financial Report for The Third (3rd) Quarter Ended 31 May 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	Unaudited Current Year-to-date 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.05.2021 RM'000
Cashflows from operating activities		
Profit before tax	5,590	6,964
Adjustments for:		
Bad debts written off	5	-
Change in fair value of other investment	81	105
Depreciation of property, plant and equipment	1,631	1,691
Deposit written off	-	-
Gain on remeasurement of right-to-use assets	-	(2)
Interest expenses		
- Finance lease	30	47
- Term loan	428	258
Interest income		
- Bank interest received	(299)	(1)
- Fixed deposit	(47)	(72)
Investment income	(1)	(210)
Inventories written down due to slow-moving	-	33
Gain on disposal of property, plant and equipment	(9)	(19)
Net impact on impairment loss of trade receivables		
- Specific allowance	-	..(2)
Unrealised loss on foreign exchange	50	74
Operating profit before working capital changes	7,459	8,868
(Increase)/decrease in inventories	(458)	230
Decrease/(increase) in trade and other receivables	888	(998)
Increase/(decrease) in trade and other payables	31	(266)
Cash generated from operations	7,920	7,834
Income tax paid	(1,497)	(1,719)
Income tax refund	-	..(2)
Interest received	299	1
Net cash generated from operating activities	6,722	6,116
Cashflows from investing activities		
Acquisition of other investments	-	(6,119)
Net proceeds from disposal of property, plant and equipment	9	19
Purchase of property, plant and equipment	(9,980)	(525)
Redemption of other investments	6,137	2,801
Net cash used in investing activities	(3,834)	(3,824)



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾
(CONTINUED)**

	Unaudited Current Year-to-date 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Year-to-date 31.05.2021 RM'000
Cashflows from financing activities		
Decrease in amount owing to a Director	-	(33)
Dividend paid	(1,946)	(3,330)
Placement of fixed deposits with licensed bank	(47)	(72)
Repayment of term loans	(656)	(511)
Drawdown of term loans	7,900	-
Repayment of lease liabilities, net	(283)	(348)
Proceeds from issuance of shares	23,433	-(²)
Interest paid on lease liabilities	(30)	(47)
Interest paid on term loans	(428)	(258)
Interest received on fixed deposits	47	72
Net cash generated from/(used in) financing activities	27,990	(4,527)
Net increase/(decrease) in cash and cash equivalents	30,878	(2,235)
Effect of exchange rate fluctuations	(50)	(74)
Cash and cash equivalents at beginning of financial period	6,517	8,344
Cash and cash equivalents at end of financial period	37,345	6,035

Notes:

(1) The basis of preparation of the Unaudited Condensed Statement of Cash Flows in Equity is disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

(2) Represents less than RM1,000.

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Unaudited Interim Financial Report for The Third (3rd) Quarter Ended 31 May 2022

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of CEKD Berhad (“**CEKD**” or “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) No. 134: *Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”)* and Rule 9.22 and Appendix 9B of the Listing requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies and presentation adopted for this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 31 August 2021.

The Company has not adopted the following new MFRSs and amendments to MFRSs that have been issued by MASB which are not yet effective for the Company. The Company intends to adopt the below mentioned MFRSs and Amendments to MFRSs when they become effective:

		Effective dates for financial period beginning on or after
Amendments to MFRS 1	First-time Adoption of Malaysia Financial Reporting Standards – Subsidiary as First-time Adopter	1 January 2022
Amendments to MFRS 3	Business Combinations – Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9	Financial Instruments – Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities	1 January 2022
Amendments to MFRS 116	Property, Plant & Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 141	Agriculture – Taxation in Fair Value Measurements	1 January 2022
Annual Improvements to MFRS standards 2018 - 2020		1 January 2022

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)
A2. Significant Accounting Policies (Continued)

		Effective dates for financial period beginning on or after
Amendments to MFRS 17	Insurance Contracts and Amendments to MFRS 17, Insurance Contract	1 January 2023
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 2023
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1 January 2023
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 MFRS 128	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

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 August 2021.

A4. Seasonal or Cyclical Factors

The Group’s performance has not been materially affected by any seasonal or cyclical factors during the current financial quarter under review.

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 financial quarter under review.

A6. Material Changes in Accounting Estimates

There were no material changes in accounting estimates during the current financial quarter under review.

A7. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A8. Dividends Paid

On 11 March 2022, the Board of Directors declared an interim single tier dividend of RM0.01 per ordinary share amounting to RM1,945,730 for the financial year ending 31 August 2022, has been paid on 15 April 2022 to the shareholders of the Company whose names appear in the Record of Depositors on 28 March 2022 (31 May 2021 : RM3,330,000).

A9. Segmental Information

The Group’s operating segments and geographical segment is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.05.2022 RM’000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM’000	Unaudited Current Year Quarter 31.05.2022 RM’000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM’000
Operating Segment				
Revenue				
- Manufacturing	6,686	6,339	20,175	19,065
- Trading	1,552	1,572	3,997	4,374
- Inter-segment revenue	(386)	(404)	(1,470)	(981)
	7,852	7,507	22,702	22,458
Segment profit				
Other income	330	285	719	372
Unallocated expenses	(1,402)	(1,973)	(6,407)	(4,578)
Finance cost	(171)	(113)	(468)	(343)
Income tax	(641)	(514)	(1,868)	(1,703)
Profit after tax	2,024	1,557	3,722	5,261
Geographical Segment				
Revenue from Malaysia	6,474	6,117	19,288	18,936
Revenue from outside Malaysia	1,378	1,390	3,414	3,522
	7,852	7,507	22,702	22,458

A10. Valuation of Property, Plant and Equipment and Investment Properties

There was no valuation of property, plant and equipment and investment properties during current financial quarter under review.



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PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A11. Material Subsequent Events

There were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

(a) Proposed Acquisition of Worldwide Die Cutting Mould Sdn Bhd (“Worldwide”)

On 5 July 2022, the Board announced that the Company had entered into a Share Purchase Agreement (“SPA”) with Tham Choon Sarn (“Worldwide Vendor”) for the acquisition of 410,003 ordinary shares in Worldwide representing 82% equity interest for a total purchase consideration of RM6,230,000.

The purchase consideration will be satisfied by cash consideration of RM6,230,000. The proposed acquisition is expected to be completed by first quarter of 2023.

(b) Proposed Acquisition of Kit Technology Sdn Bhd (“Kit Technology”)

On 5 July 2022, the Board announced that the Company had entered into a Share Sale Agreement (“SSA”) with Yap Wan Lee and Wong Hur Shiaw (“Kit Technology Vendors”) for the acquisition of 480,000 ordinary shares in Kit Technology representing 60% equity interest for a total purchase consideration of RM720,000.

The purchase consideration will be satisfied by cash consideration of RM720,000. The proposed acquisition is expected to be completed by first quarter of 2023.

A12. Changes in The Composition of The Group

There were no material changes in the composition of the Group for the current financial quarter under review.

A13. Contingent Liabilities

There were no contingent liabilities incurred or known to be incurred for the financial quarter under review.

A14. Capital Commitments

Save as disclosed below, there were no other capital commitments as at the date of this interim financial report

	Unaudited As at 31.05.2022 RM’000	Audited As at 31.08.2021 RM’000
Approved and contracted for: New factory located in Kepong	-	7,920

PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
A15. Related Party Transactions

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000
Rental expenses charged by a related party	4	16	11	22
Rental expenses charged by a related party, CEKD Property	-	2	-	5
Cleaning fees charged by related party, Commercial Edge	-	31	-	41

B1 . Review of Performance

For the current financial quarter under review, the Group recorded revenue of RM7.85 million. Revenue from manufacturing activities contributed RM6.56 million while revenue from trading activities contributed RM1.29 million.

Approximately 83.3% of the Group's total revenue are derived locally while the remaining 17.7% are mainly derived from oversea.

The Group had incurred one-off listing expenses of approximately RM1.87 million for the current financial year-to-date ended 31 May 2022.

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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B2. Comparison with Immediate Preceding Quarter's Results

	INDIVIDUAL QUARTER		VARIANCE	
	Unaudited Current Quarter 31.05.2022 RM'000	Unaudited Preceding Quarter 28.02.2022 RM'000	RM'000	%
Revenue	7,852	7,769	83	1.07
Profit before tax	2,665	2,574	91	3.54

The Group's revenue for the current quarter has increased by RM0.08 million or 1.07% from RM7.77 million in the preceding quarter ended 28 February 2022 to RM7.85 million in the current quarter ended 31 May 2022. Such increase was mainly derived from trading activities.

The Group's profit before tax has increased by RM0.09 million or 3.54% from RM2.57 million in the preceding quarter ended 28 February 2022 to RM2.66 million in the current quarter ended 31 May 2022. The improvement in profit before tax was mainly due to higher revenue contribution in the current financial quarter under review.

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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B3. Prospects and Outlook**

Following the announcement of the National Recovery Plan by the government, all economic sectors have since reopened, subject to compliance with SOPs. In our current financial quarter under review, macro-economic activities have recovered compared to 2021 when our country was still in partial lockdown amid the Covid-19 pandemic. We would have been able to achieve positive growth and better profitability prior to the Covid-19 pandemic after we excluding the one-off listing expenses.

Our Group is not significantly impacted by Malaysia's lack of foreign labour, as we rely mostly on local talent, which comprises more than 80% of our total workforce. Some of our customers who depends on foreign workers, however may have issues in their production, and may invest in automated machineries instead of being labour-reliant. In the event there is a transition from manual to automation operations, our customers will have lower production which will result in lower sales orders from us. However, this also offers us the opportunity to cater for their different needs on providing better die-cutting solutions for their new automated machineries.

The current inflationary situation has increased our raw material prices, transportations cost and labour cost. We expect our profits to be affected in the upcoming months. To mitigate this, we continue to invest in high productivity and efficiency machinery to produce better products for our customers who face the same economic challenges as us. We hope that by improving our offerings, our customers will be able to boost their productivity and lessen the impact of inflationary situation on them.

At the beginning of the year, we have been anticipating the disruption of global supply chains and the surge in commodity prices by stocking up our raw materials in advance. Although we were not prepared for the outbreak of the Russia-Ukraine war which created disruptions to our raw material supply chains, we had sufficient raw materials which were ordered in advance. Nonetheless, we are also sourcing for alternative suppliers for our raw materials to avoid disruption to our operations.

On 5 July 2022, the Board announced that the Company had entered into 2 acquisitions to acquire Worldwide and Kit Technology, for us to expand our market share and improve our technology.

B4. Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)
B5. Income Tax Expense

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000
In respect of current period:				
Income tax expense ⁽¹⁾	641	514	1,868	1,703
Effective tax rate (%)	24.07	24.82	33.42 ⁽²⁾	24.46
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Notes:

- (1) Income tax expenses is recognised based on management's best estimate.
- (2) The Group's effective tax rate for the current financial quarter is higher than the statutory tax rate due to non-deductible expenses such as listing expenses. Excluding the one-off listing expenses, the current year-to-date effective tax rate is 25.1%.

B6. Status of Corporate Proposals

Save as disclosed in A11 and below, there were no corporate proposals undertaken but not completed as at the date of this interim financial report.

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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)
B7. Utilisation of Proceeds from IPO

As at 31 May 2022, the utilisation of proceeds are summarised as follows:

Details of Utilisation	Estimated Timeframe for the Utilisation Upon Listing	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised Amount RM'000
Acquisition of factory for Hotstar	24 months	8,800	8,800	-
Capital expenditure comprising :				
• Purchase of new machineries	24 months	3,000	-	3,000
• Upgrade and development of computer softwares and server	24 months	1,300	-	1,300
Repayment of bank borrowings	6 months	4,000	4,000	-
Marketing activities	24 months	1,500	-	1,500
General working capital	24 months	2,683	2,226	457
Estimated listing expenses	Immediately	3,000	3,000	-
Total		24,283	18,026	6,257

From the date of listing of the Company on the ACE Market of Bursa Securities on 29 September 2021, the utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 6 September 2021.

B8. Loan and Borrowings

	Unaudited As at 31.05.2022 RM'000	Audited As at 31.08.2021 RM'000
Current		
Lease liabilities	490	470
Term loans	868	663
	1,358	1,133
Non-current		
Lease liabilities	543	846
Term loans	17,659	10,620
	18,202	11,466

The bank borrowings are secured and denominated in Ringgit Malaysia.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B9. Material Litigation

There were no material litigation involving the Group as at 31 May 2022.

B10. Dividend

On 11 March 2022, the Board of Directors declared an interim single tier dividend of RM0.01 per ordinary share amounting to RM1,945,730 for the financial year ending 31 August 2022, has been paid on 15 April 2022 to the shareholders of the Company whose names appear in the Record of Depositors on 28 March 2022 (31 May 2021 : RM3,330,000).

B11. Earnings Per Share ("EPS")

The basic and diluted EPS for the current financial quarter and financial year-to-date are computed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000
Profit attributable to the Owner of the Company	2,024	1,557	3,722	5,261
Number of ordinary shares	194,573	143,983	194,573	143,983
Basic ⁽¹⁾ EPS (sen)	1.04	1.08	1.91	3.65
Diluted ⁽²⁾ EPS (sen)	1.04	0.80	1.91	2.70

Notes:

(1) Basic EPS is calculated based on the Company's share capital of 194,573,000 ordinary shares (31 May 2021 : 143,983,000 ordinary shares).

(2) Diluted EPS is calculated based on the Company's share capital of 194,573,000 ordinary shares.



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PART B - EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B12. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000	Unaudited Current Year Quarter 31.05.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.05.2021 RM'000
Bad debts written off	5	-	5	-
Change in fair value of other investment	-	105	81	105
Depreciation of property, plant and equipment	526	1,691	1,631	1,691
Interest expense	168	305	458	305
Inventories written down due to slow- moving	-	33	-	33
Net impact on impairment gain of trade receivables	-	-(1)	-	-(1)
Unrealised loss on foreign exchange	15	74	50	74
Gain on disposal of property, plant and equipment	-	(19)	(9)	(19)
Gain on remeasurement of right-to-use assets	-	(2)	-	(2)
Interest income	(142)	(73)	(346)	(73)
Investment income	-(1)	(210)	(1)	(210)

Notes:

(1) Represents less than RM1,000.

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 25 July 2022.

**BY ORDER OF THE BOARD
CEKD BERHAD
25 JULY 2022**