



WARISAN TC HOLDINGS BERHAD

Registration No. 199701009338 (424834-W)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022**

(The figures have not been audited)



WARISAN TC HOLDINGS BERHAD
Registration No. 199701009338 (424834-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022

	Quarter and Year-To-Date Ended		
	31.03.2022	31.03.2021	Changes
	RM'000	RM'000	%
Revenue	113,045	98,160	15
Cost of sales	(92,755)	(80,398)	15
Gross profit	20,290	17,762	14
Other income	671	873	(23)
Selling and distribution expenses	(8,152)	(7,740)	5
Administrative and general expenses	(16,325)	(16,540)	(1)
Interest expense	(1,708)	(1,716)	(0)
Interest income	234	431	(46)
Share of loss of equity-accounted associates, net of tax	(74)	(86)	(14)
Share of profit/(loss) of equity-accounted jointly controlled entities, net of tax	2,229	(1,322)	269
Loss before tax	(2,835)	(8,338)	(66)
Tax expense	(721)	(675)	7
Loss for the period	(3,556)	(9,013)	(61)
Loss attributable to :			
Owners of the Company	(3,258)	(8,733)	(63)
Non-controlling interests	(298)	(280)	6
	(3,556)	(9,013)	(61)
Loss per share (sen) attributable to owners of the Company:			
- Basic	5.00	13.41	
- Diluted	N/A	N/A	

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.



WARISAN TC HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022

	Quarter and Year-To-Date Ended		
	31.03.2022	31.03.2021	Changes
	RM'000	RM000	%
Loss for the period	(3,556)	(9,013)	(61)
Other comprehensive income, net of tax			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Net change in fair value of cash flow hedge	(16)	476	(103)
Foreign exchange differences from translation	135	620	(78)
Total other comprehensive income, net of tax	119	1,096	(89)
Total comprehensive loss for the period	(3,437)	(7,917)	(57)
Total comprehensive loss for the period attributable to :			
Owners of the Company	(3,139)	(7,637)	(59)
Non-controlling interests	(298)	(280)	6
	(3,437)	(7,917)	(57)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.



WARISAN TC HOLDINGS BERHAD
 Registration No. 199701009338 (424834-W)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2022

	As at 31.03.2022 RM'000	As at 31.12.2021 RM000
ASSETS		
Property, plant and equipment	196,844	194,196
Right-of-use assets	23,092	24,210
Investment property	43,500	43,500
Investments in associates	423	497
Investments in jointly controlled entities	32,430	30,760
Other investments	186	186
Lease receivables	2,269	2,669
Deferred tax asset	6,092	6,098
Intangible assets	10,751	10,715
Total non-current assets	315,587	312,831
Inventories	135,781	133,840
Receivables, deposits and prepayments	112,553	111,092
Derivative financial asset	59	11
Current tax asset	3,951	3,159
Cash and cash equivalents	87,053	102,213
Total current assets	339,397	350,315
TOTAL ASSETS	654,984	663,146
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	67,200	67,200
Reserves	29,487	29,498
Retained earnings	146,570	149,698
Treasury shares	(4,213)	(4,213)
Total equity attributable to owners of the Company	239,044	242,183
Non-controlling interests	22,795	23,093
TOTAL EQUITY	261,839	265,276
LIABILITIES		
Deferred tax liability	16,205	15,912
Employee benefits	12,328	12,071
Lease liabilities	1,404	388
Hire purchase liabilities	2,304	3,334
Loans and borrowings	1,863	2,081
Total non-current liabilities	34,104	33,786
Payables and accruals	127,183	131,347
Contract liabilities	10,697	10,447
Lease liabilities	2,519	3,091
Hire purchase liabilities	5,742	6,133
Loans and borrowings	211,400	211,602
Derivative financial liability	413	342
Current tax liability	1,087	1,122
Total current liabilities	359,041	364,084
TOTAL LIABILITIES	393,145	397,870
TOTAL EQUITY AND LIABILITIES	654,984	663,146
	RM	RM
Net assets per share attributable to owners of the Company	3.67	3.72

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.



WARISAN TC HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022**

	Attributable to owners of the Company							Total	Non-controlling interests	Total Equity
			Non-distributable			Distributable				
	Share capital	Treasury shares	Merger reserve	Translation reserve	Hedging reserve	Revaluation reserve	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	67,200	(4,213)	(40,999)	2,939	(253)	67,811	149,698	242,183	23,093	265,276
Foreign currency translation differences for foreign operations	-	-	-	135	-	-	-	135	-	135
Change in fair value of cash flow hedge	-	-	-	-	(16)	-	-	(16)	-	(16)
Total other comprehensive income, net of tax	-	-	-	135	(16)	-	-	119	-	119
Loss for the period	-	-	-	-	-	-	(3,258)	(3,258)	(298)	(3,556)
Total comprehensive income/(loss) for the period	-	-	-	135	(16)	-	(3,258)	(3,139)	(298)	(3,437)
Portion of revaluation reserve transferred through depreciation	-	-	-	-	-	(130)	130	-	-	-
At 31 March 2022	67,200	(4,213)	(40,999)	3,074	(269)	67,681	146,570	239,044	22,795	261,839

The Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022**

	← Attributable to owners of the Company →									
	Share capital	Treasury shares	Non-distributable				Distributable Retained earnings	Total	Non-controlling interests	Total Equity
			Merger reserve	Translation reserve	Hedging reserve	Revaluation reserve				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2021	67,200	(4,213)	(40,999)	2,928	(334)	68,336	181,606	274,524	24,379	298,903
Foreign currency translation differences for foreign operations	-	-	-	620	-	-	-	620	-	620
Change in fair value of cash flow hedge	-	-	-	-	476	-	-	476	-	476
Total other comprehensive income, net of tax	-	-	-	620	476	-	-	1,096	-	1,096
Loss for the period	-	-	-	-	-	-	(8,733)	(8,733)	(280)	(9,013)
Total comprehensive income/(loss) for the period	-	-	-	620	476	-	(8,733)	(7,637)	(280)	(7,917)
Portion of revaluation reserve transferred through depreciation	-	-	-	-	-	130	(130)	-	-	-
At 31 March 2021	67,200	(4,213)	(40,999)	3,548	142	68,466	172,743	266,887	24,099	290,986

The Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.



WARISAN TC HOLDINGS BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2022

	Quarter and	
	Year-To-Date Ended	
	31.03.2022	31.03.2021
	RM'000	RM'000
Cash flow from operating activities		
Loss before tax	(2,835)	(8,338)
Adjustments for:		
Depreciation and amortisation of property, plant and equipment	9,635	10,675
Depreciation of right-of-use assets	1,121	904
Gain on disposal of property, plant and equipment	(83)	(81)
Gain on disposal of assets held for rental	(2,099)	(1,655)
Interest expense	1,708	1,716
Interest income	(234)	(431)
Other non-cash items	(1,839)	1,808
Operating profit before working capital changes	5,374	4,598
Changes in working capital	(7,567)	(9,622)
Interest received	172	335
Tax paid, net of refunds	(1,169)	(1,275)
Retirement benefit paid	(18)	(41)
Proceeds from disposal of assets held for rental	3,644	11,941
Net cash generated from operating activities	436	5,936
Cash flows from investing activities		
Dividend received from jointly controlled entities	560	560
Acquisition of property, plant and equipment	(11,824)	(5,208)
Acquisition of intangible assets	(99)	(75)
Proceeds from disposal of property, plant and equipment	349	259
Interest received	62	96
Net cash used in investing activities	(10,952)	(4,368)
Cash flows from financing activities		
Drawdowns of bankers' acceptances	47,451	22,325
Drawdowns of term loans	-	1,358
Drawdowns of hire purchases	652	526
Drawdowns of revolving credits	51,000	29,000
Repayments of bankers' acceptances	(50,303)	(13,446)
Repayments of term loans	(772)	(212)
Repayments of hire purchases	(2,073)	(2,852)
Repayments of revolving credits	(48,000)	(24,000)
Repayments of lease liabilities	(961)	(1,164)
Interest paid	(1,708)	(1,716)
Net cash used in financing activities	(4,714)	9,819
Net changes in cash and cash equivalents	(15,230)	11,387
Cash and cash equivalents at beginning of year	101,410	115,028
Effects of exchange rate fluctuation on cash and cash equivalents	(108)	508
Cash and cash equivalents at 31 March	86,072	126,923
Cash and cash equivalents comprise:		
Short term deposits	3,255	5,600
Cash at bank and in hand	40,911	39,940
Fixed deposits with licensed banks	42,887	82,347
Bank overdrafts	(981)	(964)
	86,072	126,923

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.



Part A: Explanatory notes as per MFRS 134: *Interim Financial Reporting*

1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* in Malaysia and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2021. The explanatory notes attached to the 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 the Group since the year ended 31 December 2021.

Adoption of Standards, Amendments and Interpretations Committee (“IC”) Interpretations

During the current financial period, the Group has applied the following amendments and new standards that became effective mandatorily for the financial periods beginning on or after 1 January 2022:

- Amendment to MFRS 1, MFRS 9, MFRS 16 and MFRS 141, Annual Improvements to MFRS Standards 2018-2020
- 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

The adoption of the amendments and new standards did not have significant impact on the disclosures or on the amounts reported in the financial statements.

The Group has not applied the following standards and amendments that have been issued by the MASB but are not yet effective for the quarter under review:

		<i>Effective Date</i>
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	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
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

The adoption of the above amendments and new standard is not expected to have any significant impact on the financial position and financial performance of the Group.



2. Audit qualification of financial statements

The auditors' report of the preceding annual financial statements of the Group was not subject to any qualification.

3. Seasonal or cyclical factors

Apart from the general economic environment in which the Group operates, the businesses of the Group are not affected by any significant seasonal or cyclical factors.

4. Nature and amount of unusual items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flows during the current quarter and year-to-date ended 31 March 2022.

5. Significant estimates and changes in estimates

There were no changes in estimates that have had any material effect on the condensed interim financial statements in the current quarter and year-to-date ended 31 March 2022.

6. Debt and equity securities

There were no other issuances, repurchases and repayments of debt and equity securities, share cancellation and resale of treasury shares during the current quarter and year-to-date ended 31 March 2022.

7. Dividends paid

No dividend was paid during the current quarter and year-to-date ended 31 March 2022.



8. Operating segments

The Group's report on operating segments for the financial year-to-date is as follows:

	← Year-To-Date Ended 31 Mar →									
	<u>Machinery</u>		<u>Travel and car rental</u>		<u>Automotive</u>		<u>Other operations</u>		<u>Total</u>	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	48,679	42,599	14,334	20,648	47,783	29,885	2,249	5,028	113,045	98,160
Segment profit / (loss)	5,296	5,790	4,714	1,374	(1,998)	(913)	14	255	8,026	6,506
Segment assets	243,094	262,367	167,129	204,358	109,467	81,472	96,309	100,570	615,999	648,767
Segment liabilities	165,782	154,977	115,301	139,778	92,118	77,522	9,500	13,731	382,701	386,008

Operating segments (continued)

	<u>Year-To-Date Ended 31 Mar</u>	
	2022	2021
	RM'000	RM000
Reconciliation of reportable segment profit or loss		
Total profit for reportable segments	8,026	6,506
Depreciation and amortisation	(9,634)	(10,675)
Depreciation of right-of-use assets	(1,121)	(904)
Interest expense	(1,708)	(1,716)
Interest income	234	431
Non-reportable segment expenses	(787)	(572)
Share of loss from equity accounted investments, net of tax		
- associate	(74)	(86)
- jointly controlled entities	2,229	(1,322)
Consolidated loss before tax	(2,835)	(8,338)
Reconciliation of reportable segment assets		
Total assets for reportable segments	615,999	648,767
Assets for other non-reportable segment	6,132	3,405
Share of assets from equity accounted investments		
- associate	423	758
- jointly controlled entities	32,430	33,197
Consolidated assets	654,984	686,127
Reconciliation of reportable segment liabilities		
Total liabilities for reportable segments	382,701	386,008
Liabilities for other non-reportable segment	10,444	9,133
Consolidated liabilities	393,145	395,141

9. Valuations of property, plant and equipment

The valuations of property, plant and equipment were brought forward without amendment from the audited financial statements for the year ended 31 December 2021.

10. Valuation of investment property

Subsequent to initial recognition, investment property of the Group is stated at fair value which reflects market conditions at reporting date. The fair value of the investment property is based on a valuation carried out by an external valuer on 8 November 2021.

11. Material subsequent event

There has not arisen in the interval between the end of this reporting period and the date of this announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group.

12. Changes in composition of the Group

On 17 January 2022, Mayflower Holidays (Labuan) Pte Ltd incorporated a 100% owned subsidiary, Mayan Flower Travel and Virtual Tours (Taiwan) Co, Ltd in Taiwan, with a paid up capital of TWD6 mil.

Save for the above, there were no changes in the composition of the Group during the current quarter and year-to-date ended 31 March 2022.

13. Changes in contingent liabilities

There was no contingent liability as at end of current quarter nor was there any as at end of last financial year.

14. Capital commitments

Capital commitments of the Group in respect of property, plant and equipment not provided for as at the end of the quarter are as follows:

	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
Approved and contracted for	<u>2,394</u>	<u>2,406</u>
Approved but not contracted for	<u>-</u>	<u>-</u>

15. Operating lease commitments

As lessor – for the leases of commercial vehicles and machinery:

The future minimum lease rental receivables under non-cancellable leases are as follows:

	As at 31.03.2022 RM'000	As at 31.03.2021 RM'000
Not later than 1 year	31,614	33,858
Later than 1 year and not later than 5 years	<u>24,427</u>	<u>24,277</u>
	<u>56,041</u>	<u>58,135</u>

16. Related party disclosures

Transactions with Tan Chong Motor Holdings Berhad (“TCMH”) and APM Automotive Holdings Berhad (“APM”) groups, companies in which a Director and substantial shareholder of the Company are deemed to have substantial interests are as follows:

	Individual quarter	
	31.03.22	31.03.21
	RM'000	RM'000
<u><i>With TCMH group</i></u>		
Rental Income	412	415
Sales	14,829	10,315
Travel agency, car rental and workshop services	639	513
Administrative and Information Technology (“IT”) services	1,040	733
Assembly services and royalty fee	3,702	2,162
Insurance agency services	1,550	1,488
Lease payments	414	476
Purchases	21,686	5,267
Workshop services	489	325
<u><i>With APM group</i></u>		
Rental Income	303	320
Sales	105	66
Travel agency, car rental and workshop services	57	102
Lease payments	129	129
Purchases	1	119

Related party transactions between the Group and its jointly controlled entities are as follows:

	Individual quarter	
	31.03.22	31.03.21
	RM'000	RM'000
Return of goods	-	6

The above transactions were entered into in the ordinary course of business based on normal commercial terms. These transactions were established on terms that were not materially different from those with unrelated parties.

Part B: Additional Information required in accordance with the Main Market Listing Requirements of Bursa Securities
1. Review of performance

	Individual Quarter		Changes (%)
	Current Year	Preceding Year	
	31.03.2022	31.03.2021	
	RM'000	RM'000	
Revenue	113,045	98,160	15
Operating loss	(3,516)	(5,645)	(38)
Loss Before Interest and Tax	(1,361)	(7,053)	(81)
Loss Before Tax	(2,835)	(8,338)	(66)
Loss After Tax	(3,556)	(9,013)	(61)
Loss Attributable to Ordinary Equity Holders of the Company	(3,258)	(8,733)	(63)

Quarter ended 31 March 2022

Group revenue increased to RM113.0 million from RM98.2 million registered for the corresponding period prior year, representing an increase of 15%, mainly contributed by Travel, Machinery and Automotive divisions. Malaysia's economy has rebounded in the first quarter of 2022, registering a 5% growth versus a contraction of 0.5% in Q1 2021. Accordingly, the Group registered a lower loss before tax of RM2.8 million as compared to a loss before tax of RM8.3 million in the corresponding period prior year.

Machinery Division

Revenue from the Machinery Division increased to RM48.7 million from RM42.6 million compared to first quarter of prior year, representing an increase of 14.3%. The industry volume for heavy machinery has increased compared with the corresponding period prior year. Despite the increase in revenue, lower profit was recorded due to lower gross profit margin which resulted from lower aftermarket sales, market competition and increase in product price. As a result, segment profit recorded at RM5.3 million as compared to RM5.8 million registered in the corresponding period prior year.

Travel and Car Rental Division

The Travel and Car Rental Division recorded lower revenue of RM14.3 million as compared to RM20.6 million in the corresponding period prior year attributed to lower units of vehicles disposed of by Car Rental division. However, the Travel division recorded better performance attributed to the strong rebound in the air passenger traffic in Q1 2022. Despite lower revenue, performance of the division improved with higher segment profit of RM4.7 million as compared to RM1.4 million recorded in corresponding period prior year contributed by the better performance of the Travel division, lower operating cost and higher gain on disposal of vehicles.

Automotive Division

The Automotive Division recorded higher revenue of RM47.8 million compared to RM29.9 million registered in the corresponding period of prior year attributed to sales conversion of various pending orders previously obtained, where deliveries were put on hold due to the lock-down in 2021 as well as changes in the recognition



of sales by MUVVM (changes took effect at end of Q 2 2021). Despite higher sales, the division recorded higher loss at RM2.0 million as compared to RM0.9 million in the corresponding period prior year attributed to lower product profit margin and higher administrative and financing cost which resulted from new product start-up costs.

Jointly controlled entities

Our joint venture entities, namely Shiseido Malaysia Sdn Bhd and Wacoal Malaysia Sdn Bhd, recorded a profit after tax of RM2.2 million as opposed to loss after tax of RM1.3 million in the corresponding period prior year due to spike in its business activities following the easing of movement controls and gradual reopening of economic sectors. The performance of Shiseido Malaysia Sdn Bhd was further bolstered by the recognition of gain on disposal of PC business of RM4.2m.

2. Comparison with preceding quarter’s results

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31.03.2022	31.12.2021	
	RM'000	RM'000	
Revenue	113,045	122,359	(8)
Operating Loss	(3,516)	(4,882)	(28)
Loss Before Interest and Tax	(1,361)	(2,766)	(51)
Loss Before Tax	(2,835)	(4,136)	(31)
Loss After Tax	(3,556)	(8,084)	(56)
Loss Attributable to Ordinary Equity Holders of the Company	(3,258)	(7,814)	(58)

Group revenue decreased marginally by 8% to RM113.0 million as compared to RM122.4 million in the preceding quarter attributed to lower revenue from Car Rental and Automotive Division. The Group recorded lower loss before tax of RM2.8 million as compared to RM4.1 million in the preceding quarter mainly due to better performance from Travel division underpinned by higher sales achievement, higher backend incentives from airlines and lower operating cost.

3. Group’s Prospects

Malaysia's economy grew by 5.0% YoY in Q1 of 2022, rebounding from 3.6% in Q4 2021. Its growth picked up in the first quarter and is likely to accelerate further this year amid sustained demand and the reopening of international borders. The positive economic performance was underpinned by improving domestic demand as economic activities continue to normalise with the easing of containment measures. Overall, in 2022, there is likely to be a firmer recovery in Malaysia’s economy; supported by external and domestic factors amid a challenging environment. Major contributors to growth include continued expansion in external demand, the reopening of international borders coupled with high vaccination rates, and improvement in employment and income prospects.

Effective 1st May 2022, the minimum wage for employees has been raised from RM1,200 to RM1,500 a month. A higher wage structure will not only result in an increase in disposable income for the B40 group, but also help to boost the economy with higher consumer spending power. On the flipside, this will also likely to inflate the overall cost of doing business. The Group is mindful of this threat and will focus on preserving margins to mitigate such cost pressure.



The global supply chain issues are still persisting with increase in cost of raw material, shortage of supplies in the semi-conductors, and increase in freight and logistic cost where these factors continue to pose challenge to the Group. The Group continues to undertake austerity measures to contain cost, including efforts to optimize resources, rationalize cost of operations, and review of business opportunities, in addressing market challenges, while engaging with the existing and potential customers on corporate incentive business and creating and promoting awareness on the newly launched activities and/or brands.

4. Profit forecast

This is not applicable to the Group as there was no profit forecast issued.

5. Tax expense / (income)

	Quarter Ended	
	31.03.22	31.03.21
	RM'000	RM'000
Tax expense / (income)		
Current year	437	764
Prior year	-	(17)
Deferred tax expense / (income)		
Current year	142	(75)
Prior year	142	3
	<u>721</u>	<u>675</u>

The tax expense for the current quarter despite losses recorded by the Group were mainly due to tax charges in certain profitable subsidiaries of the Company, certain expenses being disallowed for tax purposes and absence of Group Tax Relief to utilize some of the tax losses in the subsidiaries of the Company.

6. Status of corporate proposals

There were no corporate proposals announced but not completed at the reporting date.

7. Group borrowings

Particulars of the Group borrowings as at the reporting date are as follows:

	As at 31.03.2022		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
Secured			
- Hire purchase	2,304	5,742	8,046
Unsecured			
- Term loan	1,863	869	2,732
- Revolving credits	-	164,483	164,483
- Bankers' acceptances	-	45,067	45,067
- Bank overdrafts	-	981	981
	1,863	211,400	213,263
Total borrowings	4,167	217,142	221,309
Breakdown by currencies:			
RM (Ringgit Malaysia)	2,304	216,273	218,577
MMK (Burmese Kyat)	1,863	869	2,732
	4,167	217,142	221,309

	As at 31.03.2021		
	Long Term	Short Term	Total borrowings
	RM'000	RM'000	RM'000
Secured			
- Hire purchase	4,423	9,603	14,026
Unsecured			
- Term loan	4,726	964	5,690
- Revolving credits	-	176,983	176,983
- Bankers' acceptances	-	25,981	25,981
- Bank overdrafts	-	964	964
	4,726	204,892	209,618
Total borrowings	9,149	214,495	223,644
Breakdown by currencies:			
RM (Ringgit Malaysia)	5,723	213,531	219,254
MMK (Burmese Kyat)	3,426	964	4,390
	9,149	214,495	223,644

8. Material litigation

On 3 July 2002, the Company and a subsidiary claimed for damages against two former directors of the subsidiary for breaches of their fiduciary and/or contractual duties. On or about 25 June 2004, two (2) former employees of subsidiaries of the Company were added as defendants to the action.

On 7 February 2006, the plaintiffs filed an application for leave to include another party as co-defendant. The application was allowed by the Court.

The parties are awaiting further direction from the Court to set a date for mention.

9. Dividend

No dividend has been recommended for the second quarter ended 31 March 2022.

10. Loss per share

Basic loss per share is calculated based on the loss for the period attributable to owners of the Company and weighted average number of ordinary shares in issue during the period.

	Quarter Ended	
	31.03.22	31.03.21
Loss attributable to owners of the Company (RM'000)	<u>3,258</u>	<u>8,733</u>
Weighted average number of ordinary shares in issue ('000)		
At beginning of period	65,101	65,101
Effect of share buyback	-	-
At end of period	<u>65,101</u>	<u>65,101</u>
Basic loss per share (sen)	<u>5.00</u>	<u>13.41</u>

11. Notes to the Condensed Consolidated Statement of Comprehensive Income

Loss before tax is arrived at after charging/(crediting) the following items:

	Quarter Ended	
	31.03.22	31.03.21
	RM'000	RM'000
Interest Income	(234)	(431)
Interest expenses	1,708	1,716
Depreciation and amortization	10,756	11,579
Allowance for doubtful debts	33	75
Bad debts written off	17	3
Reversal of allowance for doubtful debts	(45)	(38)
Gain on disposal of property, plant and equipment	(83)	(81)
Gain on disposal of assets held for rental	(2,099)	(1,655)
Net unrealized loss on foreign exchange	22	66
Retirement benefits expense	<u>288</u>	<u>294</u>



12. Derivative financial instruments

Forward foreign currency contracts are entered into by the Group in currencies other than the functional currency to manage exposure to the fluctuation in foreign currency exchange rates.

As at 31 March 2022, the notional amount, fair value and maturity period of the forward foreign currency contracts are as follows:

	Quarter Ended 31.03.22		Quarter Ended 31.03.21	
	Notional amount	Fair value assets/ (liabilities)	Notional amount	Fair value assets/ (liabilities)
	RM'000	RM'000	RM'000	RM'000
Less than 1 year	<u>52,913</u>	<u>(354)</u>	<u>6,163</u>	<u>187</u>

BY ORDER OF THE BOARD
 ANG LAY BEE
 RAYMOND LEE KOON SENG
 Company Secretaries
 Kuala Lumpur
 25 May 2022