

**Cnergenz Berhad**

(Registration No. 202101026123 (1426423-D))

(Incorporated in Malaysia under the Companies Act, 2016)

**CNERGENZ**

The Board of Directors of CNERGENZ BERHAD (“**Board**”) is pleased to announce the following unaudited consolidated results for the first quarter and financial period ended (“**FPE**”) 31 March 2022.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FPE 31 MARCH 2022**

	3 months ended		Cumulative 3 months ended	
	31.3.2022 RM'000	<sup>(1)</sup> 31.3.2021 RM'000	31.3.2022 RM'000	<sup>(1)</sup> 31.3.2021 RM'000
Revenue	36,903	N/A	36,903	N/A
Cost of sales and services	(29,687)	N/A	(29,687)	N/A
<b>Gross profit</b>	7,216	N/A	7,216	N/A
Other income	63	N/A	63	N/A
Selling and distribution expenses	(368)	N/A	(368)	N/A
General and administrative expenses <sup>(2)</sup>	(1,963)	N/A	(1,963)	N/A
Other losses– net	(71)	N/A	(71)	N/A
<b>Operating profit</b>	4,877	N/A	4,877	N/A
Finance income	11	N/A	11	N/A
Finance costs	(16)	N/A	(16)	N/A
<b>Profit before tax</b>	4,872	N/A	4,872	N/A
Tax expense	(1,232)	N/A	(1,232)	N/A
<b>Net profit for the financial period</b>	3,640	N/A	3,640	N/A
<b>Other comprehensive income net of tax</b>				
Currency translation differences	665	N/A	655	N/A
<b>Total comprehensive income for the financial period</b>	4,305	N/A	4,305	N/A
<b>Basic earnings per ordinary share<sup>(3)</sup> (sen)</b>	0.91	N/A	0.91	N/A
<b>Diluted earnings per ordinary share<sup>(4)</sup> (sen)</b>	0.73	N/A	0.73	N/A

**Notes:-**

- (1) This is the first interim financial report announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.
- (2) General and administrative expenses included one-off initial public offering (“**IPO**”) expenses of RM0.16 million incurred during the first quarter ended 31 March 2022. After excluding one-off expenses, our profit before tax and net profit for the financial period will amount to RM5.03 million and RM3.80 million, respectively.
- (3) Basic earnings per ordinary share is calculated based on the share capital of the Company as at 31 March 2022, comprising 398,000,000 ordinary shares.
- (4) Diluted earnings per ordinary share is computed based on the assumed number of shares in issue pursuant to the completion of the IPO, comprising 498,000,000 ordinary shares. There are no dilutive instruments as at the end of the financial period.

N/A Not applicable

The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 29 April 2022 (“**Accountants’ Report**”) and the accompanying explanatory notes attached to the interim financial statements.

**Cnergenz Berhad**

(Registration No. 202101026123 (1426423-D))

(Incorporated in Malaysia under the Companies Act, 2016)

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

	As at 31.3.2022 RM'000 (Unaudited)	As at 31.12.2021 RM'000 (Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	16,818	15,604
Right-of-use assets	93	101
Deferred tax assets	506	523
	<b>17,417</b>	<b>16,228</b>
<b>CURRENT ASSETS</b>		
Inventories	17,209	19,245
Receivables, deposits and prepayments	40,951	33,667
Investment in quoted security	477	589
Amounts due from related parties	-	-
Deposits, cash and bank balances	42,426	59,026
	<b>101,063</b>	<b>112,527</b>
<b>TOTAL ASSETS</b>	<b>118,480</b>	<b>128,755</b>
<b>CURRENT LIABILITIES</b>		
Payables and accrued liabilities	33,918	36,101
Contract liabilities	6,530	9,037
Dividends payable	-	10,000
Lease liabilities	46	45
Hire purchase liabilities	411	439
Current tax provision	1,141	861
	<b>42,046</b>	<b>56,483</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE GROUP</b>		
Share capital	66,020	66,020
Capital reorganisation reserves	(65,820)	(65,820)
Currency translation reserves	2,432	1,767
Retained profits	72,779	69,139
<b>TOTAL EQUITY</b>	<b>75,411</b>	<b>71,106</b>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	38	50
Hire purchase liabilities	985	1,116
	<b>1,023</b>	<b>1,166</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>118,480</b>	<b>128,755</b>
Net assets per ordinary share attributable to ordinary equity holders of the Company <sup>(1)</sup> (RM)	<b>0.19</b>	0.17

*Note:-*

(1) Net assets per ordinary share attributable to ordinary equity holders of the Company is calculated based on the share capital of the Company as at 31 March 2022, comprising 398,000,000 ordinary shares.

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 April 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FPE 31 MARCH 2022**

← Attributable to owners of the Company →

	Share capital RM'000	Invested equity RM'000	Capital reorganisation reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
<b>Balance as at 1 January 2021</b>	-	66,020	(65,920)	(162)	66,082	66,020
<u>Total comprehensive income</u>						
Net profit for the financial year	-	-	-	-	13,057	13,057
Other comprehensive income for the financial year, net of tax	-	-	-	1,929	-	1,929
<u>Transactions with owners, recognised directly in equity</u>						
Reclassification upon completion of Internal Reorganisation	66,020	(66,020)	-	-	-	-
Issuance of ordinary shares by the subsidiary	-	-	100	-	-	100
Dividends	-	-	-	-	(10,000)	(10,000)
<b>Balance as at 31 December 2021</b>	<b>66,020</b>	<b>-</b>	<b>(65,820)</b>	<b>1,767</b>	<b>69,139</b>	<b>71,106</b>
<b>Balance as at 1 January 2022</b>	<b>66,020</b>	<b>-</b>	<b>(65,820)</b>	<b>1,767</b>	<b>69,139</b>	<b>71,106</b>
<u>Total comprehensive income</u>						
Net profit for the financial year	-	-	-	-	3,640	3,640
Other comprehensive income for the financial year, net of tax	-	-	-	665	-	665
<b>Balance as at 31 March 2022</b>	<b>66,020</b>	<b>-</b>	<b>(65,820)</b>	<b>2,432</b>	<b>72,779</b>	<b>75,411</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 April 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FPE 31 MARCH 2022**

	<b>3 months ended 31.3.2022 RM'000</b>	<b>3 months ended 31.3.2021 RM'000</b>
<b>OPERATING CASH FLOWS</b>		
Net profit for the financial period	3,640	N/A
Adjustments for:		
Property, plant and equipment (“PPE”):		
- depreciation	294	N/A
Depreciation of right-of-use assets	9	N/A
Interest income	(11)	N/A
Finance costs	16	N/A
Net unrealised foreign currency exchange gain	(16)	N/A
Fair value gain on derivative financial instruments – forward foreign currency exchange contracts	(83)	N/A
Investment in quoted security:		
- fair value loss	118	N/A
Tax expense	1,232	N/A
Operating profit before changes in working capital	<b>5,199</b>	N/A
Changes in working capital:		
- Inventories	2,036	N/A
- Receivables	(7,552)	N/A
- Payables	4,652	N/A
Cash generated from operations	4,335	N/A
Tax paid	(928)	N/A
<b>Net operating cash flow</b>	<b>3,407</b>	N/A
<b>INVESTING CASH FLOWS</b>		
Purchases of PPE	(10,302)	N/A
Withdrawal of fixed deposits with a licensed bank which have maturity period of more than 3 months	2,245	N/A
Interest received	11	N/A
<b>Net investing cash flow</b>	<b>(8,046)</b>	N/A
<b>FINANCING CASH FLOWS</b>		
Dividend paid	(10,000)	N/A
Repayment of principal portion of lease liabilities	(10)	N/A
Repayment of interest on lease liabilities	(1)	N/A
Repayment of principal portion of hire purchase liabilities	(142)	N/A
Repayment of interest on hire purchase liabilities	(16)	N/A
<b>Net cash financing cash flow</b>	<b>(10,169)</b>	N/A

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FPE 31 MARCH 2022**

	<b>3 months ended 31.3.2022 RM'000</b>	<b>3 months ended 31.3.2021 RM'000</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(14,808)</b>	<b>N/A</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	56,516	N/A
<b>EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	451	N/A
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	42,159	N/A
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits	26,632	N/A
Cash and bank balances	15,794	N/A
	<b>42,426</b>	<b>N/A</b>
Less: Fixed deposits pledged with licensed banks	(267)	N/A
	<b>42,159</b>	<b>N/A</b>

**Notes:-**

(1) *This is the first interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.*

N/A *Not applicable*

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 April 2022 and the accompanying explanatory notes attached to the interim financial statements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022**

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**A COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)**

**A1 Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with all the new Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the Listing Requirements.

The unaudited condensed consolidated interim financial statements should be read in conjunction with the Accountants’ Report and the accompanying explanatory notes attached to the interim financial statements. The explanatory notes attached to these unaudited condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Cnergenz Berhad and its subsidiary (“Group”) since the financial year ended FYE 31 December 2021.

**A2 Significant Accounting Policies**

The accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those adopted in the Accountants Report, save for the adoption of the following amendments to MFRS, which became effective and relevant to the Group for financial period beginning 1 January 2022:

Effective for annual periods commencing on or after 1 January 2022

Amendments to MFRS 3 Business Combinations - *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:

- Amendment to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards

- Amendment to MFRS 9 Financial Instruments

- Amendment to Illustrative Examples accompanying MFRS 16 Leases

The adoption of the above amendments to MFRSs did not have any material impact on the amounts reported in the financial statements of the Group and of the Company upon its initial application.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022**

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**New Standards and amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the new and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and by the Company are as listed below:

Effective for annual periods commencing on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to MFRS 17

Amendments to MFRS 17 Insurance Contracts - Initial Application of MFRS 17 and MFRS 9  
- *Comparative Information*

Amendments to MFRS 101 Presentation of Financial Statements - *Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies*

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors  
- *Definition of Accounting Estimates*

Amendments to MFRS 112 Income Taxes - *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Issued but not yet effective

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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 on Preceding Annual Financial Statements**

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2021 was not subject to any qualification.

**A4 Seasonality**

The Group's business operations were not significantly affected by any seasonal or cyclical factors.

**A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence**

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

**A6 Changes in Debt and Equity Securities**

There was no issuance, cancellations, repurchases, resale or repayments of debt and equity securities during the current financial quarter.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022****A7 Dividends Paid**

No dividend has been declared by the Board of Directors of the Company during the current financial quarter under review.

**A8 Operating segments**

The segmental analysis of the Group's revenue by business segments are set out as follows:

	3 months ended		Cumulative 3 months ended	
	31.3.2022 RM'000	31.3.2021 RM'000	31.3.2022 RM'000	31.3.2021 RM'000
Provision of integrated solutions for SMT manufacturing line	11,501	N/A	11,501	N/A
Sales of standalone SMT machines and equipment	22,470	N/A	22,470	N/A
Provision of other services	2,932	N/A	2,932	N/A
<b>Total</b>	<b>36,903</b>	<b>N/A</b>	<b>36,903</b>	<b>N/A</b>

The major contributor to the revenue stream of the Group was from the sales of standalone SMT machines and equipment, which constituted 60.89% of the Group's total revenue for FPE 31 March 2022, recording sales totalling RM22.47 million.

**A9 Valuation of Plant and Equipment**

There were no valuations of plant and equipment during the current financial quarter under review.

**A10 Material capital commitments**

There were no material capital commitments during the current financial quarter under review.

**A11 Material subsequent event**

Save as disclosed below, there were no material events since the end of this current financial quarter up to the date of this announcement:-

- IPO in conjunction with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities, comprising:-
  - (a) a public issue of 100,000,000 new ordinary shares in Cnergenz (“**Share(s)**”) (“**Issue Share(s)**”) in the following manner:-
    - (i) 25,000,000 Issue Shares made available for application by the Malaysian Public;



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022**

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- (ii) 10,000,000 Issue Shares reserved for application by the eligible Directors and employees of the Group as well as persons who have contributed to the success of the Group;
  - (iii) 52,750,000 Issue Shares by way of private placement to identified institutional and/or selected investors; and
  - (iv) 12,250,000 Issue Shares by way of private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry, Malaysia (“**MITI**”); and
- (b) an offer for sale of 50,000,000 existing ordinary shares in the Company (“**Offer Share(s)**”) by way of private placement to identified Bumiputera investors approved by the MITI;

at an issue price/offer price of RM0.58 per Issue Share/Offer Share.

The Company was admitted to the Official List of Bursa Securities and the Company’s entire enlarged issued share capital comprising 498,000,000 shares was listed and quoted on the ACE Market of Bursa Securities on 24 May 2022.

**A12 Changes in the Composition of the Group**

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

**A13 Contingent liabilities or contingent assets**

There were no contingent liabilities or contingent assets as at the date of the current financial quarter.

**A14 Material related party transactions (“RPT”)**

There were no material related party transactions during the current financial quarter under review.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022**

**B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS**

**B1 Review of Performance**

	Individual Period (1 <sup>st</sup> Quarter)				Cumulative Period (3 Months)			
	Current Year Quarter 31 March 2022	Preceding Year Corresponding Quarter 31 March 2021 <sup>(1)</sup>	Variance		Current Year-to-date 31 March 2022	Preceding Year Corresponding Period 31 March 2021 <sup>(1)</sup>	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	36,903	N/A	N/A	N/A	36,903	N/A	N/A	N/A
Gross Profit	7,216	N/A	N/A	N/A	7,216	N/A	N/A	N/A
Profit Before Tax	4,872	N/A	N/A	N/A	4,872	N/A	N/A	N/A

*Notes:-*

(1) This is the first interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

N/A Not applicable

The Group recorded revenue of RM36.90 million for the current FPE 31 March 2022.

The Group's revenue was principally derived from the sales of standalone SMT machines and equipment which contributed 60.89% to the Group's total revenue for the current FPE 31 March 2022, followed by the provision of integrated solutions for SMT manufacturing line segment, which contributed 31.17% to the Group's total revenue for the current FPE 31 March 2022.

The Group registered a PBT of RM4.87 million in the current FPE 31 March 2022.

**B2 Comment on material change in profit before taxation for current quarter compared with the immediately preceding quarter**

	Current Quarter 31 March 2022	Immediate Preceding Quarter 31 December 2021 <sup>(1)</sup>	Variance	
	RM'000	RM'000	RM'000	%
Revenue	36,903	N/A	N/A	N/A
Gross Profit	7,216	N/A	N/A	N/A
Gross Profit Margin	19.55%	N/A	N/A	N/A
Profit Before Tax	4,872	N/A	N/A	N/A

*Notes:-*

(1) This is the first interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

N/A Not applicable

The Group recorded gross profit of RM7.22 million for the current FPE 31 March 2022, which translates to a gross profit margin of 19.55% for the current FPE 31 March 2022.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FIRST QUARTER ENDED 31 MARCH 2022**

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**B3 Prospects**

As disclosed in the Prospectus dated 29 April 2022, the SMT manufacturing solutions industry in Southeast Asia is expected to recover and register a compound annual growth rate (“**CAGR**”) of 8.0% between 2022 and 2024, driven by, amongst other, the following factors:-

- (a) emergence of a new wave of final electronic products to allow for technologies such as smart factories, autonomous cars and smart home devices as a result of technological revolution;
- (b) rapid technological advancements in the electronics and semiconductor industries (“**E&S Industry(ies)**”) as there are constant introductions of new products due to advancements and innovations; and
- (c) shift towards smart factories to fully automate operations will create demand for electronics manufacturing solutions that enable smart factories.

In particular, the industry size for SMT manufacturing solutions in Malaysia, Vietnam and Thailand, where Cnergenz presently operates, are forecast to grow at CAGRs of 7.2%, 8.0% and 8.0%, respectively, between 2022 and 2024. With the aim of achieving higher production yield, minimising human dependency, optimising resource allocation and enhancing cost competitiveness, global and regional E&S industries are embracing smart factory solutions. This poses an opportunity for electronics manufacturing solution providers to expand their operations in providing smart factory solutions. Cnergenz Group stands to benefit from the positive outlook of the electronics manufacturing industry in Southeast Asia, particularly Malaysia, Vietnam and Thailand as a key industry player in the electronics manufacturing solutions industry in these countries.

As of reporting date, the Group has secured purchase orders totalling RM82.48 million for our integrated solutions and sale of individual machinery, equipment and tools, which are expected to be fulfilled by the end of 2022.

**B4 Variance between Actual Profit and Forecast Profit**

The Group has not provided any profit forecast in any public documents and announcements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022****B5 Taxation**

	3 months ended		Cumulative 3 months ended	
	31.3.2022	31.3.2021	31.3.2022	31.3.2021
	RM'000	RM'000	RM'000	RM'000
Current tax	1,232	N/A	1,232	N/A
Deferred tax	-	N/A	-	N/A
<b>Total</b>	<b>1,232</b>	<b>N/A</b>	<b>1,232</b>	<b>N/A</b>
Effective tax rate (%)	25.29	N/A	25.29	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit before tax for the current financial quarter and current financial quarter.

The effective tax rates of the Group for the current financial quarter and current financial period-to-date were higher than the Malaysia statutory tax rate mainly due to certain non-deductible expenses.

**B6 Unquoted investments and properties**

There were no purchases or sales of unquoted investment or properties for the current financial quarter.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities for the current financial quarter and the financial period to date.

**B8 Status of Corporate Proposals**

There are no corporate proposals announced but pending completion as at the date of this report.

**B9 Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the end of current financial quarter to the date of the interim financial report.

**B10 Material Litigation**

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

**Cnergenz Berhad**

(Registration No. 202101026123 (1426423-D))

(Incorporated in Malaysia under the Companies Act, 2016)

**C N E R G E N Z****NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022****B11 Earnings Per Share (“EPS”)**

	3 months ended		Cumulative 3 months ended	
	31.3.2022	<sup>(1)</sup> 31.3.2021	31.3.2022	<sup>(1)</sup> 31.3.2021
Profit attributable to owners of the Company (RM'000)	3,640	N/A	3,640	N/A
Weighted average number of ordinary shares in issue ('000)	398,000	N/A	398,000	N/A
Diluted number of ordinary shares in issue ('000)	498,000	N/A	498,000	N/A
Basic EPS <sup>(2)</sup> (sen)	0.91	N/A	0.91	N/A
Diluted EPS <sup>(3)</sup> (sen)	0.73	N/A	0.73	N/A

**Notes:-**

- (1) This is the first interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.
- (2) Basic earnings per ordinary share is calculated based on the share capital of the Company as at 31 March 2022, comprising 398,000,000 ordinary shares.
- (3) Diluted earnings per ordinary share is computed based on the assumed number of shares in issue pursuant to the completion of the IPO, comprising 498,000,000 ordinary shares.

N/A Not applicable

There are no dilutive instruments as at the end of the current financial quarter.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FIRST QUARTER ENDED 31 MARCH 2022**

**B12 Notes to the Statement of Comprehensive Income**

	3 months ended		Cumulative 3 months ended	
	31.3.2022	<sup>(1)</sup> 31.3.2021	31.3.2022	<sup>(1)</sup> 31.3.2022
	RM'000	RM'000	RM'000	RM'000
The following items have been charged / (credited) in arriving profit from operations:				
Employee benefit costs	1,927	N/A	1,927	N/A
Director's fee	68	N/A	68	N/A
Depreciation of property, plant and equipment	294	N/A	294	N/A
Depreciation of right-of-use assets	9	N/A	9	N/A
Rental income	(63)	N/A	(63)	N/A
Professional fees	181	N/A	181	N/A
Short-term lease payment on office premises	20	N/A	20	N/A

**Notes:-**

(1) This is the first interim financial report announced in compliance with the Listing Requirements. There are no comparative figures for the preceding corresponding quarter and year-to-date as no interim financial report was prepared for the comparative financial period.

N/A Not applicable

**B13 Utilisation of Proceeds Raised from the IPO**

The gross proceeds arising from the IPO amounting to RM58.0 million are intended to be utilised in the following manner:

Details of use	Proposed Utilisation		Estimated Timeframe for Utilisation
	RM'000	(%)	
1. Expansion of the Group's facility	37,800	65.17	Within 24 months
2. Research and development expenditure	6,000	10.35	Within 24 months
3. Working capital	10,000	17.24	Within 12 months
4. Estimated listing expenses	4,200	7.24	Within 3 months
	<b>58,000</b>	<b>100.00</b>	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 29 April 2022. As at the financial quarter ended 31 March 2022, the IPO was pending completion, hence there is no utilisation of proceeds by the Group yet.

**B14 Authorisation**

The interim financial report was authorised for announcement by the Board in accordance with a resolution of the Board.