

**Mega First Corporation Berhad**  
Registration No. 196601000210 (6682-V)  
Incorporated in Malaysia

**Interim Financial Report**  
**30 September 2022**

**Mega First Corporation Berhad**  
**Registration No. 196601000210 (6682-V)**

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income  
For The 9-Month Period Ended 30 September 2022**

	3rd Quarter Ended		9-Months Period Ended		
	30.9.2022	30.9.2021	30.9.2022	30.9.2021	
	RM'000	RM'000	RM'000	RM'000	
Revenue	371,529	232,497	975,778	634,054	
Cost of sales	(222,330)	(112,151)	(565,303)	(296,611)	
Gross profit	149,199	120,346	410,475	337,443	
Other income	5,897	4,073	1,956	8,674	
Operating expenses	(12,048)	(10,984)	(39,548)	(32,161)	
Profit from operations	143,048	113,435	372,883	313,956	
Finance costs	(8,929)	(5,343)	(21,506)	(15,302)	
Share of results in equity accounted investments, net of tax	12,289	(62)	21,739	(62)	
Profit before tax	146,408	108,030	373,116	298,592	
Income tax expense	(4,728)	(2,065)	(13,228)	(4,509)	
Profit after tax for the period	141,680	105,965	359,888	294,083	
Other comprehensive income	107,079	44,298	147,523	167,010	
Total comprehensive income for the period	248,759	150,263	507,411	461,093	
Profit after tax attributable to:					
Owners of the Company	119,456	88,863	301,634	249,524	
Non-controlling interests	22,224	17,102	58,254	44,559	
	141,680	105,965	359,888	294,083	
Total comprehensive income attributable to:					
Owners of the Company	212,456	131,618	421,514	409,520	
Non-controlling interests	36,303	18,645	85,897	51,573	
	248,759	150,263	507,411	461,093	
EPS - Basic (sen)	B11	12.64	9.38	31.91	26.34

The notes set out on pages 7 to 29 form an integral part and should be read in conjunction with this interim financial report.

**Mega First Corporation Berhad**  
**Registration No. 196601000210 (6682-V)**

**Unaudited Condensed Consolidated Statement of Financial Position**  
**As at 30 September 2022**

	<b>Unaudited As At 30.9.2022 RM'000</b>	<b>Audited As At 31.12.2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Service concession asset	2,071,209	1,922,289
Property, plant and equipment	502,076	410,393
Investment properties	165,203	165,203
Right of use assets	149,845	129,325
Investment in quoted shares	142,014	200,067
Inventories	43,443	43,443
Joint Ventures and Associates	179,160	145,952
Goodwill on consolidation	54,673	54,673
Other assets	2,927	1,157
	<b>3,310,550</b>	<b>3,072,502</b>
<b>Current Assets</b>		
Inventories	155,200	128,858
Receivables	426,882	408,666
Contract assets	-	1,587
Bank balances and deposits	501,893	257,649
	<b>1,083,975</b>	<b>796,760</b>
<b>TOTAL ASSETS</b>	<b>4,394,525</b>	<b>3,869,262</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable To Owners Of The Company</b>		
Share capital	743,121	743,121
Treasury shares	(37,261)	(36,869)
Reserves	2,041,249	1,686,852
	<b>2,747,109</b>	<b>2,393,104</b>
Non-Controlling Interests	434,369	346,472
<b>Total Equity</b>	<b>3,181,478</b>	<b>2,739,576</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	468,285	504,586
Deferred tax liabilities	128,182	119,508
Put option liability	91,700	89,657
Lease liabilities	14,878	15,589
Payables	528	540
	<b>703,573</b>	<b>729,880</b>
<b>Current Liabilities</b>		
Payables	193,338	118,515
Short-term borrowings	310,832	273,295
Lease liabilities	5,304	7,996
	<b>509,474</b>	<b>399,806</b>
<b>Total Liabilities</b>	<b>1,213,047</b>	<b>1,129,686</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,394,525</b>	<b>3,869,262</b>
<b>Net Assets Per Ordinary Share (RM)</b>	<b>2.91</b>	<b>2.53</b>

The notes set out on pages 7 to 29 form an integral part and should be read in conjunction with this interim financial report.

**Unaudited Condensed Consolidated Statement of Changes in Equity  
For the 9-month period ended 30 September 2021**

	← Non-Distributable →				Distributable					Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve/ (Deficit) RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable To Owners Of The Company RM'000	Non- Controlling Interests RM'000	
Balance at 1.1.2021	743,121	(30,046)	(52,790)	33,955	27,394	-	1,205,876	1,927,510	238,102	2,165,612
Total comprehensive income for the period	-	-	59,796	100,200	-	-	249,524	409,520	51,573	461,093
Contributions by and distributions to owners of the Company:										
- Dividends to shareholders of the Company	-	-	-	-	-	-	(61,578)	(61,578)	-	(61,578)
Gain on accretion of interest in a subsidiary	-	-	-	-	-	-	2,891	2,891	(2,891)	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	38,882	38,882
Put option liability over shares held by non-controlling interests	-	-	-	-	-	(88,556)	-	(88,556)	-	(88,556)
Subscription of shares in subsidiary by non-controlling interest	-	-	-	-	-	-	-	-	3,512	3,512
Gain arising from disposal of equity investments recycled to retained profits	-	-	-	381	-	-	(381)	-	-	-
Balance at 30.9.2021	743,121	(30,046)	7,006	134,536	27,394	(88,556)	1,396,332	2,189,787	329,178	2,518,965

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**Mega First Corporation Berhad**  
**Registration No. 196601000210 (6682-V)**

**Unaudited Condensed Consolidated Statement of Changes in Equity (Cont'd)**  
**For the 9-month period ended 30 September 2022**

	← Non-Distributable →				Distributable					Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Translation Reserve/ (Deficit) RM'000	Fair Value Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Attributable To Owners Of The Company RM'000	Non- Controlling Interests RM'000	
Balance at 1.1.2022	743,121	(36,869)	847	140,324	27,394	(88,556)	1,606,843	2,393,104	346,472	2,739,576
Total comprehensive income for the period	-	-	177,958	(58,078)	-	-	301,634	421,514	85,897	507,411
Contributions by and distributions to owners of the Company:										
- Dividends to shareholders of the Company	-	-	-	-	-	-	(67,117)	(67,117)	-	(67,117)
Purchase of treasury shares	-	(392)	-	-	-	-	-	(392)	-	(392)
Subscription of shares in subsidiaries by non-controlling interest	-	-	-	-	-	-	-	-	2,000	2,000
Balance at 30.9.2022	743,121	(37,261)	178,805	82,246	27,394	(88,556)	1,841,360	2,747,109	434,369	3,181,478

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**Mega First Corporation Berhad**  
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**Unaudited Condensed Consolidated Statement of Cash Flows**  
**For the 9-month period ended 30 September 2022**

	<b>9 Months Period Ended</b>	
	<b>30.9.2022</b>	<b>30.9.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	373,116	298,592
Adjustments for non-cash flow - Non-cash items	79,051	79,417
- Non-operating items	4,243	7,345
Operating profit before working capital changes	456,410	385,354
Changes in working capital - Net change in assets	(41,676)	16,814
- Net change in liabilities	35,997	24,265
Cash from operations	450,731	426,433
Income tax paid	(5,193)	(3,780)
<b>Net cash from operating activities</b>	<b>445,538</b>	<b>422,653</b>
<b>Cash flows for investing activities</b>		
Acquisition of subsidiary	-	(124,312)
Cash outflow for Don Sahong Hydropower Project	(52,100)	(31,377)
Dividends received	1,005	1,149
Interest received	14,069	6,762
Investment in joint ventures and associates	(11,469)	(20,000)
Payments for purchase of:		
- property, plant and equipment	(59,340)	(69,586)
- right of use assets	(25,853)	(1,468)
- other intangible assets	(2,083)	(1,828)
- quoted shares	(26)	-
Proceeds from disposal of:		
- property, plant and equipment	146	52
- quoted shares	-	402
<b>Net cash for investing activities</b>	<b>(135,651)</b>	<b>(240,206)</b>

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**Mega First Corporation Berhad**  
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**Unaudited Condensed Consolidated Statement of Cash Flows (Cont'd)**  
**For the 9-month period ended 30 September 2022**

	<b>9 Months Period Ended</b>	
	<b>30.9.2022</b>	<b>30.9.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows for financing activities</b>		
Dividends paid to:		
- shareholders of the Company	(33,085)	(61,578)
Finance costs paid	(19,463)	(15,302)
Net repayment of:		
- Revolving credits, trade financing and loans	11,323	62,448
- Lease liabilities	(3,739)	(4,312)
- Term loans	(59,809)	(24,061)
Proceeds from issuance of shares by subsidiaries to non-controlling interests	2,000	3,512
Purchase of treasury shares	(392)	-
Uplift/(Placement) of deposits pledged with banks	472	(582)
<b>Net cash for financing activities</b>	<u>(102,693)</u>	<u>(39,875)</u>
<b>Effect of foreign exchange translation</b>	<u>38,452</u>	<u>3,604</u>
<b>Net increase in cash and cash equivalents</b>	245,646	146,176
<b>Cash and cash equivalents at beginning of the period</b>	251,937	89,949
<b>Cash and cash equivalents at end of the period</b>	<u>497,583</u>	<u>236,125</u>
Cash and cash equivalents included in the statement of cash flows comprise the following amounts:		
Bank balances and deposits	501,893	241,670
Bank overdrafts	-	(1,305)
	<u>501,893</u>	<u>240,365</u>
Less:		
- Deposits pledged with licensed banks	(4,310)	(4,240)
	<u>497,583</u>	<u>236,125</u>

The notes set out on pages 7 to 29 form an integral part and should be read in conjunction with this interim financial report.

**Notes to the interim financial report**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and Issuers Communication No. 1/2017 - Guidance on Disclosures in Notes to Quarterly Report issued by Bursa Malaysia.

These interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021.

- (a) During the current quarter and 9-month period ended 30 September 2022, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

**MFRSs and/or IC Interpretations (including the Consequential Amendments)**

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment –  
Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2021

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any impact on the Group’s financial statements.

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the financial year ending 31 December 2022:

**MFRSs and/or IC Interpretations (including the Consequential Amendments)**

**Effective Date**

MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17 - Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

Other than as disclosed above, the accounting policies and methods of computation adopted by the Group in preparing this interim financial report are consistent with those in the financial statements for the financial year ended 31 December 2021.



**A2. Qualification of financial statements**

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

The Group's principal business operations were not significantly affected by seasonal or cyclical factors other than its Renewable Energy Division where hydropower generation is subject to seasonal fluctuation of the water level. Normally, the water level will peak between June to November during the wet season. More detailed commentary is set out in B3 and B4 to these financial statements.

**A4. Unusual item**

There was no item affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size or incidence in these financial statements.

**A5. Nature and amount of changes in estimates**

There was no change in estimates of amounts reported in prior periods that have a material effect in the period under review.

**A6. Debt and equity securities**

	Number of Ordinary Shares		← Amount →	
	Share Capital (Issued and Fully Paid) '000	Treasury Shares '000	Share Capital (Issued and Fully Paid) RM'000	Treasury Shares RM'000
At 1 January 2022	988,352	(42,932)	743,121	(36,869)
Shares repurchased in current period	-	(114)	-	(392)
At 30 September 2022	<u>988,352</u>	<u>(43,046)</u>	<u>743,121</u>	<u>(37,261)</u>

Of the total 988,352,102 issued ordinary shares as at 30 September 2022, 43,046,300 ordinary shares were held as treasury shares by the Company. Accordingly, the number of outstanding ordinary shares in issue as at 30 September 2022 was 945,305,802.

Other than as disclosed above, there was no issuance and repayment of debt and equity securities, share cancellations, shares held as treasury shares and resale of treasury shares in these financial statements.

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**A7. Segment information**

9-Month Period Ended 30 September 2022	Renewable	Resources	Packaging	Investment	Eliminations	Consolidated
	Energy			Holding &		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External revenue	435,328	156,226	300,095	84,129	-	975,778
Inter-segment revenue	-	-	-	1,352	(1,352)	-
Consolidated revenue	435,328	156,226	300,095	85,481	(1,352)	975,778
<b>Results</b>						
Profit from operations	317,987	14,393	31,186	11,896	(2,579)	372,883
Finance costs						(21,506)
Share of profit in equity accounted investments						21,739
Profit before tax						373,116
Income tax expense						(13,228)
Profit after tax						359,888
<b>Total assets</b>						
At 30 September 2022	2,794,973	342,301	506,774	956,936	(206,459)	4,394,525
9-Month Period Ended 30 September 2021	Renewable	Resources	Packaging	Investment	Eliminations	Consolidated
	Energy			Holding &		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>						
External revenue	387,223	111,551	124,112	11,168	-	634,054
Inter-segment revenue	-	-	-	159,896	(159,896)	-
Consolidated revenue	387,223	111,551	124,112	171,064	(159,896)	634,054
<b>Results</b>						
Profit from operations	287,572	12,833	13,739	159,699	(159,887)	313,956
Finance costs						(15,302)
Share of loss in equity accounted investments						(62)
Profit before tax						298,592
Income tax expense						(4,509)
Profit after tax						294,083
<b>Total assets</b>						
At 31 December 2021	2,284,759	335,130	441,323	971,666	(163,616)	3,869,262

**A8. Dividend paid**

Details of dividend paid during the current quarter and 9-month period ended 30 September 2022 are disclosed in B9 to these financial statements.

**A9. Valuation of property, plant and equipment**

There was no revaluation of property, plant and equipment during the period reported up to 10 November 2022, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**A10. Significant events during the reporting period**

There was no significant event during the reporting period.

**A11. Significant event subsequent to the end of the reporting period**

There was no significant event subsequent to the end of the period reported up to 10 November 2022, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**A12. Changes in composition of the Group**

Changes in the composition of the Group for current quarter and 9-month period ended 30 September 2022 are disclosed as follows:

1. On 26 January 2022, the Company incorporated a wholly-owned subsidiary, namely Mega Ventures Limited with an issued and paid-up capital of USD1,000. The principal activity of Mega Ventures Limited is that of investment holding.
2. On 7 February 2022, the Company incorporated a wholly-owned subsidiary, namely TT Kinta Sdn Bhd with an issued and paid-up capital of RM5,000. The principal activity of TT Kinta Sdn Bhd is that of investment holding.
3. On 14 February 2022, the Company incorporated a 100%-owned subsidiary, namely Integrated Smart Technologies Sdn Bhd ("IST") with an issued and paid-up capital of RM3. The principal activity of IST is that of investment holding. The Group's shareholding in IST was subsequently reduced to 28.83% following allotment of new IST shares on 25 February 2022 and 1 April 2022.
4. On 29 March 2022, the Company incorporated a 50.05%-owned subsidiary, namely United Excellence Sdn Bhd with issued and paid-up capital of RM1,001. The principal activity of United Excellence Sdn Bhd is that of investment holding.

**A13. Changes in contingent liabilities and assets**

(a) Contingent liability

On 5 October 2016, Idaman Harmoni Sdn. Bhd. (“IHSB”), an indirect 65%-owned subsidiary of the Company, was served with the following notices of assessment showing additional taxes and penalties totaling RM22,795,912:

- (i) Notice of Additional Assessment dated 20 September 2016 for Year of Assessment (“YA”) 2010 whereby additional tax (inclusive of penalty of 50%) of RM37,763.50 has been imposed by the Inland Revenue Board of Malaysia (“IRBM”) (“Form JA”).
- (ii) Notice of Reduced Assessment dated 23 September 2016 for YA 2009 whereby tax of RM35,429.00 has been reduced by IRBM (“Form JR”).
- (iii) Notice of Assessment dated 23 September 2016 for YA 2009 whereby tax (inclusive of penalty of 100%) of RM22,793,577.50 has been imposed by IRBM (“Form J”).

There will be additional late payment penalty imposition of up to 15.5% on the above unpaid taxes and penalties.

The abovementioned taxes and penalties imposed by IRBM are in relation to a joint venture entered into by IHSB as the landowner with a property developer for the construction of an office and residential property known as PJ8 pursuant to an agreement dated 23 April 2004.

The IRBM has taken the view that there is a deemed disposal of the PJ8 property by IHSB which is subject to income tax. This transaction was treated by IHSB as a capital transaction which was liable to Real Property Gains Tax in Year 2004. IHSB is a property investment company and has not disposed of any of its PJ8 properties since completion.

Based on advice from both its tax consultants and solicitors, IHSB is of the view that the assessment raised by IRBM are statute barred and erroneous in law. IHSB filed its appeals against the assessments to the Special Commissioners of Income Tax (“SCIT”) on 28 October 2016. On 1 September 2021, SCIT dismissed IHSB’s appeals.

IHSB registered the appeal with the High Court on 15 September 2021. On 18 April 2022, the High Court Judge allowed IHSB’s appeal.

On 20 April 2022, IRBM filed an appeal with the Court of Appeal against the decision of the High Court. The Court of Appeal has fixed 16 February 2023 for the next case management and 2 March 2023 for the hearing of the appeal.

**A13. Changes in contingent liabilities and assets (Cont'd)**

(a) Contingent liability (Cont'd)

By virtue of the consent judgement with the Government dated 5 October 2018, IHSB does not have to pay the taxes imposed by IRBM under the Assessments until all legal avenues have been exhausted.

Other than as disclosed above, there was no material contingent liability as at 10 November 2022, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

(b) Contingent asset

The Group has no contingent asset as at 10 November 2022, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**A14. Capital commitments**

As at 30 September 2022, the Group has the following capital commitments:

	<b>RM'000</b>
<b>Property, plant and equipment</b>	
Authorised but not provided for:	
- Contracted	266,334
- Non-contracted	249,825
	<hr/>
	516,159
	<hr/> <hr/>

**A15. Significant related party transactions**

There was no significant related party transaction during the current quarter and 9-month period ended 30 September 2022 other than the following commitment made by the Company:

	<b>As at 30.9.2022</b>
	<b>RM'000</b>
Corporate guarantees given to lenders and supplier of joint ventures and associates	425,905

**A16. Derivative financial instruments**

	<b>30.9.2022</b>	<b>31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Derivative liability</u></b>		
Put option liability over shares of a subsidiary held by non-controlling interest	91,700	89,657

The Company entered into a Put Option Agreement with the minority shareholders of a subsidiary whereby the minority shareholders have the right to require the Company to buy their equity interest in the subsidiary in accordance to the terms of the Put Option Agreement.

The obligation by the Company to purchase subsidiary's equity interest held by the minority interest is initially recognised as put option liability with a corresponding charge direct to equity (classified as "Other Reserve"). Subsequent to the initial recognition, the put option will be remeasured at fair value and any changes in fair value is recognised in profit or loss. During the 9-month period ended 30 September 2022, a fair value loss of RM2,043,000 is recognised in profit or loss.

**B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Performance review - Current quarter ended 30 September 2022 ("3Q2022") versus ("vs") the corresponding quarter ended 30 September 2021 ("3Q2021")**

	<b>3Q2022</b>	<b>3Q2021</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	371,529	232,497	139,032	59.8%
Other income, net	5,897	4,073	1,824	44.8%
Earning before interest, tax, depreciation and amortisation ("EBITDA")	168,078	139,284	28,794	20.7%
Operating profit	143,048	113,435	29,613	26.1%
Profit before tax	146,408	108,030	38,378	35.5%
Profit after tax	141,680	105,965	35,715	33.7%
Profit after tax attributable to owners of the Company	119,456	88,863	30,593	34.4%
<b>Revenue</b>				
Renewable Energy	158,444	134,835	23,609	17.5%
Resources	60,990	31,509	29,481	93.6%
Packaging	104,574	63,418	41,156	64.9%
Sub-total	324,008	229,762	94,246	41.0%
Investment holding & others	47,521	2,735	44,786	1638%
Total revenue	371,529	232,497	139,032	59.8%
<b>Profit before tax</b>				
Renewable Energy	114,339	98,853	15,486	15.7%
Resources	4,886	1,979	2,907	147%
Packaging	8,770	7,550	1,220	16.2%
Sub-total	127,995	108,382	19,613	18.1%
Investment holding & others	18,413	(352)	18,765	5331%
Total profit before tax	146,408	108,030	38,378	35.5%
<b>Additional Information:</b>				
Share of profit/(loss) in joint ventures and associates	12,289	(62)	12,351	N.M.
Gain on foreign exchange	8,849	1,175	7,674	653%

**B1. Performance review - 3Q2022 vs 3Q2021 (Cont'd)**

The Group's core businesses registered all round year-on-year earnings improvements in the current quarter. Total revenue rose 59.8% to RM371.5 million (3Q2021: RM232.5 million). Notably, the Renewable Energy Division posted a 17.5% expansion to RM158.4 million; the Packaging Division grew 64.9% to RM104.6 million, while revenue of the Resources Division nearly doubled to RM61.0 million.

Investment Holding & Other Division reported a substantial increase in turnover from RM2.7 million to RM47.5 million. This was due primarily to the recommencement of commercial operations of the Tawau power plant in May 2022 and a 317% increase in revenue contribution from the Group's automotive parts manufacturing subsidiary to RM5.5 million. During the quarter, revenue of the Tawau power plant came in at RM40.1 million (3Q2021: Nil).

Pre-tax profit grew 35.5% to RM146.4 million (3Q2021: RM108.0 million), spurred by higher profit contributions from all divisions. Within the three core divisions, PBT of the Renewable Energy Division rose 15.7% to RM114.3 million, while that of the Packaging and Resources Divisions grew 16.2% to RM8.8 million and 147% to RM4.9 million, respectively.

Investment Holding & Other Division reported a pre-tax profit of RM18.4 million compared to a small loss of RM0.4 million a year ago. The sharp turnaround of this division was mainly attributable to RM12.3 million share of profit from joint venture and associates (3Q2021: RM62,000 loss) and higher forex gain of RM8.8 million (3Q2021: RM1.2 million gain).

The current quarter's share of profit from joint venture and associates was boosted by a RM16.9 million one-off gain from Edenor, being the unadjusted differences between the unaudited and audited financial statements of the joint venture for the period ended 31 December 2021. Operationally, Edenor slipped into the red in the current quarter (after two consecutive quarters of profits) with a share of loss of RM4.9 million. The sudden and sharp decline in raw material (CPKO/CPO) prices and a sharp depreciation of Ringgit Malaysia against the US Dollar during the quarter resulted in Edenor recording significant inventory loss provision and forex losses on its US Dollar forward contracts.



**B1. Performance review - 3Q2022 vs 3Q2021 (Cont'd)**

**Renewable Energy Division**

Revenue grew 17.5% to RM158.4 million, bolstered by a 9% increase in hydro energy sales volume, a 7% appreciation of the US Dollar against Ringgit Malaysia from an average RM4.197 to RM4.484 /USD and a 1% hydro tariff adjustment. Solar energy sales rose 36% to RM1.9 million on progressive increase in installed C&I solar capacity.

Don Sahong recorded an average Equivalent Availability Factor (EAF) of 98.2% in the current quarter, significantly higher than 90.1% recorded in the same period last year. As explained earlier in the previous quarter results announcement, EDL had requested for this year's annual turbine maintenance, which typically occurred in August/September period, to be pushed back by approximately 5 months to the upcoming dry season in around February 2023. The deferment of turbine maintenance is not expected to compromise the plant's future effectiveness and efficiency.

Pre-tax profit advanced 15.7% to RM114.3 million (3Q2021: RM98.8 million), mainly on higher hydropower energy income in Laos. partially mitigated by higher interest expense resulting from higher US Dollar interest rates.

**Resources Division**

Revenue rose 93.6% from RM31.5 million to RM61.0 million, spurred mainly by a 101% increase in lime products from RM27.9 million to RM56.2 million. Revenue contribution from non-lime products (including calcium carbonate powder, quarry by-products and cement bricks) improved 32.2% to RM4.8 million.

Sales volume of lime products increased 61% mainly on a low base effect (3Q2021 sales volume was adversely affected by customer maintenance shutdown) and a general recovery of economic activities as the region transitioned from COVID pandemic phase to an endemic phase.

The average selling price (ASP) of lime products recorded a 25.1% increase. The sharp increase in ASP was attributable to progressive selling price adjustments to defray rising production and energy costs and the effects of a stronger export currency versus Ringgit Malaysia. Petcoke cost in the current quarter was 85% higher when compared to the same period last year.

Pre-tax profit soared 147% to RM4.9 million (3Q2021: RM2.0 million), on higher revenue and improved plant utilisation rate.

**B1. Performance review - 3Q2022 vs 3Q2021 (Cont'd)**

**Packaging Division**

Revenue increased 64.9% to RM104.6 million (3Q2021: RM63.4 million), underpinned by robust growth of Hexachase and a full quarter revenue contribution from Stenta (3Q2021: 2-month contribution). Hexachase revenue grew 69.8% from RM29.7 million to RM50.5 million driven largely by stronger demand for its flexible packaging products, while Stenta contributed RM54.1 million to revenue compared to RM33.7 million a year ago.

Pre-tax profit improved 16.2% to RM8.8 million (3Q2021: RM7.6 million) on higher revenue for flexible packaging products and Stenta contribution.

**B2. Performance review - Year-to-date 30 September 2022 ("9M2022") versus ("vs") corresponding Year-to-date 30 September 2021 ("9M2021")**

	9M2022 RM'000	9M2021 RM'000	Changes RM'000	%
Revenue	975,778	634,054	341,724	53.9%
Other income, net	1,956	8,674	(6,718)	-77.4%
Earning before interest, tax, depreciation and amortisation ("EBITDA")	450,792	386,961	63,831	16.5%
Operating profit	372,883	313,956	58,927	18.8%
Profit before tax	373,116	298,592	74,524	25.0%
Profit after tax	359,888	294,083	65,805	22.4%
Profit after tax attributable to owners of the Company	301,634	249,524	52,110	20.9%
<b>Revenue</b>				
Renewable Energy	435,328	387,223	48,105	12.4%
Resources	156,226	111,551	44,675	40.0%
Packaging	300,095	124,112	175,983	142%
Sub-total	891,649 <span style="color: green;">▲</span>	622,886	268,763	43.1%
Investment holding & others	84,129	11,168	72,961	653%
<b>Total revenue</b>	<b>975,778</b>	<b>634,054</b>	<b>341,724</b>	<b>53.9%</b>
<b>Profit before tax</b>				
Renewable Energy	305,419	275,684	29,735	10.8%
Resources	13,985	12,340	1,645	13.3%
Packaging	26,929	11,548	15,381	133%
Sub-total	346,333 <span style="color: green;">▲</span>	299,572	46,761	15.6%
Investment holding & others	26,783	(980)	27,763	N.M.
<b>Total profit before tax</b>	<b>373,116</b>	<b>298,592</b>	<b>74,524</b>	<b>25.0%</b>
<b>Additional Information:</b>				
Share of profit/(loss) in joint ventures and associates	21,739	(62)	21,801	N.M.
Gain on foreign exchange	18,311	2,493	15,818 <span style="color: green;">▲</span>	634%

**B2. Performance review – 9M2022 vs 9M2021 (Cont'd)**

In the first 9 months of the year, the Group posted a 53.9% increase in revenue from RM634.1 million to RM975.8 million. All divisions registered higher sales. The Renewable Energy Division grew 12.4% to RM435.3 million, while the Packaging Division and the Resources Division increased 142% to RM300.1 million and 40.0% to RM156.2 million, respectively. Turnover of Investment Holding & Others Division recorded a 653% growth to RM84.1 million on Serudong Power sales contribution of RM66.6 million (9M2021: nil) and 108% increase in sales of automotive parts to RM12.5 million.

Group pre-tax profit improved 25.0% from RM298.6 million to RM373.1 million, on improved profit contribution from all divisions. PBT of the Renewable Energy Division rose 10.8% to RM305.4 million, while that of the Packaging and Resources Divisions increased 133% to RM26.9 million and 13.3% to RM14.0 million, respectively. Investment Holding & Others Division's pre-tax profit soared to RM26.8 million from a RM1.0 million loss a year ago, bolstered by RM21.7 million shares of profit in joint venture and associate (9M2021: RM62,000 loss) and higher foreign exchange gain.

**Renewable Energy Division**

Revenue in the 9-month period ended 30 September 2022 came in 12.4% higher at RM435.3 million (9M2021: RM387.2 million). The increase was attributable to a 5.5% increase in hydro energy sales volume, a 5.2% strengthening of the US Dollar against Ringgit Malaysia, a 1 % hydro tariff adjustment and an 84.6% jump in solar energy sales to RM4.8 million (9M2021: RM2.6 million).

Plant efficiency, measured in term of Equivalent Availability Factor (EAF), improved from 88.9% a year ago to 93.7% in 9M2022. Aside from higher water levels during this year's dry season, the EAF for the current period was boosted by the deferment of annual turbine maintenance this year from 3<sup>rd</sup> quarter to around February next year.

Pre-tax profit for the division grew 10.8% year-on-year to RM305.4 million (9M2021: RM275.7 million) mainly on higher hydro-energy sales revenue.

**B2. Performance review – 9M2022 vs 9M2021 (Cont'd)**

**Resources Division**

Revenue rose 40.0% from RM111.6 million in 9M2021 to RM156.2 million in 9M2022, led by increases in sales volume (+23.1%) and ASP (+17.6%) of lime products. Revenue contribution from non-lime products increased 7.8% to RM13.4 million (9M2021: RM12.4 million).

The increase in sales volume of lime products was mainly due to a low base effect arising from a key customer plant shutdown for major scheduled maintenance in the previous year and demand recovery along with a recovery in the regional economic activities. ASP rose on progressive price adjustments to defray higher fuel and energy cost and a strengthening of the export currency against Ringgit Malaysia.

Pre-tax profit rose 13.3% to RM14.0 million on higher sales volume and better plant efficiency. Margins continued to come under pressure as a result of higher fuel and energy costs as the division was unable to fully pass on these costs inflation to customers.

**Packaging Division**

Revenue surged 142% to RM300.1 million (9M2021: RM124.1 million), spurred by a 9-month consolidation of Stenta's revenue of RM163.2 million (against 2-month consolidation of RM33.7 million in 9M2021) and a 51.5% increase in revenue of Hexachase to RM136.9 million (9M2021: RM90.4 million).

Hexachase sales improvement was mainly driven by higher demand for its flexible packaging products, paper bags and labels.

Pre-tax profit climbed 133% year-on-year from RM11.5 million in 9M2021 to RM26.9 million in 9M2022, underpinned mainly by Stenta's earnings contribution and a 38.1% increase in profit of Hexachase to RM9.0 million (9M2021: RM6.5 million). Despite a higher revenue base and production efficiency gains, margins of Hexachase was negatively impacted by material and other cost inflation which the division was unable to fully pass through to end customers given the competitive nature of the converting business.

**B2. Performance review – 9M2022 vs 9M2021 (Cont'd)**

(a) Assets and Liabilities as at 30 September 2022

Changes in key assets and liabilities since 31 December 2021 are explained below:

<b>Asset/Liability Items</b>	<b>As At 30.9.2022 RM'000</b>	<b>As At 31.12.2021 RM'000</b>	<b>Changes RM'000</b>	<b>Explanation</b>
Service concession asset	2,071,209	1,922,289	148,920	The increase was due to RM212.2 million translation gain, partially offset by amortisation charge of RM63.3 million.
Property, plant and equipment ("PPE")	502,076	410,393	91,683	The increase was mainly due to RM111.4 million CAPEX and RM7.9 million translation gain, partially offset by RM27.6 million depreciation charge and asset write-off.  CAPEX for the period comprised mainly the followings:  (a) RM64.9 million by RE Division mainly for 5 <sup>th</sup> turbine expansion and C&I solar projects; (b) RM28.9 million by Packaging Division for capacity expansion; and (c) RM9.2 million for plantation development.
Investment properties	165,203	165,203	-	No movement in the current period.
Right-Of-Use ("ROU") assets	149,845	129,325	20,520	The increase was mainly due RM25.9 million land acquisitions by the Packaging and Resources divisions for expansion, partially offset by RM5.9 million depreciation charge.
Investment in joint ventures and associates	179,160	145,952	33,208	The increase was due to RM11.5 million additional equity investment and share of profit for the period.

**B2. Performance review – 9M2022 vs 9M2021 (Cont'd)**

(a) Assets and Liabilities as at 30 September 2022 (Cont'd)

Changes in key assets and liabilities since 31 December 2021 are explained below: (Cont'd)

<b>Asset/Liability Items</b>	<b>As At 30.9.2022 RM'000</b>	<b>As At 31.12.2021 RM'000</b>	<b>Changes RM'000</b>	<b>Explanation</b>
Investment in quoted shares	142,014	200,067	(58,053)	The decrease was due to fair value loss of quoted securities.
Inventories (non-current)	43,443	43,443	-	No movement in the current period.
Inventories (current)	155,200	128,858	26,342	The increase was in line with higher revenue base of the Group's manufacturing activities.
Receivables	426,882	408,666	18,216	The increase was mainly due to higher receivable in Serudong Power and the Packaging Division, partially offset by lower receivable from Électricité du Laos ("EDL"). Receivable turnover for EDL was stable at 4-5 months.
Deferred tax liabilities	128,182	119,508	8,674	The increase was mainly due to translation difference arising from the strengthening of the US Dollar against Ringgit Malaysia.
Payables (current)	193,338	118,515	74,823	The increase was mainly due to RM34.0 million dividend payable to shareholders and higher payables in both Serudong Power and the Packaging Division.

**B2. Performance review – 9M2022 vs 9M2021 (Cont'd)**

(b) Group borrowings and debt securities

The Table below sets out the salient information on the Group's bank borrowings:

	Long-term		Short-term		Total
	USD	RM	USD	RM	As at 30.9.2022
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>					
Trade financing and loans	-	-	-	62,146	62,146
Term loans	-	97,565	-	23,934	121,499
Revolving credit	-	-	-	95,000	95,000
	-	97,565	-	181,080	278,645
<b>Unsecured Loan</b>					
Term loan	370,720	-	129,752	-	500,472
<b>Total Borrowings</b>	<b>370,720</b>	<b>97,565</b>	<b>129,752</b>	<b>181,080</b>	<b>779,117</b>

At 30 September 2022, total borrowings (exclude lease liabilities) amounted to RM779.1 million, a marginal RM1.2 million increase from RM777.9 million at the beginning of 2022. The increase was mainly due to RM50.7 million translation difference of USD-denominated loan, offset by RM48.5 million net loan repayment (exclude lease payments).

Interest rates on the Group's bank borrowings are floating in nature. The Group has no debt securities as at 30 September 2022.

(c) Cash flow analysis for the 9-month period ended 30 September 2022

The Group generated RM445.5 million after tax cash from its operating activities during the 9-month period ended 30 September 2022, 5.4% higher than RM422.7 million in 9M2021.

During the period, income from investing activities totalled RM15.1 million (comprising interest and dividend income) (9M2021: RM7.9 million) and new equity raised from non-controlling interest amounted to RM2.0 million (9M2021: RM3.5 million). Total funds made available to the Group during the period amounted to RM462.6 million.

Of this amount, RM150.7 million was deployed for investment activities (as explained above), RM33.1 million was distributed as dividends to shareholders of the Company and RM23.2 million financing costs was paid to lenders (include lease liability payments).

The balance was retained by the Group resulting in a RM243.1 million decline (after effects of forex translation) in net debt position from RM520.3 million at the beginning of the year to RM277.2 million at 30 September 2022.

**B3. Variation of Current Quarter (“3Q2022”) versus (“vs”) Preceding Quarter (“2Q2022”)**

	<b>3Q2022</b>	<b>2Q2022</b>	<b>Changes</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	371,529	331,865	39,664	12.0%
Other income, net	5,897	(1,192)	7,089	N.M.
Earning before interest, tax, depreciation and amortisation ("EBITDA")	168,078	153,863	14,215	9.2%
Operating profit	143,048	127,458	15,590	12.2%
Profit before tax	146,408	126,250	20,158	16.0%
Profit after tax	141,680	121,725	19,955	16.4%
Profit after tax attributable to owners of the Company	119,456	100,840	18,616	18.5%
<b>Revenue</b>				
Renewable Energy	158,444	151,526	6,918	4.6%
Resources	60,990	49,916	11,074	22.2%
Packaging	104,574	100,731	3,843	3.8%
Sub-total	324,008	302,173	21,835	7.2%
Investment holding & others	47,521	29,692	17,829	60.0%
Total revenue	371,529	331,865	39,664	12.0%
<b>Profit before tax</b>				
Renewable Energy	114,339	108,089	6,250	5.8%
Resources	4,886	3,800	1,086	28.6%
Packaging	8,770	9,313	(543)	-5.8%
Sub-total	127,995	121,202	6,793	5.6%
Investment holding & others	18,413	5,048	13,365	265%
Total profit before tax	146,408	126,250	20,158	16.0%
<b>Additional Information:</b>				
Share of profit in joint ventures and associates	12,289	5,309	6,980	131%
Gain on foreign exchange	8,849	7,194	1,655	23.0%

Group turnover improved 12.0% quarter-to-quarter from RM331.9 million to RM371.5 million, attributable mainly to a 4.6% increase in renewable energy income to RM158.4 million, a 3.8% rise in revenue of the Packaging Division to RM104.6 million and a 22.2% growth in the Resources Division. Turnover of Investment Holding & Others Division was 60.0% higher mainly driven by RM40.1 million (2Q2022: RM24.3 million) revenue contributed by Serudong Power.

Group pre-tax profit rose 16.0% to RM146.4 million (2Q2022: RM126.2 million). Pre-tax profit of the three core divisions rose 5.6% to RM128.0 million, underpinned by a 5.8% increase in the Renewable Energy Division to RM114.3 million and a 28.6% improvement in PBT of the Resources Division to RM4.9 million, partially offset by a 5.8% decline in the Packaging Division to RM8.8 million.

Pre-tax profit of Investment Holding & Others rose 265% to RM18.4 million due to a 131% increase in share of joint ventures/associates' profit to RM12.3 million and the absence of RM4.5 million plant and equipment write-off in the previous quarter.



**B3. Variation of 3Q2022 vs 2Q2022 (Cont'd)**

**Renewable Energy Division**

Revenue improved 4.6% to RM158.4 million (2Q2022: RM151.5 million) largely due to a 3% currency gain (on US Dollar appreciation against Ringgit Malaysia), 1.2% increase in hydro energy sales volume and a 31.5% increase in solar revenue to RM1.9 million.

The EAF of 98.2% during the quarter was marginally higher than 98.0% in 2Q2022.

Pre-tax profit expanded by 5.8% to RM114.3 million (2Q2022: RM108.1 million) in the current quarter on higher hydro energy income.

**Resources Division**

Revenue registered a 22.2% sequential growth in the current quarter to RM61.0 million (2Q2022: RM49.9 million), mainly underpinned by a 12.4% increase in sales volume and 9.2% increase in ASP of lime products. Revenue of non-lime products fell 12.1% to RM4.0 million.

Sales volume of lime products rose on improved performance mainly in the export market. The sequential improvement in ASP was the result of progressive price adjustment to defray rising fuel costs.

Pre-tax profit rose 28.6% quarter-on-quarter to RM4.9 million (2Q2022: RM3.8 million) on higher sales volume, improved plant utilisation and higher ASP.

**Packaging Division**

The Packaging Division's revenue rose 3.8% to RM104.6 million (2Q2022: RM100.7 million), underpinned mainly by stronger demand for the division's flexible packaging products.

Pre-tax profit however fell 5.8% quarter-to-quarter to RM8.8 million (2Q2022: RM9.3 million) due mainly to higher raw material costs and higher finance charges.

#### **B4. Prospects**

The Group recorded a 53.9% growth in revenue to RM975.6 million and a 25.0% growth in pre-tax profit to RM373.1 million in the first nine months of 2022. Excluding the one-off bargain gain of RM125.1 million in 4Q2021, we expect the final quarter of 2022 to continue to register healthy year-on-year earnings growth, bolstered mainly by the Renewable Energy Division.

In the meantime, the Group's manufacturing activities, including joint venture and associates, are expected to face headwinds from slowing consumer demand and intensifying competition on heightened risk of a global recession.

#### **Renewable Energy Division**

##### Hydropower - Don Sahong

Don Sahong recorded an average EAF of 93.7% in 9M2022, 5.5% higher than 88.9% a year ago due to higher water levels during the dry season in the earlier part of the year and the deferment of this year's annual turbine maintenance which was earlier scheduled in 3Q. We expect the EAF for the final quarter to be around 97-98%, a level similar to 4Q2021, bringing the full year average EAF to around 94-95% in 2022 compared to 91% in 2021.

As Don Sahong's earnings are denominated in US Dollar, the reported earnings in Ringgit Malaysia will continue to be influenced by the foreign exchange rate between the two currencies. Based on today's exchange rate of RM4.543:USD1, the USD is 8.5% stronger when compared to the average of RM4.185 recorded in 4Q2021. If today's exchange rate is sustained for the rest of the year, this will bode well for earnings in the last quarter of 2022.

In accordance to the Power Purchase Agreement, the energy tariff increased by 1% to 6.27 US cents from 1 October 2022, thus providing an additional lift to earnings.

Despite an expected higher interest expense resulting from aggressive interest rate hikes by the Fed, we expect Don Sahong's earnings in 4Q2022 to improve year-on-year mainly on currency gains and tariff adjustment.

Construction of the 5th turbine is progressing according to schedule with completion targeted sometime in 3Q2024.

We do not expect Lao's weak fiscal position, relatively high public debt and low foreign exchange reserves to significantly affect trade collection from EDL.

**B4. Prospects (Cont'd)**

**Renewable Energy Division (Cont'd)**

Solar - Commercial & Industrial (“C&I”) Projects

The Group has completed 14.5 MW C&I solar projects in Malaysia and Cambodia. We expect an additional 6.3 MW capacity to fully come on stream before the end of 2022. In addition, the Group has signed power purchase agreements with an aggregate capacity of 17.6 MW, including 11.4 MW with a Maldivian state utility company, bringing the total solar capacity to 38.4 MW. These new projects are expected to be progressively completed and energised in 2023 and 2024, further contributing to earnings.

**Resources Division**

After two years of cost escalation, the price of Petcoke has pivoted and started to moderate in recent months. This, together with continued strength of the US Dollar (the division’s main export currency), is expected to ease pressure on margin in the fourth quarter.

However, strong economic headwinds caused by rapidly rising interest rate and high inflation environment are expected to crimp regional demand growth for the Group’s lime products. Management will continue to tread cautiously in this dynamic operating environment by constantly reviewing its pricing and customer portfolio strategies and at the same time improving production efficiencies.

Barring any unforeseen circumstances, we expect the division to perform satisfactorily in 4Q2022.

**Packaging Division**

The rapidly rising interest rate environment and escalating cost of living have generally curtailed consumer spending power in markets which we operate in. This, together with a relatively high inventory level in the supply chain, is expected to dampen the overall demand for the Group’s packaging products in the final quarter of this year.

The weaker demand outlook will also lead to stiffer competition amongst industry players, while the devaluation of local currency in some of our export markets has made the Group’s prices less competitive vis-à-vis local players.

In overcoming these challenges, management will continue to work on improving production efficiencies, diversify and strengthen its customer base, and prioritise its marketing efforts.

Overall, we expect earnings of the Packaging Division in the fourth quarter to be satisfactory.

**B5. Profit forecast**

The Group did not issue any profit forecast or profit guarantee.

**B6. Income tax expense**

	3rd Quarter Ended 30 September		9-Month Period Ended 30 September	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Malaysia	4,728	2,065	13,228	4,509
Overseas	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	4,728	2,065	13,228	4,509

The Group's effective tax rate for the current quarter and 9-month period ended 30 September 2022 was significantly lower than the Malaysia's statutory tax rate of 24% mainly because the profit derived from energy sales in the Lao People's Democratic Republic ("Lao PDR") is exempted from income tax during the period until the end of the 5<sup>th</sup> anniversary of Don Sahong Plant's commercial operation date ("COD").

**B7. Status of corporate proposal**

There was no corporate proposal announced but not completed at 10 November 2022, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**B8. Material litigations**

GOM vs IHSB

Details of this tax dispute are disclosed in Note A13(a).

Other than as disclosed above, there was no material litigation as at 10 November 2022, the latest practical date which is not earlier than seven days from the date of issue of these financial statements.

**B9. Dividends**

- (a) A final single-tier dividend of 3.50 sen per ordinary share for the financial year ended 31 December 2021 was declared on 25 February 2022 and paid to entitled shareholders on 18 April 2022; and
- (b) An interim single-tier dividend of 3.60 sen per ordinary share for the financial year ending 31 December 2022 was declared on 18 August 2022 and paid to entitled shareholders on 14 October 2022. This interim dividend is accounted for in these financial statements.
- (c) Total dividend declared to-date for the current financial year is 3.60 sen (30.9.2021: 3.25 sen) per ordinary share

**B10. Detailed disclosure for consolidated statement of profit or loss and other comprehensive income**

	3rd Quarter Ended 30 September		9-Month Period Ended 30 September	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>After crediting:</b>				
Dividend income	293	739	1,005	1,149
Gain on disposal of:				
- property, plant and equipment	134	27	146	46
Gain on foreign exchange:				
- realised	-	1,607	1,136	1,262
- unrealised	8,941	-	17,175	1,231
Interest income	6,433	2,551	14,069	6,762
<b>After charging:</b>				
Impairment losses on:				
- receivables, net	(6,048)	(1)	(19,544)	(768)
Amortisation of:				
- service concession asset	(21,785)	(20,412)	(63,301)	(60,191)
- other intangible asset	(155)	(53)	(313)	(53)
Depreciation of:				
- property, plant and equipment	(8,193)	(6,474)	(23,132)	(15,256)
- right-of-use assets	(2,030)	(1,461)	(5,932)	(4,267)
Finance costs	(8,929)	(5,343)	(21,506)	(15,302)
Loss on foreign exchange:				
- realised	(92)	-	-	-
- unrealised	-	(432)	-	-
Write-down in value of inventories	(5)	(1)	(21)	(15)
Plant and equipment written off	-	-	(4,500)	-
<b>After other comprehensive income/(expenses)</b>				
Foreign currency translation difference for foreign operations	103,562	13,320	205,601	66,810
Fair value changes of equity investments	3,517	30,978	(58,078)	100,200

**B11. Earnings per share**

	3rd Quarter Ended		9-Month Period Ended	
	30 September		30 September	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit after tax attributable to owners of the Company	119,456	88,863	301,634	249,524
Weighted average number of ordinary shares ('000):				
Issued ordinary shares outstanding at beginning of the period	988,352	988,352	988,352	988,352
Effect of treasury shares held	(43,046)	(40,995)	(43,018)	(40,995)
	945,306	947,357	945,334	947,357
Basic earnings per share (sen)	12.64	9.38	31.91	26.34

The basic earnings per share is calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current quarter and 9-month period ended 30 September 2022, excluding treasury shares held by the Company.

The diluted earnings per share is equal to the basic earnings per share as there is no outstanding potentially dilutive equity instruments issued by the Company as at 30 September 2022.

**B12. Authorised for issue**

These interim financial statements were authorised for issue by the Board of Directors on 17 November 2022.