

HUP SENG INDUSTRIES BERHAD 199101015786 (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**For the period ended 30 September 2022****The figures have not been audited**

	Note	<u>2022</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2021</u> CURRENT QUARTER ENDED 30 September RM'000	<u>2022</u> 9 MONTHS CUMULATIVE TO DATE RM'000	<u>2021</u> 9 MONTHS CUMULATIVE TO DATE RM'000
Revenue		70,194	64,785	223,261	214,027
Cost of sales		(54,406)	(47,849)	(173,138)	(155,255)
Gross profit		15,788	16,936	50,123	58,772
Other income		665	457	2,148	1,679
Administrative expenses		(4,359)	(4,876)	(13,294)	(14,650)
Selling and marketing expenses		(6,827)	(6,822)	(20,278)	(21,737)
Operating profit		5,267	5,695	18,699	24,064
Finance cost		(7)	(4)	(19)	(12)
Profit before tax	10	5,260	5,691	18,680	24,052
Income tax expense	23	(1,424)	(1,608)	(5,036)	(6,522)
Profit for the period		3,836	4,083	13,644	17,530
Total comprehensive income for the period, net of tax		3,836	4,083	13,644	17,530
Profit attributable to :					
Owners of the Parent		3,836	4,083	13,644	17,530
Total Comprehensive Income for the period, net of tax attributable to :					
Owners of the Parent		3,836	4,083	13,644	17,530
Earnings per share attributable to Owners of the Parent (sen) :					
-Basic	32(a)	0.48	0.51	1.71	2.19
-Diluted	32(b)	0.48	0.51	1.71	2.19

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements)

HUP SENG INDUSTRIES BERHAD 199101015786 (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Financial Position****As at 30 September 2022****The figures have not been audited**

	Note	As at 30/09/2022 RM'000	As at 31/12/2021 RM'000
<u>ASSETS:</u>			
Non-current assets:			
Property, plant and equipment		71,961	72,755
Investment properties		1,289	1,337
Right-of-use assets		5,387	5,554
Deferred tax assets		615	510
<i>Sub total</i>		79,252	80,156
Current assets:			
Inventories		27,110	28,212
Trade and other receivables	11	31,067	31,615
Prepayments		1,072	478
Tax recoverable		220	-
Cash and bank balances	12	60,284	66,693
<i>Sub total</i>		119,753	126,998
TOTAL ASSETS		199,005	207,154
<u>EQUITY AND LIABILITIES:</u>			
Equity attributable to			
Owners of the Company :			
Share capital		80,000	80,000
Retained earnings		56,664	59,020
TOTAL EQUITY <i>Sub total</i>		136,664	139,020
Non-current liabilities :			
Deferred tax liabilities		6,687	6,712
Lease liabilities		258	326
Other payable		-	205
<i>Sub total</i>		6,945	7,243
Current liabilities:			
Trade and other payables		43,487	56,342
Lease liabilities		307	238
Refund liabilities		2,249	2,089
Income tax payable		1,353	2,222
Dividends payable		8,000	-
<i>Sub total</i>		55,396	60,891
TOTAL LIABILITIES		62,341	68,134
TOTAL EQUITY AND LIABILITIES		199,005	207,154

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

HUP SENG INDUSTRIES BERHAD 199101015786 (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Changes in Equity****The figures have not been audited****For the period ended 30 September 2022**

	Attributable to owners of the parent		
	Non-distributable	Distributable	Total
	Share capital RM'000	Retained earnings RM'000	RM'000
Opening balance at 1 January 2022	80,000	59,020	139,020
Total comprehensive income for the period	-	13,644	13,644
Transaction with the owners			
Dividends on ordinary shares	-	(16,000)	(16,000)
Total transaction with the owners	-	(16,000)	(16,000)
Closing balance at 30 September 2022	80,000	56,664	136,664

**For the corresponding period
ended 30 September 2021**

	Attributable to owners of the parent		
	Non-distributable	Distributable	Total
	Share capital RM'000	Retained earnings RM'000	RM'000
Opening balance at 1 January 2021	80,000	59,780	139,780
Total comprehensive income for the period	-	17,530	17,530
Transaction with the owners			
Dividends on ordinary shares	-	(28,000)	(28,000)
Total transaction with the owners	-	(28,000)	(28,000)
Closing balance at 30 September 2021	80,000	49,310	129,310

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

HUP SENG INDUSTRIES BERHAD 199101015786 (226098-P)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**Condensed Consolidated Statement of Cash Flows****For the period ended 30 September 2022****The figures have not been audited**

	Note	<u>2022</u> 9 months ended 30/09/2022 RM'000	<u>2021</u> 9 months ended 30/09/2021 RM'000
Cash flows from operating activities:			
Profit before tax		18,680	24,052
Adjustments for:			
(Reversal of)/allowance for doubtful debts		(2)	147
Bad debts written off		4	1
Depreciation of property, plant and equipment		4,567	4,638
Depreciation of investment properties		48	49
Depreciation of right-of-use assets		400	369
Interest expense on lease liabilities		19	12
Interest income		(821)	(796)
Inventories written off		206	132
Gain on disposal of property, plant and equipment		(192)	(3)
Property, plant and equipment written off		186	227
Total adjustments		4,415	4,776
Operating cash flows before changes in working capital		23,095	28,828
Changes in working capital			
Decrease in inventories		896	4,684
Decrease in trade and other receivables		546	13,053
Increase in prepayments		(594)	(141)
Decrease in trade and other payables		(12,900)	(18,190)
Total changes in working capital		(12,052)	(594)
Cash flows generated from operations		11,043	28,234
Interest expense on lease liabilities paid		(19)	(12)
Income taxes paid		(6,255)	(11,469)
Net cash flows generated from operating activities		4,769	16,753
Cash flows from investing activities			
Interest income received		821	796
Proceeds from disposal of property, plant and equipment		192	5
Purchase of property, plant and equipment		(3,959)	(1,857)
Net cash flows used in investing activities		(2,946)	(1,056)
Cash flows from financing activities			
Repayment for lease liabilities		(232)	(201)
Dividends paid on ordinary shares		(8,000)	(32,000)
Net cash used in financing activities		(8,232)	(32,201)
Net decrease in cash and cash equivalents		(6,409)	(16,504)
Cash and cash equivalents at beginning of financial year		65,654	77,514
Cash and cash equivalents at end of financial period	12	59,245	61,010

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

1. Corporate information

Hup Seng Industries Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

2. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 30 September 2022, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

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

3. Significant accounting policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2021, except for the adoption of the following which are applicable to the financial statements and are relevant to the operations:

(I) Adoption of annual improvements and amendments

Description	Effective for annual periods beginning <u>on or after</u>
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
Amendments to MFRS 3: Business Combinations - Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

The adoption of the above amendments did not have significant financial impact to the Group's consolidated financial statements for the current quarter.

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

(II) Standards and amendments issued but not yet effective

At the date of authorisation of these interim financial statements, the followings standards and amendments were issued but not yet effective and have not been applied by the Group:

Description	Effective for annual periods beginning <u>on or after</u>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Present of Financial Statements	
-Classification of Liabilities as Current or Non-current	1 January 2023
-Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Income Tax - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 17: Insurance Contracts- Initial Application of MFRS 17 and MFRS 9 - Comparative Information	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

The adoption of the standard and amendments above will have no material impact on the financial statements in the year of initial adoption.

4. Comments about seasonal or cyclical factors

The Group's business operations are normally affected by seasonal factors occurring in certain periods of the financial year, such as Hari Raya Puasa, Chinese New Year, etc.

5. Unusual Items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the cumulative financial period ended 30 September 2022.

6. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

7. Capital management, debt and equity securities

The Group's objectives of managing capital are to safeguard the Group's ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders and issue new shares, where necessary. For capital management purposes, the Group considers shareholders' equity and total liabilities to be the key components in the Group's capital structure. The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as the total liabilities to total equity. Total equity is the sum of total equity attributable to shareholders. The gearing ratio as at 30 September 2022 and 31 December 2021, which are within the Group's objectives for capital management, are as follows:

	As at 30.09.2022 RM'000	As at 31.12.2021 RM'000
Total liabilities	62,341	68,134
Total equity	136,664	139,020
Total capital	80,000	80,000
Gearing ratio	46%	49%

The decrease in the gearing ratio is mainly due to the decrease in trade and other payables.

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period to date.

8. Dividends

	Date of payment	Cumulative to date 30.09.2022 RM'000
Dividend paid on per ordinary share:		
- Interim dividend of 1 sen per share (single-tier) for 2021 declared on 28 February 2022	05.04.2022	8,000
- Interim dividend of 1 sen per share (single-tier) for 2022 declared on 29 August 2022	07.10.2022	8,000
		<u>16,000</u>

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

9. Operating Segments

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- I. The biscuit manufacturing segment is in the business of manufacture and sales of biscuits.
- II. The beverage manufacturing segment is in the business of manufacture and wholesale of coffee mix and all kinds of foodstuff.
- III. The trading division segment is in the business of sales and distribution of biscuits, confectionery and other foodstuff.

	Biscuit manufacturing division RM'000	Beverage manufacturing division RM'000	Trading division RM'000	Total RM'000
Quarter ended 30.09.2022				
Revenue *	51,997	1,572	54,233	107,802
Profit for reportable segments	1,093	35	4,706	5,834
9 months cumulative to date				
Revenue *	166,444	4,939	171,880	343,263
Profit/(loss) for reportable segments	3,482	(12)	16,790	20,260

Reconciliation of profit or loss

Profit or loss for the financial period ended 30.09.2022	Quarter ended RM'000	Cumulative to date RM'000
Total profit for reportable segments	5,834	20,260
Profit from inter-segment sales	(157)	(107)
Other income	166	452
Unallocated expenses	(583)	(1,925)
Profit before tax	5,260	18,680

* Revenue reported above represents revenue generated from the reportable segments. Inter-segment sales for the current quarter and 9 months cumulative to date are RM37,608,000 and RM120,002,000 respectively.

Trading division mainly comprises domestic sales. Biscuits remain the dominant range which represents about 93% of the total sales, while beverages and other agents' products make up the balance. The comments on Note 19 apply to the above three reportable operating segments.

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

10. Profit before tax

Included in the profit before tax are the following items:

	Quarter ended		Cumulative to date	
	30.09.2022 RM'000	30.09.2021 RM'000	30.09.2022 RM'000	30.09.2021 RM'000
Interest income	(292)	(271)	(821)	(796)
Rental income	(76)	(48)	(233)	(203)
Reversal of impairment losses on trade receivable (Note 11)	(2)	(1)	(5)	(4)
Allowance for/(reversal of) doubtful debts (Note 11)	38	168	(2)	147
Bad debts written off	1	-	4	1
Depreciation of property, plant and equipment	1,514	1,531	4,567	4,638
Depreciation of investment properties	16	17	48	49
Depreciation of right-of-use assets	139	125	400	369
Gain on disposal of property, plant and equipment	(29)	-	(192)	(3)
Interest expense on lease liabilities	7	4	19	12
Inventories written off	30	15	206	132
Property, plant and equipment written off	69	68	186	227
Realised exchange losses	102	85	205	172

11. Trade and other receivables

	As at	
	30.09.2022 RM'000	31.12.2021 RM'000
Trade receivables		
Third parties	31,100	31,257
Less: Allowance for doubtful debts	(420)	(467)
Trade receivables, net	30,680	30,790
Other receivables	387	825
Total trade and other receivables	31,067	31,615

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

Trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	As at	
	30.09.2022	31.12.2021
	RM'000	RM'000
Neither past due nor impaired	22,683	23,689
1 to 30 days past due not impaired	7,254	6,609
31 to 60 days past due not impaired	719	448
61 to 90 days past due not impaired	21	43
91 to 120 days past due not impaired	2	-
More than 121 days past due not impaired	1	1
	7,997	7,101
Impaired	420	467
	<u>31,100</u>	<u>31,257</u>

Receivables that are impaired

Movement in allowance accounts :

At 1 January	467	652
Reversal for the period (Note 10)	(2)	(88)
Written off	(40)	(92)
Reversal of impairment losses (Note 10)	(5)	(5)
	<u>420</u>	<u>467</u>

12. Cash and bank balances

Cash and bank balances comprised the following amounts:

	As at	
	30.09.2022	31.12.2021
	RM'000	RM'000
Cash and bank balances	4,395	6,154
Short-term deposits with licensed banks	54,850	59,500
Cash and cash equivalents	59,245	65,654
Long-term deposits of more than 3 months with licensed banks	1,039	1,039
	<u>60,284</u>	<u>66,693</u>

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

13. Foreign exchange exposure

The Group's exposures to foreign currency are as follows:

	As at	
	30.09.2022	31.12.2021
	RM'000	RM'000
Trade and other receivables		
United States Dollars	887	387
Singapore Dollars	1,735	3,938

14. Events after the reporting period

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

15. Changes in composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period to date.

16. Changes in contingent liabilities and contingent assets

The Group has no contingent liabilities or contingent assets since the last annual date of the statement of financial position as at 31 December 2021.

17. Capital commitments

Approved capital commitments not recognised in the interim financial statements as at 30 September 2022 are as follows:

	RM'000
Capital expenditure:	
Approved but not contracted for property, plant and equipment	877
Contracted but not provided for property, plant and equipment	1,648
	<u>2,525</u>

Part A: Explanatory notes pursuant to MFRS 134
For the period ended 30 September 2022

18. Related party transactions

	Current quarter ended 30.09.2022 RM	9 months cumulative to date 30.09.2022 RM
Rental of premises payable to:		
-Hup Seng Brothers Holdings Sdn. Bhd. #	24,150	72,450

Note:

Certain directors of the Group are also directors and shareholders of Hup Seng Brothers Holdings Sdn. Bhd.

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2022

19. Performance review

Financial review for current quarter and financial year to date

	3 months Quarter ended		Changes		9 months cumulative to date		Changes	
	30.09.2022 RM'000	30.09.2021 RM'000	Amount RM'000	%	30.09.2022 RM'000	30.09.2021 RM'000	Amount RM'000	%
Revenue	70,194	64,785	5,409	8	223,261	214,027	9,234	4
Operating profit	5,267	5,695	(428)	(8)	18,699	24,064	(5,365)	(22)
Profit before interest and tax	5,267	5,695	(428)	(8)	18,699	24,064	(5,365)	(22)
Finance cost	(7)	(4)	3	75	(19)	(12)	7	58
Profit before tax	5,260	5,691	(431)	(8)	18,680	24,052	(5,372)	(22)
Profit after tax	3,836	4,083	(247)	(6)	13,644	17,530	(3,886)	(22)
Profit attributable to: Owners of the Parent	3,836	4,083	(247)	(6)	13,644	17,530	(3,886)	(22)

The Group's revenue for the current quarter ended 30 September 2022 has increased by 8% to RM70,194,000 from RM64,785,000 in the quarter ended 30 September 2021. Export market increased 9% or RM1.4 million mainly from Saudi Arabia and Indonesia. Domestic market increased 8% or RM4 million from modern channel.

The Group registered a profit before tax of RM5,260,000 which was lower by 8% or RM0.4 million as compared to a profit before tax of RM5,691,000 in the preceding corresponding quarter mainly due to higher costs of raw materials.

The Group's revenue for the nine months ended 30 September 2022 has increased by 4% to RM223,261,000 from RM214,027,000 as compared with the preceding year corresponding period. Domestic sales registered an increase of 4% or RM6 million from modern channel and East Malaysia. Export sales registered an increase of 7% or about RM3.2 million mainly from Saudi Arabia, Maldives and Thailand.

The profit before tax has decreased to RM18,680,000 when compared with the preceding year corresponding period of RM24,052,000 a decrease of about 22%. The increased competitive nature in the industry and overall rise in material prices are the contributing factors.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2022

20. Comment of material change in profit before taxation

Financial review for current quarter compared with immediate preceding quarter

	Current quarter	Immediate preceding quarter	Changes	
	30.09.2022 RM'000	30.06.2022 RM'000	Amount RM'000	%
Revenue	70,194	73,807	(3,613)	(5)
Operating profit	5,267	4,238	1,029	24
Profit before interest and tax	5,267	4,238	1,029	24
Finance cost	(7)	(6)	1	17
Profit before tax	5,260	4,232	1,028	24
Profit after tax	3,836	3,037	799	26
Profit attributable to:				
Owners of the Parent	3,836	3,037	799	26

The Group's revenue has decreased by 5% to RM70,194,000 in the current quarter ended 30 September 2022 as compared to RM73,807,000 in the preceding quarter. Export market decreased by about 5% or RM0.8 million mainly from Thailand and Maldives. Domestic market decreased by 5% or RM2.8 million mainly from wholesale channel and East Malaysia.

Profit before tax has increased by about 24% to RM5,260,000 as compared to RM4,232,000 in the preceding quarter mainly due to declining prices of certain raw material prices.

21. Commentary of prospects

The operating environment is expected to remain highly competitive for the remaining year. The Group will continue to monitor closely the movement of commodity prices, evaluate and adjust its pricing strategies and/or re-sizing major products when the need arises. The Group will leverage operational efficiencies and cost savings initiatives so as to achieve a better performance.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2022

22. Profit forecast or profit guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interest and forecast profit after tax and non-controlling interest and for the shortfall in profit guarantee are not applicable.

23. Income tax expense

	3 months		Cumulative	
	Quarter ended		to date	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
-Malaysia income tax	1,515	1,777	5,166	6,781
-Deferred taxation	(91)	(169)	(130)	(259)
	<u>1,424</u>	<u>1,608</u>	<u>5,036</u>	<u>6,522</u>

Major components of tax expenses

	9 months	
	Current	Cumulative
	quarter ended	to date
	30.09.2022	30.09.2022
	RM'000	RM'000
Current tax expense	1,515	5,166
Deferred tax expense	(91)	(130)
	<u>1,424</u>	<u>5,036</u>
Profit before taxation	<u>5,260</u>	<u>18,680</u>
Taxation at the Malaysian statutory tax rate of 24%	1,262	4,483
Adjustments:		
-Non-deductible expenses	164	560
-Expenses with double deduction	(2)	(7)
Income tax expense	<u>1,424</u>	<u>5,036</u>
Effective tax rate	27%	27%

24. Sale of unquoted investments and properties

There were no sale of unquoted investments and properties for the current quarter and financial year to date.

25. Quoted securities

There were no purchase and sale of quoted securities for the current quarter and financial year to date.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2022

26. Corporate proposals

There were no corporate proposals announced but not completed not earlier than seven (7) days from 9 November 2022.

27. Borrowings and debt securities

There were no group borrowings and debt securities as at the end of the reporting period.

28. Derivative financial instruments

As at the reporting date of 30 September 2022, the Group has no outstanding derivative financial instruments.

29. Gains/losses arising from fair value changes of financial liabilities

There are no gains/losses arising from fair value changes of any financial liabilities.

30. Changes in material litigation

There were no material litigation not earlier than seven (7) days from 9 November 2022.

31. Dividend payable

Other than as disclosed in Note 8 above, the Board of Directors recommends the payment of an interim single-tier dividend of 1 sen per ordinary share in respect of the year ending 31 December 2022 for the financial quarter under review. The entitlement date will be announced in due course.

Part B: Explanatory notes pursuant to Main Market Listing Requirements of
Bursa Malaysia Securities Berhad
For the period ended 30 September 2022

32. Earnings per share

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months quarter ended		9 months quarter ended	
	30.09.22	30.09.21	30.09.22	30.09.21
(a) Basic				
Profit for the period (RM'000)	3,836	4,083	13,644	17,530
Weighted average number of ordinary shares for earnings per share ('000)	800,000	800,000	800,000	800,000
Basic earnings per share (sen)	0.48	0.51	1.71	2.19
(b) Diluted				
Diluted earnings per share (sen)	0.48	0.51	1.71	2.19

33. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2021 was not qualified.

34. Authorization for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 9 November 2022.