



MUAR BAN LEE GROUP BERHAD

(Company No.200601033829 (753588-P))

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR FIRST QUARTER ENDED 31 MARCH 2022



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	Individual Quarter		Cumulative Quarter	
	31/03/2022 RM'000	31/03/2021 RM'000	31/03/2022 RM'000	31/03/2021 RM'000
Revenue	96,810	73,267	96,810	73,267
Cost of sales	(81,032)	(64,277)	(81,032)	(64,277)
Gross profit	15,778	8,990	15,778	8,990
Other income	614	1,196	614	1,196
Depreciation and amortisation	(1,017)	(419)	(1,017)	(419)
Distribution and administrative expenses	(8,038)	(7,279)	(8,038)	(7,279)
Operating profit	7,337	2,488	7,337	2,488
Interest Income	8	39	8	39
Interest expenses	(657)	(125)	(657)	(125)
Share of results of an associate	(438)	-	(438)	-
Profit before taxation	6,250	2,402	6,250	2,402
Taxation	(1,560)	(714)	(1,560)	(714)
Profit for the continuing operations	4,690	1,688	4,690	1,688
Discontinued operation				
Loss from discontinued operation, net of tax	(146)	-	(146)	-
Profit for the financial period	4,544	1,688	4,544	1,688
Other Comprehensive income, net of tax	78	6,095	78	6,095
Total Comprehensive Income for the financial period	4,622	7,783	4,622	7,783
Profit attributable to:				
Owners of the parent - continuing operation	4,204	1,493	4,204	1,493
- discontinued operation	(146)	-	(146)	-
	4,058	1,493	4,058	1,493
Non-controlling interests	486	195	486	195
Profit for the financial period	4,544	1,688	4,544	1,688
Total Comprehensive Income attributable to:				
Owners of the parent - continuing operation	4,243	7,619	4,243	7,619
- discontinued operation	(146)	-	(146)	-
	4,097	7,619	4,097	7,619
Non-controlling interests	525	164	525	164
Total Comprehensive Income for the financial period	4,622	7,783	4,622	7,783
Earnings per share (sen)				
Basic - continuing operation	1.81	0.72	1.81	0.72
- discontinued operation	(0.06)	-	(0.06)	-
	1.75	0.72	1.75	0.72
Diluted - continuing operation	1.78	0.64	1.78	0.64
- discontinued operation	(0.06)	-	(0.06)	-
	1.72	0.64	1.72	0.64

The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	(Unaudited) As at 31/03/2022 RM'000	(Audited) As at 31/12/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	69,762	69,726
Investment properties	624	625
Intangible assets	409	409
Right of use assets	3,333	3,333
Deferred tax assets	523	523
Investment in associates	77,537	76,066
Other investment	-	1
	152,188	150,683
Current assets		
Inventories	49,205	38,371
Trade and other receivables	55,022	49,602
Amount owing from contract customers	23,571	23,572
Tax recoverable	6,102	6,335
Fixed deposits with licensed banks	2,108	2,107
Cash and bank balances	27,691	33,538
	163,699	153,525
Assets included in disposal group classified as held for sale	29,417	29,448
	193,116	182,973
Total assets	345,304	333,656
EQUITY AND LIABILITIES		
Equity		
Share capital	75,395	75,395
Treasury shares	(11,140)	(9,114)
Revaluation reserve	6,199	6,199
Discount on shares	(10,103)	(10,103)
Warrant reserves	13,586	13,586
Foreign currency translation reserve	(646)	(685)
Fair value adjustment reserve	-	-
Retained profits	74,238	70,180
Shareholder's equity	147,529	145,458
Non-controlling interests	9,589	9,064
Total equity	157,118	154,522



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	(Unaudited) As at 31/03/2022 RM'000	(Audited) As at 31/12/2021 RM'000
LIABILITIES		
Non-current liabilities		
Finance lease liabilities	4,877	5,043
Right-of-use lease liabilities	3,486	2,509
Bank borrowings	46,884	49,688
Deferred tax liabilities	2,186	2,186
	57,433	59,426
Current liabilities		
Trade and other payables	100,645	94,085
Finance lease liabilities	1,041	1,071
Right-of-use lease liabilities	2	980
Bank borrowings	20,256	15,261
Provision for taxation	2,835	2,319
	124,779	113,716
Liabilities included in disposal group classified as held for sale	5,974	5,992
	130,753	119,708
Total liabilities	188,186	179,134
Total equity and liabilities	345,304	333,656
Net assets per share (RM)	0.63	0.74

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	Attributable to owners of the parent											
	Share Capital	Treasury Shares	Revaluation Reserve	Non-Distributable				Distributable		Subtotal	Non-controlling interests	Total Equity
				Discount On Shares	Warrant Reserves	Foreign Currency Translation Reserve	Fair Value Adjustment Reserve	Retained Profits				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2022	75,395	(9,114)	6,199	(10,103)	13,586	(685)	-	70,180	145,458	9,064	154,522	
Profit for the financial period	-	-	-	-	-	-	-	4,058	4,058	486	4,544	
Other Comprehensive Expenses	-	-	-	-	-	-	-	-	-	-	-	
- fair value on quoted investment	-	-	-	-	-	-	-	-	-	-	-	
- Forex Translation Difference	-	-	-	-	-	39	-	-	39	39	78	
Total comprehensive loss for the financial period	-	-	-	-	-	39	-	4,058	4,097	525	4,622	
<i>Contributions by and distributions to owners of the Company</i>												
Purchase of treasury shares	-	(2,026)	-	-	-	-	-	-	(2,026)	-	(2,026)	
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	
Total transactions with owners of the Company	-	(2,026)	-	-	-	-	-	-	(2,026)	-	(2,026)	
At 31 March 2022	75,395	(11,140)	6,199	(10,103)	13,586	(646)	-	74,238	147,529	9,589	157,118	
At 1 January 2021	67,633	(9,054)	6,271	(10,103)	13,586	(897)	5,475	82,876	155,787	7,850	163,636	
Profit for the financial period	-	-	-	-	-	-	-	17,144	17,144	1,012	18,156	
Other Comprehensive Expenses	-	-	-	-	-	-	-	-	-	-	-	
- Realisation of revaluation surplus	-	-	(72)	-	-	-	-	72	-	-	-	
- Fair value on quoted investment	-	-	-	-	-	-	(35,386)	-	(35,386)	-	(35,386)	
- Forex Translation Difference	-	-	-	-	-	211	-	-	211	203	414	
- Transfer of loss on disposal of equity investment at FVOCI	-	-	-	-	-	-	29,911	(29,911)	-	-	-	
Total comprehensive income for the financial period	-	-	(72)	-	-	211	(5,475)	(12,695)	(18,031)	1,215	(16,816)	
<i>Contributions by and distributions to owners of the Company</i>												
Proceed from issuance of Private Placement	7,762	-	-	-	-	-	-	-	7,762	-	7,762	
Purchase of treasury shares	-	(60)	-	-	-	-	-	-	(60)	-	(60)	
Total transactions with owners of the Company	7,762	(60)	-	-	-	-	-	-	7,702	-	7,702	
At 31 March 2021	75,395	(9,114)	6,199	(10,103)	13,586	(685)	-	70,180	145,458	9,064	154,522	

The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Report of the Group for the year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD

(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	Current Year To-date 31/03/2022 RM'000	Preceding Year Corresponding Period 31/03/2021 RM'000
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit before taxation		
- Continuing operations	6,250	2,402
- Discontinued operations	(146)	-
	6,104	2,402
Adjustments for non-cash items:		
Depreciation of investment properties	1	-
Depreciation of property, plant and equipment	1,241	1,037
- Continuing operations	1,221	1,037
- Discontinued operations	20	-
Amortisation of land use rights	17	-
- Continuing operations	-	-
- Discontinued operations	17	-
Gain/(Loss) on disposal of other investment	(0)	(713)
Interest expenses	657	125
- Continuing operations	657	125
- Discontinued operations	-	-
Interest income	(8)	(39)
Reversal of impairment losses of property, plant & equipment	-	-
Reversal of impairment loss on trade receivable	-	-
Share of results of an associate	438	-
Unrealised loss on foreign exchange	(88)	69
Operating profit before working capital changes	8,362	2,881
Changes in working capital		
Inventories	(10,834)	(11,097)
Receivables	(5,284)	(7,324)
Payables	6,763	15,419
Contract customers	1	(8)
Cash used in operations	(992)	(129)
Income tax paid	(811)	(542)
Net cash used in operating activities	(1,803)	(671)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		
Acquisition of associate	(1,909)	-
Acquisition of property, plant and equipment	(1,182)	(1,029)
Proceed from disposal of other investment	1	2,788
Interest received	8	39
Net cash (used in)/from investing activities	(3,082)	1,798

**MUAR BAN LEE GROUP BERHAD**(Company No. 200601033829 (753588-P))
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

	Current Year To-date 31/03/2022 RM'000	Preceding Year Corresponding Period 31/03/2021 RM'000
CASH FLOWS USED IN FINANCING ACTIVITIES		
Interest paid	(657)	(125)
(Repayment of) /proceeds from bankers acceptance	3,373	(2,170)
Net change of floor stocks	-	(75)
Repayment of term loans	(1,181)	(123)
Repayment of finance lease liabilities	(277)	(216)
Repayment of lease liabilities	-	17
Purchase of treasury shares	(2,027)	-
Net cash used in financing activities	(769)	(2,692)
NET DECREASE IN CASH AND CASH EQUIVALENTS		
Effect of exchange translation differences on cash and cash equivalents	(196)	(11)
Cash and cash equivalents at the beginning of the financial period	33,583	20,804
Cash and cash equivalents at the end of the financial period	27,733	19,228
Note: <u>Cash and cash equivalents at the end of the financial period comprises:</u>		
Fixed deposits with licensed banks	2,108	4,062
Cash and bank balances	27,733	19,228
- Continuing operations	27,691	19,228
- Discontinued operations	42	-
	29,841	23,290
Fixed deposits pledged	(2,108)	(4,062)
	27,733	19,228

The Unaudited Condensed Statements of Cash Flows should be read in conjunction with the Annual Report of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirement of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. The 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 since the year ended 31 December 2021.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2021 except for those standard, amendments and IC interpretation that had become effective 1 January 2022 and such adoptions do not have material impact on the financial statements of the Group and the Company.

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding audited financial statements was not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY FACTORS

The performance of the Group is generally not affected by any seasonal or cyclical factors.

A5. UNUSUAL ITEMS

There were no unusual items for the current financial period under review.

A6. CHANGES IN ESTIMATES

There were no changes in estimates amount that had a material effect for the current financial period under review.

A7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

Total treasury shares held as at 31 March 2022 was 21,085,900 shares. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

A8. DIVIDEND PAID

There was no dividend paid during the quarter under review.

A9. SEGMENTAL INFORMATION

Segmental reporting for the 3 months ended 31 March 2022

3 months ended 31 March 2022

	Investment Holding	Manu- facturing	Bio- Engineering	Oil Milling	Plantation	Automotive	Elimination	Consolidated (Continuing)	Plantation (Discounted)	Consolidated (Total)
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue										
External sales	-	25,584	-	50,271	-	20,955	-	96,810	95	96,904
Inter-company	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-	-	-
	-	25,584	-	50,271	-	20,955	-	96,810	95	96,904
Segmental results	(169)	7,291	-	1,730	(179)	(1,210)	(126)	7,337	(146)	7,191
Finance costs	(428)	(121)	-	-	(46)	(61)	-	(657)	-	(657)
Interest income	-	8	-	-	-	-	-	8	-	8
Share of results of an associate	(438)	-	-	-	-	-	-	(438)	-	(438)
Profit/(Loss) before Tax	(1,035)	7,178	-	1,730	(225)	(1,272)	(126)	6,250	(146)	6,104
Taxation								(1,560)	-	(1,560)
Profit for the period								4,690	(146)	4,544

Segmental reporting for the 3 months ended 31 March 2021

3 months ended 31 March 2021

	Investment Holding	Manu- facturing	Bio- Engineering	Oil Milling	Plantation	Automotive	Elimination	Consolidated (Continuing)	Plantation (Discounted)	Consolidated (Total)
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue										
External sales	-	16,361	-	32,585	36	24,285	-	73,267	-	73,267
Inter-company	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-	-	-
	-	16,361	-	32,585	36	24,285	-	73,267	-	73,267
Segmental results	612	1,721	-	563	(234)	(89)	(85)	2,488	-	2,488
Finance costs	-	(56)	-	-	-	(69)	-	(125)	-	(125)
Interest income	34	5	-	-	-	-	-	39	-	39
Profit/(Loss) before Tax	646	1,670	-	563	(234)	(158)	(85)	2,402	-	2,402
Taxation								(714)	-	(714)
Profit for the period								1,688	-	1,688



A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment for the financial period under review.

A11. MATERIAL SUBSEQUENT EVENTS

There was no material subsequent event occurred after the financial period under review.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group in the financial period under review.

A13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities and contingent assets in the financial period under review.

A14. CAPITAL COMMITMENTS

There were no capital commitments in the financial period under review.

A15. RELATED PARTY TRANSACTIONS

The Group's related party transactions for current quarter and financial year-to-date are as follows:

Transacting parties	Relationship	Nature of transactions	Current quarter RM	Financial Year-to-date RM
Directors	Which the directors owned the said property and have substantial financial interests in the Company	Rental	6,000	6,000
WP Technology Sdn Bhd	Which the directors have substantial financial interests in the Company	Rental	7,500	7,500

A16. DISCLOSURE OF DERIVATIVES

There was no outstanding forward contract at the end of the quarter under review.



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

B1. REVIEW OF PERFORMANCE

	Individual Quarter (3 months ended)			Cumulative Quarter (3 months ended)		
	31/03/2022 RM '000	31/03/2021 RM '000	Changes %	31/03/2022 RM '000	31/03/2021 RM '000	Changes %
Revenue						
- Continuing operations	96,810	73,267	32.1	96,810	73,267	32.1
- Discontinued operation	-	-	-	-	-	-
	<u>96,810</u>	<u>73,267</u>	32.1	<u>96,810</u>	<u>73,267</u>	32.1
Operating profit	7,337	2,488	194.9	7,337	2,488	194.9
Profit before interest and tax	6,899	2,488	177.3	6,899	2,488	177.3
Profit before tax (PBT)						
- Continuing operations	6,250	2,402	160.2	6,250	2,402	160.2
- Discontinued operation	(146)	-	-	(146)	-	-
	<u>6,104</u>	<u>2,402</u>	154.1	<u>6,104</u>	<u>2,402</u>	154.1
Profit after tax (PAT)						
- Continuing operations	4,690	1,688	177.8	4,690	1,688	177.8
- Discontinued operation	(146)	-	-	(146)	-	-
	<u>4,544</u>	<u>1,688</u>	169.2	<u>4,544</u>	<u>1,688</u>	169.2
Profit attributable to Ordinary Equity Holders of the Parent						
- Continuing operations	4,204	1,493	181.6	4,204	1,493	181.6
- Discontinued operation	(146)	-	-	(146)	-	-
	<u>4,058</u>	<u>1,493</u>	171.8	<u>4,058</u>	<u>1,493</u>	171.8

For the current quarter one under review, the Group posted a 32.1% and 160.2% increase in revenue and Profit Before Tax (“PBT”) to RM96.81 million and RM6.25 million respectively from RM73.27 million and RM2.40 million a year earlier. The stronger revenue was driven by higher sales across all segments. Share of result in associate for loss of RM438,000 was recognised in the current quarter using equity accounting method in view of the Group has significant influence over the associate. If excluding associate’s result, PBT was 7.0% higher at RM6.68 million from RM6.25 million in current year quarter. The performance review by segments is as follows:

Manufacturing division posted a revenue and PBT of RM25.58 million and RM7.18 million respectively in the current quarter as compared with RM16.36 million and RM1.67 million recorded in prior year’s corresponding quarter.

The higher revenue was mainly due to the pent-up demand from customers boosted by the high Crude Palm Oil (CPO) prices. However, the performance was mitigated by the elevated raw material costs, freight charges coupled with non-optimal products mix.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

Oil milling division's revenue leapt 54.3% to RM50.27 million from RM32.58 million registered in prior year corresponding quarter. PBT increased more than two-fold to RM1.73 million from RM0.56 million a year earlier. The better performance was mainly due to the increase production output coupled with higher average selling price of Crude Palm Kernel Oil ("CPKO") in the current quarter under reviewed. Nevertheless, the division's margin was mitigated by the higher production costs.

Plantation division's revenue deteriorated marginally to nil (2021: RM0.036 million) and registered a Loss before Tax ("LBT") of RM0.22 million(2021:RM0.23 million). The unfavorable result was mainly attributable to the unresolved shortage of manpower in operating the plantation in the current quarter under review.

Automotive division's revenue and LBT stood at RM20.95 million and -RM1.27 million respectively as compare with RM24.28 million and -RM0.16 million recorded in same period last year. Lower revenue was mainly driven by supply chain disruption due to shortage of automotive chips or parts, and historical worst flood in mid-December 2021.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULT

	Current Quarter	Immediate Preceding Quarter	Changes
	31/03/2022	31/12/2021	%
	RM '000	RM '000	
Revenue			
- Continuing operations	96,810	119,329	(18.9)
- Discontinued operation	-	-	-
	96,810	119,329	(18.9)
Operating profit			
- Continuing operations	7,337	5,795	26.6
- Discontinued operation	-	-	-
	7,337	5,795	26.6
Share of results of associate	(438)	9,999	(104.4)
Profit before interest and tax	6,899	15,794	(56.3)
Profit before tax (PBT)			
- Continuing operations	6,250	14,852	(57.9)
- Discontinued operation	(146)	-	-
	6,104	14,852	(58.9)
Profit after tax (PAT)			
- Continuing operations	4,690	12,165	(61.4)
- Discontinued operation	(146)	-	-
	4,544	12,165	(62.6)
Profit attributable to Ordinary Equity Holders of the Parent			
- Continuing operations	4,204	10,602	(60.3)
- Discontinued operation	(146)	-	-
	4,058	10,602	(61.7)



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

For the current quarter under review compared to immediate quarter, both revenue and PBT of the Group decreased to RM96.81 million and RM6.55 million respectively as compared to RM119.33 million and RM14.85 million recorded in the immediate preceding quarter. This is mainly due to reopening of economy slowly after covid-19 and inflationary cost factor has also contributed to the lower revenue and PBT.

B3. COMMENTARY ON PROSPECTS

With the sizable secured order book in hand and the challenging business environment ahead, the board is optimistic that the Group will be able to achieve satisfactory results mainly driven by the manufacturing division for the financial year ending 31 December 2022.

B4. VARIANCE FROM PROFIT FORECAST

There is no profit forecast issued for the current financial period under review.

B5. TAXATION

Taxation for the quarter and year to date comprises:

	Current Quarter RM '000	Current YTD RM '000
Taxation		
- Current period	(1,560)	(1,560)
	<u>(1,560)</u>	<u>(1,560)</u>

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

B6. STATUS OF CORPORATE PROPOSALS

There is no new corporate proposal during the quarter ended 31 March 2022.



B7. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings as at 31 March 2022 and 31 March 2021 are as follows:

	As at First Quarter ended 2022					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD RM '000	RM RM '000	USD RM '000	RM RM '000	USD RM '000	RM RM '000
Secured						
- Term loans	-	46,884	-	10,235	-	57,119
- Bankers acceptance	-	-	-	10,021	-	10,021
- Floor stocks	-	-	-	-	-	-
Total	-	46,884	-	20,256	-	67,140

	As at First Quarter ended 2021					
	Long Term		Short Term		Total Borrowings	
	Denominated in		Denominated in		Denominated in	
	USD RM '000	RM RM '000	USD RM '000	RM RM '000	USD RM '000	RM RM '000
Secured						
- Term loans	-	3,302	-	388	-	3,690
- Bankers acceptance	-	-	-	1,738	-	1,738
- Floor stocks	-	-	-	-	-	-
Total	-	3,302	-	2,126	-	5,428

The effective interest rates per annum at the end of the reporting period for the Group's borrowings were as follows:

	(Unaudited) 2022 %	(Audited) 2021 %
Term loans	3.44 - 3.52	3.44 - 3.52
Bankers acceptance	3.02	3.02
Floor stocks	4.77 - 4.87	4.77 - 4.87

The substantial increase in the Group's borrowing is mainly due to term loan of RM50.22 million drawdown in current year to part finance the acquisition of Symphony Life Berhad shares.

B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

As at the date of this report, the Group did not have any financial instruments with off balance sheet risks.



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

B9. MATERIAL LITIGATION

On 18 February 2022, the Group wholly-owned subsidiary, MBL Plantation Sdn Bhd (“MBLPSB” or collectively referred to as “Defendant”) had received a Writ of Summon and Statement of Claim both dated 15 February 2022 filed by Doa Huat Holdings Sdn Bhd (collectively referred to as “Plaintiff”) under Kuala Lumpur High Court Suit No. WA-22NCC-67-02/2022 in relation to the claims filed by the Plaintiff through a legal firm acting on their behalf.

The plaintiff claimed that the Share Sales Agreement dated 1 April 2021 between the Plaintiff and the Defendant for the purchase of shares of Sokor Gemilang Ladang Sdn Bhd (“SGLSB”) with a total consideration of RM25,000,000.00 is void or terminated and demanded for the repayment of RM23,900,000.00.

The Plaintiff has made a total payment of RM23,900,000.00 to the Defendant to date, with the balance of the consideration RM1,100,000.00 remains outstanding.

MBLPSB has appointed a legal firm to act on its behalf and filed a counter claim against plaintiff on the above case. Further to the announcement made on 18 February 2022 and 2 March 2022, the case WA-22NCC-67-02/2022 has been transferred to Penang high court pursuant to a court order dated 15 April 2022.

Pursuant to the case Management on 20 May 2022, the company has filed the interlocutory applications to Penang High Court to move the Court to dispose of Doa Huat’s claim and to seek the court to enter summary judgement against Doa Huat for MBLPSB’s counterclaim. The Court has fixed the hearing date on 29 July 2022.

B10. DIVIDEND DECLARED

There was no dividend declared for the current quarter under review.



NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022

B11. EARNINGS PER SHARE

The basic earnings per share (“EPS”) is calculated by dividing the profit for the financial period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the financial year held by the Company calculated as follows:

	Current Quarter RM '000	Current YTD RM '000
a) <u>Basic EPS</u>		
Profit attributable to ordinary shareholders of the Company		
- Continuing operations	4,204	4,204
- Discontinued operation	(146)	(146)
	<u>4,058</u>	<u>4,058</u>
Weighted average number of ordinary shares (000)	232,347	232,347
Basic EPS (Sen)		
- Continuing operations	1.81	1.81
- Discontinued operation	(0.06)	(0.06)
	<u>1.75</u>	<u>1.75</u>
b) <u>Diluted EPS</u>		
Profit attributable to ordinary shareholders of the Company		
- Continuing operations	4,204	4,204
- Discontinued operation	(146)	(146)
	<u>4,058</u>	<u>4,058</u>
Weighted average number of ordinary shares (000)	236,357	236,357
Basic EPS (Sen)		
- Continuing operations	1.78	1.78
- Discontinued operation	(0.06)	(0.06)
	<u>1.72</u>	<u>1.72</u>

B12. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the preceding audited financial statements was not subject to any qualification.



MUAR BAN LEE GROUP BERHAD (Company No. 200601033829 (753588-P))

**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

B13. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter RM'000	Current YTD RM'000
Profit before tax is arrived at after (crediting)/charging:		
Interest income	(8)	(8)
Interest expense	657	657
Depreciation and amortization	(1,017)	(1,017)
Foreign exchange (gain)/loss	88	88
	<hr/>	<hr/>

B14. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors dated 27 May 2022.

By Order of the Board

Tan Hui Lun (LS 0010066)
Company Secretary
Muar