



LUSTER INDUSTRIES BHD

(156148-P)

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2022**

LUSTER INDUSTRIES BHD.
Company No. 156148-P
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Unaudited as at 31-Mar-22 RM'000	Audited as at 31-Dec-21 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	109,585	105,091
Right-of-use assets	1,303	1,444
Other investments	15,000	-
Goodwill on consolidation	6,446	6,446
Deferred tax assets	1,986	1,986
Trade receivables	2,933	2,779
Other receivables, deposits and prepayments	14,904	12,777
	<u>152,157</u>	<u>130,523</u>
Current assets		
Inventory properties	162,766	126,228
Inventories	26,529	26,008
Trade receivables	81,392	93,471
Other receivables, deposits and prepayments	26,736	36,708
Contract assets	1,888	2,342
Contract costs	45,347	34,584
Current tax assets	312	295
Fixed deposit with licensed banks	4,863	1,844
Cash and bank balances	48,193	57,992
	<u>398,026</u>	<u>379,472</u>
TOTAL ASSETS	<u>550,183</u>	<u>509,995</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	299,700	299,305
Other reserves	(13,652)	(9,260)
	<u>286,048</u>	<u>290,045</u>
Non-controlling interests	3,501	4,083
Total equity	<u>289,549</u>	<u>294,128</u>
Non-current liabilities		
Borrowings	10,651	8,623
Lease liabilities	643	758
Trade payables	3,428	2,269
Other payables and accruals	76,390	76,015
Deferred taxation	625	625
	<u>91,737</u>	<u>88,290</u>
Current liabilities		
Trade payables	24,965	36,760
Other payables and accruals	54,826	20,827
Borrowings	21,760	11,936
Lease liabilities	707	711
Contract liabilities	64,611	55,130
Current tax liabilities	2,028	2,213
	<u>168,897</u>	<u>127,577</u>
Total liabilities	<u>260,634</u>	<u>215,867</u>
TOTAL EQUITY AND LIABILITIES	<u>550,183</u>	<u>509,995</u>
Net assets per share (RM)	0.10	0.10

The accompany notes form an integral part of this interim financial report.

LUSTER INDUSTRIES BHD.
Company No. 156148-P
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE 3 MONTHS PERIOD ENDED 31 MARCH 2022

	INDIVIDUAL QUARTER ENDED		CUMULATIVE QUARTER TO DATE	
	31-Mar-22 RM'000	31-Mar-21 RM'000	31-Mar-22 RM'000	31-Mar-21 RM'000
Revenue	41,598	43,911	41,598	43,911
Cost of sales	<u>(35,146)</u>	<u>(36,341)</u>	<u>(35,146)</u>	<u>(36,341)</u>
Gross profit	6,452	7,570	6,452	7,570
Other income	616	590	616	590
Administrative expenses	(4,283)	(3,809)	(4,283)	(3,809)
Selling and distribution expenses	<u>(253)</u>	<u>(277)</u>	<u>(253)</u>	<u>(277)</u>
Results from operating activities	2,532	4,074	2,532	4,074
Finance costs	<u>(276)</u>	<u>(158)</u>	<u>(276)</u>	<u>(158)</u>
Profit before tax	2,256	3,916	2,256	3,916
Tax expense	<u>(303)</u>	<u>(1,017)</u>	<u>(303)</u>	<u>(1,017)</u>
Profit for the period	1,953	2,899	1,953	2,899
Other comprehensive income:				
Foreign currency translation differences for foreign operation	61	139	61	139
Net fair value changes of financial assets measured at FVTOCI	<u>(7,037)</u>	<u>-</u>	<u>(7,037)</u>	<u>-</u>
Total comprehensive income for the period	(5,023)	3,038	(5,023)	3,038
Profit attributable to:				
Owners of the parent	2,587	2,438	2,587	2,438
Non-controlling interests	<u>(634)</u>	<u>461</u>	<u>(634)</u>	<u>461</u>
	1,953	2,899	1,953	2,899
Total comprehensive income attributable to:				
Owners of the parent	(4,392)	2,570	(4,392)	2,570
Non-controlling interests	<u>(631)</u>	<u>468</u>	<u>(631)</u>	<u>468</u>
	(5,023)	3,038	(5,023)	3,038
Basic earning per ordinary share (sen)	<u>0.09</u>	<u>0.08</u>	<u>0.09</u>	<u>0.08</u>
Diluted earnings per ordinary share (sen)	<u>0.09</u>	<u>0.07</u>	<u>0.09</u>	<u>0.07</u>

The accompanying notes form an integral part of this interim financial report.

LUSTER INDUSTRIES BHD.
Company No. 156148-P
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3 MONTHS PERIOD ENDED 31 MARCH 2022

	----- Attributable to owners of the parent -----								
	----- Non-distributable -----						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Foreign currency translation reserve RM'000	Warrant reserve RM'000	Discount on shares RM'000	Capital reserve RM'000	Accumulated losses RM'000			
As at 1 January 2022	299,305	87	22,616	(22,616)	8,420	(17,767)	290,045	4,083	294,128
Total comprehensive income for the period	-	58	-	-	(7,037)	2,587	(4,392)	(631)	(5,023)
<i>Transactions with owners :</i>									
Issuance of shares pursuant to the exercise of warrants	395						395		395
Increase of shares pursuant to non-controlling interests							-	49	49
Transfer of warrants reserve upon exercised			(112)	112			-		-
Total transactions with owners	395	-	(112)	112	-	-	395	49	444
As at 31 March 2022	299,700	145	22,504	(22,504)	1,383	(15,180)	286,048	3,501	289,549
As at 1 January 2021	299,305	87	22,618	(22,618)	8,420	(17,761)	290,051	4,083	294,134
Total comprehensive income for the period	-	(93)	-	-	-	2,438	2,345	469	2,814
<i>Transactions with owners :</i>									
Issuance of shares pursuant to the exercise of warrants	6						6		6
Increase of shares pursuant to non-controlling interests							-	2,700	2,700
Total transactions with owners	6	-	-	-	-	-	6	2,700	2,706
As at 31 March 2021	299,311	(6)	22,618	(22,618)	8,420	(15,323)	292,402	7,252	299,654

The accompany notes form an integral part of this interim financial report.

LUSTER INDUSTRIES BHD.
Company No. 156148-P
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 3 MONTHS PERIOD ENDED 31 MARCH 2022

	31-Mar-22 RM'000	31-Mar-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,256	3,916
Adjustments for:		
Accretion of interest	61	45
Depreciation	943	1,059
Depreciation of right-of-use assets	194	79
Gain on disposal of property, plant and equipment	(138)	(6)
Impairment loss on inventories	-	23
Interest expense	276	158
Interest income	(68)	(306)
Unrealised (gain)/ loss on foreign exchange	(189)	(341)
Operating profit before working capital changes	3,335	4,627
Changes in:		
Inventory properties	(36,538)	(539)
Inventories	(521)	150
Receivables	19,896	(1,427)
Contract assets	454	(1,321)
Contract costs	(10,763)	613
Payables	23,694	(4,967)
Contract liabilities	9,481	528
Cash used in operations	9,038	(2,336)
Income tax paid	(505)	(741)
Interest paid	(276)	(158)
Net cash generated from/ (used in) operating activities	8,257	(3,235)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of interest in subsidiary by non-controlling interest	49	1,600
Acquisition of Right of use	(51)	(412)
Interest received	68	306
Investment in Financial Assets measured at FVTOCI	(22,037)	-
Proceeds from disposal of property, plant and equipment	262	6
Purchase of property, plant and equipment	(5,243)	(14,156)
Net cash used in investing activities	(26,952)	(12,656)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net changes in bankers' acceptance	5,171	6,791
Net changes in revolving credit	4,000	2,000
Net changes in term loan	2,768	(110)
Net changes in lease liabilities	(181)	317
Net changes in finance lease liabilities	(402)	(38)
Proceed from issuance of shares pursuant to exercise of warrants	395	6
Net cash generated from financing activities	11,751	8,966
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(6,944)	(6,925)
Effects of foreign exchange rates changes	164	149
CASH AND CASH EQUIVALENTS AT BEGINNING	59,303	100,636
CASH AND CASH EQUIVALENTS AT END	52,523	93,860
Represented by:		
Fixed deposits with licensed banks	4,330	4,408
Cash and bank balances	48,193	89,452
	52,523	93,860

The accompany notes form an integral part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

Part A - Explanatory Notes Pursuant To MFRS 134

1. Basis of preparation

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

The interim financial report should be read in conjunction with the most recent annual audited financial statements of the Group for the financial year ended 31 December 2021.

2. Significant accounting policies

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the adoption of the following amendments to MFRSs that are mandatory for the current financial year:

Effective for annual period beginning on or after 1 January 2022

Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework

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

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2020

Effective for annual period beginning on or after 1 January 2023

MFRS 17 Insurance Contracts

Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current

Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies

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

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

Effective date yet to be confirmed

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

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption.

3. Auditors' qualification of preceding annual financial statements

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

4. Seasonality or cyclicity factors

The operations of the Group are subjected to seasonal orders throughout the financial year.

5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

6. Changes in accounting estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the current quarter and financial period to date results.

7. Changes in debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review and financial year to date.

8. Dividend paid

No dividend was paid during the current quarter under review.

9. Segmental information

Segmental information is presented in respect of the Group's business segments.

	12 Months ended 31.03.22 RM'000	12 Months ended 31.03.21 RM'000
Segment Revenue		
Manufacturing	39,849	33,785
Property development & construction	639	7,003
Gaming & leisure	1,110	1,159
Glove & healthcare	-	1,964
Others	-	68
Total revenue including inter-segment sales	<u>41,598</u>	<u>43,979</u>
Elimination of inter-segment sales	-	(68)
Total revenue to external customers	<u>41,598</u>	<u>43,911</u>
Segment Results		
Manufacturing	3,912	421
Property development & construction	(98)	1,598
Gaming & leisure	174	54
Glove & healthcare	(937)	1,940
Others	(795)	(115)
Total results	<u>2,256</u>	<u>3,898</u>
Elimination	-	18
Profit before tax	<u>2,256</u>	<u>3,916</u>
Tax	(303)	(1,017)
Profit for the period	<u>1,953</u>	<u>2,899</u>
	As at 31.03.22 RM'000	As at 31.03.21 RM'000
Segment Assets		
Manufacturing	149,587	182,840
Property development & construction	231,433	142,587
Gaming & leisure	6,926	6,813
Glove & healthcare	137,677	23,822
Others	273,237	310,844
Total assets before elimination	<u>798,860</u>	<u>666,906</u>
Elimination	(248,677)	(300,805)
Total assets	<u>550,183</u>	<u>366,101</u>
Segment Assets by Locations		
Malaysia	543,257	359,288
Cambodia	6,926	6,813
Total assets	<u>550,183</u>	<u>366,101</u>

	As at 31.03.22 RM'000	As at 31.03.21 RM'000
Segment Liabilities		
Manufacturing	35,250	88,975
Property development & construction	156,685	77,161
Gaming & leisure	609	812
Glove & healthcare	133,503	19,866
Others	<u>(6,451)</u>	<u>18,094</u>
Total liabilities before elimination	319,596	204,908
Elimination	<u>(58,962)</u>	<u>(127,046)</u>
Total liabilities	<u>260,634</u>	<u>77,862</u>
Segment Liabilities by Locations		
Malaysia	260,025	77,050
Cambodia	<u>609</u>	<u>812</u>
Total liabilities	<u>260,634</u>	<u>77,862</u>

10. Revaluation of property, plant and equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 December 2021.

11. Material subsequent events

There were no material events subsequent to the quarter under review.

12. Changes in Group's composition

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

13. Changes in contingent liabilities and contingent assets

There were no material contingent liabilities and assets as at the date of this Report.

14. Commitments

There were no material commitments as at the end of the current quarter.

Part B - Explanatory Notes Pursuant To Appendix 9B Of The Listing Requirements Of Bursa Malaysia Securities Berhad

1. Review of performance

Comparison with Corresponding Quarter in Previous Year

	Individual Quarter 3 Months Ended		Changes %
	(Unaudited)	(Unaudited)	
	31.03.22 RM'000	31.03.21 RM'000	
Revenue	41,598	43,911	(5.27)
Results from operating activities	2,532	4,074	(37.85)
Profit before tax (“PBT”)	2,256	3,916	(42.39)
Profit after tax	1,953	2,899	(32.63)
Profit attributable to owners of the parent	2,587	2,438	6.11

The revenue and PBT recorded by the Group were RM41.6 million and RM2.3 million respectively in current quarter under review as compared to RM43.9 million and RM3.9 million respectively in previous year corresponding quarter.

The revenue recorded in manufacturing segment was RM39.8 million in current quarter under review as compared to RM33.8 million in previous year corresponding quarter. This was mainly due to the higher sales to the customers in the hygiene and pest control industry. The manufacturing segment recorded a PBT of RM3.9 million in the current quarter under review as compared to PBT of RM0.4 million in the previous year corresponding quarter mainly due to higher revenue recorded.

The property development & construction segment recorded revenue of RM0.6 million in current quarter as compared to RM7.0 million in previous year corresponding quarter. This was mainly due to lower billing towards the completion stage of the ongoing housing project in Daerah Seberang Perai Utara. The loss recorded in this segment was RM0.1 million in current quarter as compared to PBT of RM1.6 million in previous year corresponding quarter mainly due to the lower sales recognised.

With the easing of the Average Selling Price (“ASP”) for gloves, the Group had put on hold the activities on trading of gloves. The resources in glove & healthcare segment were focused on the preparation for the commencement of the gloves production which was projected in Q2’22. The overheads incurred had resulted a loss of RM0.9 million recorded in current quarter. The revenue and PBT recorded in previous year corresponding quarter were RM2.0 million and RM1.9 million.

The gaming & leisure segment recorded a revenue of RM1.1 million in current quarter as compared to RM1.2 million in previous year corresponding quarter. The PBT recorded was RM0.2 million in current quarter under review as compared to RM0.1 million in previous year corresponding quarter.

Comparison with Corresponding Financial Period To Date in Previous Year

	Cumulative Quarter 12 Months Ended		Changes %
	(Unaudited) 31.03.22 RM'000	(Unaudited) 31.03.21 RM'000	
Revenue	41,598	43,911	(5.27)
Results from operating activities	2,532	4,074	(37.85)
Profit before tax (“PBT”)	2,256	3,916	(42.39)
Profit after tax	1,953	2,899	(32.63)
Profit attributable to owners of the parent	2,587	2,438	6.11

The revenue recorded was RM41.6 million in current reporting period as compared to RM43.9 million in previous year corresponding period. The PBT in current reporting period was RM2.3 million as compared to RM3.9 million in previous year corresponding period.

The revenue in manufacturing segment was RM39.8 million in current reporting period as compared to RM33.8 million in previous year corresponding period. This was mainly due to the higher sales to the customer in the hygiene and pest control industry hence, the higher PBT of RM3.9M in the current period under review as compared to RM0.4M in previous year corresponding period.

For glove & healthcare segment, the Group had put on hold the activities on trading of gloves due to the easing of the ASP for gloves. The resources were focused on the preparation for the commencement of the gloves production which was projected in Q2'22 which resulted a loss of RM0.9 million recorded in current period. The revenue and PBT recorded in previous year corresponding period were RM2.0 million and RM1.9 million.

The property development and construction segment recorded revenue of RM0.6 million and loss of RM0.1 million respectively in current reporting period as compared to revenue of RM7.0 million and PBT of RM1.6 million respectively in previous year corresponding period. This was mainly due to lower billing towards the completion stage of the on-going housing project in Daerah Seberang Perai Utara.

The gaming and leisure segment had recorded a revenue of RM1.1 million in current reporting period as compared to RM1.2 million in previous year corresponding period. The PBT was RM0.2 million in current period as compared to RM0.1 million in previous year corresponding period.

2. Variation of results against preceding quarter

	Individual Quarter 3 Months Ended		
	(Unaudited)	(Unaudited)	Changes %
	31.03.22 RM'000	31.12.21 RM'000	
Revenue	41,598	49,123	(15.32)
Results from operating activities	2,532	4,835	(47.63)
Profit before tax (“PBT”)	2,256	4,568	(50.61)
Profit after taxation	1,953	2,820	(30.74)
Profit attributable to owners of the parent	2,587	3,665	(29.41)

The revenue recorded in current quarter under review was RM41.6 million as compared to a revenue of RM49.1 million in previous quarter. The PBT was RM2.3 million in current quarter under review as compared to RM4.6 million in previous quarter.

The revenue recorded in the manufacturing segment was RM39.8 million in current quarter under review as compared to RM42.3 million in previous quarter mainly due to lower sales to customers in construction industry and “Original Equipment Manufacturer” (“OEM”) audio product which yield a lower value-add. The higher sales in hygiene and pest control industry in proportion to construction and OEM audio product and with more efficient cost control in current quarter under review as compared to previous quarter together has contributed to higher PBT of RM3.9 million in current quarter as compared to RM2.7 million in previous quarter.

For glove & healthcare segment, the Group had put on hold the activities on trading of gloves due to the easing of the ASP for gloves. The resources were focused on the preparation for the commencement of the gloves production in Q2’22 which resulted a loss of RM0.9 million recorded in current quarter. The revenue and PBT recorded in previous quarter were RM1.0 million and RM0.9 million.

Property development & construction segment recorded a revenue and PBT of RM0.6 million and RM0.1 million respectively in current quarter under review as compared to RM4.7 million and RM2.2 million respectively in previous quarter. There is a reversal of the unwinding discount provided of RM0.3 million in previous quarter.

The gaming & leisure segment had recorded a revenue of RM1.1 million in both current quarter under review and previous quarter. The PBT recorded was RM0.2 million in current quarter as compared to RM0.1 million in previous quarter.

3. Prospects

The Group will remain prudent in all its operations and looking for new business opportunities to adapt in the change of big market and maintain its competitiveness.

The manufacturing segment will continue to further improve on productivity and cost structure in order to better position itself in the current competitive and uncertain market situation. All the projects that we have embarked on will be on-going.

The investment in Aimflex Berhad (“Aimflex”) allows the Group with active participation in the management of Aimflex where the Group believes that there are potential synergies between the Group and Aimflex such as sharing of customer bases and create business opportunities to promote and embrace the digital revolution in accordance to the introduction of Industry 4.0. Aimflex’s automation and engineering solutions may help to streamline the Group’s manufacturing and business processes. This will further enhance the profitability of the manufacturing segment.

As for the glove & healthcare segment, the Group will commence the gloves production projected in Q2’22. As for the Engineering, Procurement, Construction and Commissioning (“EPCC”) contract and Glove Technology Solution Consulting in relation to gloves production line, the Group will continue the delivery of certain parts of the 6 Double Former Glove Dipping Lines. The installation on-site at United State of America has commenced and is expected to be completed in 2022 subject to the availability of the vessels.

The Board believes that there is potential to grow the property development and construction segment and will focus in developing pocket housing development and/or affordable housing development.

Given the current situation, the Board will remain its current position in the gaming & leisure segment.

The Board is optimistic and strongly believe that, with the strategies put in place and the competence and commitment of its human capital, the Group will be able to strengthen and grow its financial performance.

4. Variance of profit forecast or profit guarantee

No profit forecast or profit guarantee was issued.

5. Taxation

	Individual Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31.03.22	31.03.21	31.03.22	31.03.21
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax: Based on results for the period:				
- Current tax	(303)	(1,017)	(303)	(1,017)

The Group's effective tax rates differ from statutory tax rate mainly because:

- a. Certain income and expenses which are not taxable and allowable; and
- b. Utilization of unabsorbed capital allowances by certain subsidiaries.

6. Profit before taxation

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31.03.22	31.03.21	31.03.22	31.03.21
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/ (crediting):				
Depreciation	943	1,059	943	1,059
Depreciation of right-of-use assets	194	79	194	79
Impairment loss on inventories	-	23	-	23
Interest expense	276	158	276	158
Interest income	(68)	(306)	(68)	(306)
Gain on disposal of property, plant and equipment	(138)	(6)	(138)	(6)
Realised (gain)/ loss on foreign exchange	(91)	130	(91)	130
Rental income	(9)	(9)	(9)	(9)
Unrealised gain on foreign exchange	(189)	(341)	(189)	(341)

Other than the above items, there are no impairment of receivables, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain or loss on derivatives as well as other exceptional items incurred for the current quarter under review.

7. Status of corporate proposals

There were no corporate proposals announced or not completed as at the date of this report.

8. Borrowings and debts securities

The Group's borrowings as at end of the current period are as follows:

	As at quarter ended 31.03.22		
	Non-Current	Current	Total
	RM'000	RM'000	RM'000
Secured			
Bankers acceptance	-	15,798	15,798
Finance lease liabilities	59	229	288
Revolving credit	-	4,000	4,000
Term loan	10,592	1,733	12,325
Total	10,651	21,760	32,411

	As at quarter ended 31.03.21		
	Non-Current RM'000	Current RM'000	Total RM'000
Secured			
Bankers acceptance	-	15,789	15,789
Finance lease liabilities	125	156	281
Revolving credit	-	4,000	4,000
Term loan	1,576	453	2,029
Total	<u>1,701</u>	<u>20,398</u>	<u>22,099</u>

The above borrowings are secured and denominated in Ringgit Malaysia.

9. **Material litigation**

There was no pending or threatened litigations or any facts likely to give rise to the proceedings which might materially and adversely affect the business except the followings:

Luster Industries Bhd Vs Citi-Champ International Limited & 4 Others

The Company had on 13 June 2017, filed a Statement of Claim at the High Court of Malaya at Shah Alam (“High Court”), through the Company’s solicitors, Messrs YC Wong to pursue legal action against Citi-Champ International Limited (as 1st Defendant); How Soong Khong (as 2nd Defendant); Yap Yoke Chuan (as 3rd Defendant); Yap Kean Kok (as 4th Defendant); Yew Ding Wei (Practising as Ding Partnership)(as 5th Defendant) [collectively the “Defendants”]

The Company had on 18 December 2019 announced that the 2nd, 3rd, 4th and 5th defendants had filed an appeal to the Court of Appeal on 9 December 2019 and 10 December 2019 respectively against the Shah Alam High Court’s decision on 13 November 2019. The Court of Appeal had fixed the hearing on 5 July 2022.

10. **Proposed dividend**

No dividend was proposed for the current quarter under review.

11. **Earnings per share**

The basic earnings per share for the current quarter and cumulative period to date are computed as below:

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31.03.22	31.03.21	31.03.22	31.03.21
Income attributable to owners of the parent (RM'000)	2,587	2,438	2,587	2,438
Adjusted number of issued ordinary shares ('000)	2,892,969	2,892,913	2,892,969	2,892,913
Effect of shares issued pursuant to exercise of warrants ('000)	382	17	382	17
Weighted average number of issued ordinary shares ('000)	2,893,351	2,892,930	2,893,351	2,892,930
Basic earnings per share (sen)	0.09	0.08	0.09	0.08

The diluted earnings per share for the current quarter and cumulative period to date are computed as below:

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		12 Months Ended	
	31.03.22	31.03.21	31.03.22	31.03.21
Profit attributable to owners of the parent (RM'000)	2,587	2,438	2,587	2,438
Weighted average number of issued ordinary shares ('000)	2,893,351	2,892,930	2,893,351	2,892,930
Adjustments for dilutive effect on exercise of:				
- Warrants A ('000)	75,945	441,045	75,945	441,045
- Warrants B ('000)	37,488	216,000	37,488	216,000
Adjusted weighted average number of issued ordinary shares ('000)	3,006,784	3,549,975	3,006,784	3,549,975
Diluted earnings per share (sen)	0.09	0.07	0.09	0.07

BY ORDER OF THE BOARD

Liang Wooi Gee
Deputy Managing Director
Dated this 30th day of May 2022