

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

	Individual Period (2nd Quarter)		Cumulative Period (2nd Quarter)	
	Current Year Quarter 30.06.2022 RM'000	Preceding Year Corresponding Quarter 30.06.2021 RM'000	Current Year To-date 30.06.2022 RM'000	Preceding Year Corresponding Period 30.06.2021 RM'000
Revenue	84,607	40,379	150,980	86,491
Cost of sales	(71,580)	(33,318)	(126,919)	(70,935)
Gross profit	13,027	7,061	24,061	15,556
Other operating income	3	10,141	6,185	10,946
Other operating expenses	-	(7,830)	(1)	(7,830)
Administrative expenses	(1,108)	(685)	(2,163)	(1,358)
Operating expenses	(3,212)	(855)	(6,447)	(1,483)
Selling and distribution expenses	(191)	-	(229)	(3)
Finance costs	(1,626)	(5)	(2,981)	(26)
Share of results of an associate, net of tax	180	-	179	-
Profit before taxation	7,073	7,827	18,604	15,802
Taxation	(245)	38	(95)	38
Profit after taxation	6,828	7,865	18,509	15,840
Total comprehensive profit for the financial period	6,828	7,865	18,509	15,840
Profit after taxation attributable to:				
Owners of the Company	6,881	7,865	18,429	15,840
Non-controlling interests	(53)	-	80	-
	6,828	7,865	18,509	15,840
Total comprehensive profit attributable to:				
Owners of the Company	6,881	7,865	18,429	15,840
Non-controlling interests	(53)	-	80	-
	6,828	7,865	18,509	15,840
Earnings per share for profit attributable to the owners of the Company (sen per share)				
-Basic (1)	7.06	10.49	20.72	21.30
-Diluted (2)	N/A	N/A	N/A	N/A

Notes:

1. The basic earnings per share has been calculated based on the consolidated net profit for the period and on the weighted average number of ordinary shares in issue during the period.
2. N/A denotes "Not Applicable".

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	As at 30.06.2022 (Unaudited) RM'000	As at 31.12.2021 (Audited) RM'000
Non-current assets		
Property, plant and equipment	10,839	11,364
Intangible assets	148,408	153,617
Investment in an associate	570	391
	<u>159,817</u>	<u>165,372</u>
Current assets		
Trade receivables	15,397	38,599
Other receivables, deposits and prepayments	48,542	29,172
Tax recoverable	261	250
Cash and bank balances	13,484	3,535
	<u>77,684</u>	<u>71,556</u>
TOTAL ASSETS	<u>237,501</u>	<u>236,928</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	105,839	93,464
Accumulated profits	35,600	16,530
	<u>141,439</u>	<u>109,994</u>
Non-controlling interests	(2)	(1)
Total Equity	<u>141,437</u>	<u>109,993</u>
Non-current liabilities		
Borrowings	3,546	-
Other payables	-	95,148
Deferred tax liabilities	3,033	3,333
	<u>6,579</u>	<u>98,481</u>
Current liabilities		
Trade payables	18,332	27,769
Other payables and accruals	70,768	685
Current tax liabilities	385	-
	<u>89,485</u>	<u>28,454</u>
Total Liabilities	<u>96,064</u>	<u>126,935</u>
TOTAL EQUITY AND LIABILITIES	<u>237,501</u>	<u>236,928</u>
Net assets per share attributable to owners of the Company (RM)	<u>1.59</u>	<u>1.47</u>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

	<u>Non-distributable</u>			Total equity attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total RM'000
	Share capital RM'000	Treasury shares RM'000	Accumulated (losses)/profit RM'000			
At 1 January 2021	92,374	(694)	(40,563)	51,117	-	51,117
Total comprehensive profit for the financial period	-	-	57,093	57,093	(1)	57,092
Disposal of treasury shares	1,090	694	-	1,784	-	1,784
At 31 December 2021	93,464	-	16,530	109,994	(1)	109,993
At 1 January 2022	93,464	-	16,530	109,994	(1)	109,993
Total comprehensive profit for the financial period	-	-	18,429	18,429	80	18,509
Acquisition of subsidiaries	-	-	-	-	560	560
Acquisition of additional interests in subsidiary from NCI:						
- Accretion of equity interests	-	-	-	-	(641)	(641)
- Gain on acquisition	-	-	641	641		641
Issuance of new shares	12,375	-	-	12,375	-	12,375
At 30 June 2022	105,839	-	35,600	141,439	(2)	141,437

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

	Current Period To-date 30.06.2022 RM'000	Corresponding Period To-date 30.06.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	18,604	15,802
Adjustments for:		
Amortisation of intangible asset	5,209	-
Depreciation of property, plant and equipment	536	719
Allowance for impairment on other receivables	-	6,840
Reversal of allowance for impairment on other receivables	-	(4,039)
Gain on disposal of investment in a subsidiary	-	(5,240)
Interest expenses	2,981	26
Share of results of an associate	(179)	-
Bargain purchase on business combinations	(6,181)	-
Operating profit before changes in working capital	20,970	14,108
Change in receivables	51,360	(78,963)
Change in payables	(71,697)	64,332
Cash generated/(used) in operations	633	(523)
Interest paid	(2,981)	(26)
Net tax refunded/(paid)	(11)	9
Net cash used in operating activities	(2,359)	(540)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(8)	(95)
Acquisition/Disposal of subsidiaries, net of cash flow	8	-
Proceeds from disposal of property, plant and equipment	-	3,200
Net cash generated from investing activities	-	3,105
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from disposal of treasury shares	-	1,784
Proceeds from issuance of ordinary shares	12,375	-
Repayment of bankers' acceptance	-	(1,950)
Drawdown / Repayment of term loans	(67)	-
Repayment of hire purchase liabilities	-	(233)
Net cash generated/(used) in financing activities	12,308	(399)
Net changes in cash and cash equivalents	9,949	2,166
Cash and cash equivalents at beginning of the financial period	3,535	638
Cash and cash equivalents at end of the financial period	13,484	2,804

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2022 (cont'd)**

Cash and cash equivalents at the end of financial period comprise of the followings:

	Current Period To-date 30.06.2022 RM'000	Corresponding Period To-date 30.06.2021 RM'000
Cash in hand	5	3
Cash at bank	13,479	2,750
Fixed deposits with licensed banks	-	51
	13,484	2,804

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

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 – INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 – Interim Financial Reporting 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 financial year ended 31 December 2021 and the accompanying explanatory notes attached.

These explanatory notes attached to the 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.

2. Significant Accounting Policies

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2021 except for the adoption of the new and amended MFRSs and IC Interpretations effective for annual financial period beginning on or after 1 January 2021. The initial application of these new and amended MFRSs and IC Interpretations have no material impact on this interim financial reporting.

Description	Effective for annual periods beginning on or after
<i>Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)</i>	1 January 2021
<i>Amendment to MFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021

Standards Issued but not Yet Effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group’s interim financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023

Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The adoption of the above standards and interpretations will have no material impact on the Group's financial statements in the year of initial applications.

3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2021.

4. Seasonality of Operations

The Group's business operation and performance were not materially affected by any seasonal or cyclical factors during the current quarter and financial period under review.

5. Unusual Items

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

6. Changes in Estimates

There were no material changes in estimates of the amount reported in prior financial years which have a material effect in the current year quarter under review.

7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period under review.

8. Dividend Paid

No dividend was paid during the current quarter and financial period under review.

9. Segmental Information

No segmental information has been presented as the Group activities are predominantly in Malaysia.

10. Valuations of Property, Plant and Equipment

The Group states its property, plant and equipment at cost less accumulated depreciation and accumulated impairment losses. There were no valuations of property, plant and equipment carried out since the last audited financial statements for the financial year ended 31 December 2021.

11. Significant Events

There was no significant event during the current quarter ended 30 June 2022.

12. Material Events Subsequent to the End of Financial Period

There was no material event subsequent to the end of the current quarter up to the date of the interim financial report.

13. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the current quarter and financial period under review.

14. Discontinued Operations

There were no discontinued operations during the current quarter and financial period under review.

15. Capital Commitments

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

16. Changes in Contingent Liabilities or Contingent Assets

There was no material contingent liability as at the end of the current financial period and up to the date of the interim financial report.

17. Recurrent Related Party Transactions

The recurrent related party transactions as at current period to-date were summarized as below:

	Current Year Quarter 30.06.2022 RM	Current Year To-date 30.06.2022 RM
Sales of goods	-	39,187,200

Sale of goods to Group of Companies of Ageson Berhad.

ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")

18. Review of Performance

Comparison of Quarterly Results for Current Year Quarter with Preceding Year Corresponding Quarter

	Current Year Quarter 30.06.2022	Preceding Year Corresponding Quarter 30.06.2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	84,607	40,379	44,228	109.53
Profit Before Interest and Taxation	8,699	7,832	867	11.07
Profit Before Taxation	7,073	7,827	-754	-9.63
Profit After Taxation	6,828	7,865	-1,037	-13.18
Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	7.06	10.49	-3.43	-32.70

For the current year quarter ended 30 June 2022, the Group recorded significantly higher sales revenue of RM 84.61 million, an increase of RM 44.23 million or 109.53% from RM 40.38 million in corresponding quarter in preceding year. The increase in revenue for the current quarter was mainly due to the increase in sales volume of polyester plywood as compared to the corresponding quarter in preceding year.

Despite the higher revenue in current quarter, profit before taxation decreased by RM 0.75 million or 9.63% to RM 7.07 million as compared to RM 7.83 million in corresponding quarter in preceding year due to higher administrative and operating expenses in current year quarter.

Financial Review for Current Year-To-Date with Preceding Year Corresponding Period To-Date

	Current Year Period To-Date 30.06.2022	Preceding Year Corresponding Period To-Date 30.06.2021	Changes	
	RM'000	RM'000	RM'000	%
Revenue	150,980	86,491	64,489	74.56
Profit Before Interest and Taxation	21,585	15,828	5,757	36.37
Profit Before Taxation	18,604	15,802	2,802	17.73
Profit After Taxation	18,509	15,840	2,669	16.85
Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	20.72	21.30	-0.58	-2.72

For the current year-to-date ended 30 June 2022, the Group recorded significantly higher sales revenue of RM 150.98 million, an increase of RM 64.49 million or 74.56% as compared to RM 86.49 million in preceding year corresponding period. The increase in revenue for current year-to-date was mainly due to the increase in sales volume of polyester plywood as compared to the preceding year corresponding period.

Profit before taxation increased by RM 2.80 million or 17.73% to RM 18.60 million as compared to RM 15.80 million in preceding year corresponding period.

18. Review of Performance (cont'd)
Financial Review for Current Quarter with Immediate Preceding Quarter

	Current Year Quarter 30.06.2022	Immediate Preceding Quarter 31.03.2022	Changes	
	RM'000	RM'000	RM'000	%
Revenue	84,607	66,373	18,234	27.47
Profit Before Interest and Taxation	8,699	12,887	-4,188	-32.50
Profit Before Taxation	7,073	11,531	-4,458	-38.66
Profit After Taxation	6,828	11,681	-4,853	-41.55
Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	7.06	14.83	-7.77	-52.39

Revenue for the current quarter amounted to RM 84.61 million, an increase of RM 18.23 million or 27.47% as compared to RM 66.37 million in the immediate preceding quarter. The increase in revenue for the current quarter was mainly due to the increase in sales volume of polyester plywood as compared to the immediate preceding quarter.

Profit before taxation for the current quarter reduced by RM 4.46 million or 38.66% to RM 7.07 million as compared to RM 11.53 million in the immediate preceding quarter mainly due to the bargain purchase on business combination in the immediate preceding quarter.

19. Group's Prospect

Our Group recorded a substantial increase in revenue in financial year 2022, mainly due to higher sales volume and improved GP margin for plywood segment as well as cost savings arising from the cessation of plywood manufacturing activities. Nevertheless, the management of our Group anticipates that the future prospects of the plywood segment will continue to be challenging.

Whilst the Group is embarking on establishing its track record and building-up its business reputation in the construction segment, the Group's management continues to seek viable business opportunities to ensure sustainable growth for the Group.

Our Board is of the opinion that the Group's business strategies are expected to gradually improve its financial position and enhance shareholders' value in the mid to long term horizon. The Group will continue to leverage on its competitive strength to meet these challenges and is currently actively pursuing Industry 4.0 technology related business activities such as smart farming and other trading business.

20. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee

The Group did not publish any profit forecast for the current quarter and financial period under review.

21. Taxation

	Current Quarter Ended 30.06.2022 RM'000	Current Period To- Date Ended 30.06.2022 RM'000
Income tax:		
Current tax	(395)	(395)
Deferred tax	150	300
	<u>(245)</u>	<u>(95)</u>

Taxation is computed after taking into consideration the available capital allowances and the adjusted business losses carried forward from previous years to set off against taxable profit.

22. Status of Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not completed, as at the date of this report.

On 7 January 2022, on behalf of the Company, Mercury Securities Sdn Bhd (“Mercury Securities”) announced that the Company proposes to undertake a private placement of up to 22,500,000 new ordinary shares in the Company (“Annum Shares” or “Shares”), representing 30% of the existing total number of issued Shares, to independent third-party investor(s) to be identified and at an issue price to be determined later (“Placement Shares”) (“Proposed Private Placement”).

The Proposed Private Placement was approved by the shareholders of the Company at an Extraordinary General Meeting held on 3 March 2022.

On 11 March 2022, on behalf of the Company, Mercury Securities announced that the Board had on 11 March 2022 (“Price-fixing Date”) fixed the issue price for the placement of 22,500,000 Placement Shares, being the first and final tranche of the Private Placement, at RM0.5500 per Placement Share (“Issue Price”). The Issue Price represents a discount of 19.41% to the 5-day VWAP of the Shares up to and including 10 March 2022 of RM0.6825, being the last market day immediately preceding the Price-fixing Date.

On 18 March 2022, on behalf of the Board, Mercury Securities announced that the private placement was completed with the listing and quotation of 22,500,000 Ordinary Shares on the Official List of Bursa Securities, being the first and last tranche of Placement Shares for the Private Placement, with total proceeds of approximately RM12.375 million raised.

22. Status of Corporate Proposals (cont'd)

The status of utilisation of proceeds as of to date is as follows:

Detail of the utilisation of proceeds		Proposed Utilisation	Actual Utilisation	Re-allocation	Balance Proceeds	Intended timeframe for utilisation (from the date of listing)
		RM'000	RM'000	RM'000	RM'000	
(i)	Part-financing the funding requirements of the Group for sub-contract works	11,645	-	457 ⁽¹⁾	12,102	Within 24 months
(ii)	Estimated expenses for the Proposed Private Placement	730	(273)	(457) ⁽¹⁾	0	Immediate
	Total	12,375	(273)	0	12,102	

Note:

- (1) As the actual expenses for the Placement was lower than the estimated expenses, the surplus amount of approximately RM 0.45 million had been reallocated towards to partially finance the funding requirements of the Group for the sub-contract works.

The utilisation of proceeds as disclosed above should be read in conjunction with the Circular of the Proposed Private Placement dated 16 February 2022. As of to date, the sub-contract works has yet to commence.

23. Bank Borrowings

	Current Year To-date 30.06.2022	Preceding Year To-date 30.06.2021
	RM'000	RM'000
<u>Secured</u>		
Current		
Lease liabilities	-	616
Term Loans	338	-
	<u>338</u>	<u>616</u>
Non-current		
Lease liabilities	-	1,000
Term Loans	3,208	-
	<u>3,208</u>	<u>1,000</u>
Total bank borrowings	<u>3,546</u>	<u>1,616</u>

There were no borrowings denominated in foreign currency. There were no unsecured borrowings. The above borrowings are denominated in Ringgit Malaysia.

24. Material Litigation

There was no material litigation as at the date of this announcement.

25. Earnings Per Share ("EPS")

The basic EPS of the Group is calculated based on the profit attributable to Owners (ordinary equity holders) of the Company divided by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Current Year Quarter 30.06.2022	Preceding Year Quarter 30.06.2021	Current Year To-date 30.06.2022	Preceding Year To-date 30.06.2021
Profit attributable to Owners of the Company (RM'000)	6,881	7,865	18,429	15,840
Weighted average number of ordinary shares ('000)	97,500	74,996	88,923	74,372
Basic earnings per share (Sen) ⁽¹⁾	7.06	10.49	20.72	21.30
Diluted earnings per share(Sen) ⁽²⁾	N/A	N/A	N/A	N/A

Notes:

(1) The basic earnings per share has been calculated based on the consolidated net profit for the period and on the weighted average number of ordinary shares in issue during the period.

(2) Diluted Earnings Per Share - Not applicable

26. Notes to The Condensed Consolidated Statement of Comprehensive Income

Profit before tax for the current quarter and current year to date are arrived at after charging/(crediting):-

	Current Year Quarter 30.06.2022 RM'000	Current Year To-date 30.06.2022 RM'000
Depreciation and amortisation	2,874	5,745
Interest expenses	(1,626)	(2,981)
Bargain Purchase on Business Combinations	-	(6,181)