

Unaudited Condensed Consolidated Statement of Comprehensive Income for the 9 months ended 30/09/2021

	Note	Current quarter		Cumulative period	
		3 months ended		9 months ended	
		30/09/2021	30/9/2020	30/09/2021	30/9/2020
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	31,084	31,297	107,572	72,260
Cost of sales		(23,448)	(25,201)	(83,202)	(59,568)
Gross profit		7,636	6,096	24,370	12,692
Other income		1,483	35	2,039	60
Selling and distribution expenses		(186)	(424)	(1,748)	(1,577)
Administration expenses		(4,867)	(2,546)	(10,918)	(7,213)
Other expenses		(1,409)	(793)	(2,907)	(1,798)
Operating profit		2,657	2,368	10,836	2,164
Finance income		1	63	3	91
Finance costs		(428)	(332)	(1,146)	(996)
Share of results of associate		10	13	50	84
Profit before tax	B8	2,240	2,112	9,743	1,343
Income tax expense	B5	(613)	(314)	(2,324)	(566)
Profit after tax		1,627	1,798	7,419	777
Total Comprehensive income for the period		1,627	1,798	7,419	777
Profit Attributable To:					
Owners of The Parent		1,604	1,757	7,205	644
Non-Controlling Interests		23	41	214	133
		1,627	1,798	7,419	777
Total comprehensive income attributable to :					
Owners of The Parent		1,604	1,757	7,205	644
Non-Controlling Interests		23	41	214	133
		1,627	1,798	7,419	777
Weighted average number of ordinary shares in issue ('000)					
	B11	114,942	96,000	114,942	96,000
Earnings per share					
Basic (Sen)	B11	1.40	1.83	6.27	0.67

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

Condensed Consolidated Statement of Financial Position as at 30/09/2021

	Note	Unaudited As at 30/09/2021 RM'000	Audited As at 31/12/2020 RM'000
ASSETS			
Non-current assets:			
Property, plant and equipment		13,073	12,666
Investment in an associate		5,039	4,989
Deferred Tax Assets		86	86
Total non-current assets		18,198	17,741
Current assets:			
Inventories		77,701	53,668
Trade receivables		53,408	42,171
Other receivables, deposits and prepayments		4,765	4,632
Contract assets		2,316	1,885
Current tax assets		-	708
Deposits, cash and bank balances		13,054	22,444
Total current assets		151,244	125,508
TOTAL ASSETS		169,442	143,249
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		58,772	53,126
Retained profits		33,899	27,846
		92,671	80,972
Non-controlling interest		1,756	1,542
TOTAL EQUITY		94,427	82,514

Condensed Consolidated Statement of Financial Position as at 30/09/2021

(Contd.)

	Note	Unaudited As at 30/09/2021 RM'000	Audited As at 31/12/2020 RM'000
EQUITY AND LIABILITIES (Contd.)			
Non-current liabilities			
Borrowings	B7	1,961	2,305
Deferred tax liabilities		268	268
Total non-current liabilities		2,229	2,573
Current Liabilities:			
Trade payables		13,441	7,924
Other payables and accruals		8,257	5,767
Contract liabilities		1,482	9,508
Borrowings	B7	48,791	34,905
Current tax liabilities		815	58
Total current liabilities		72,786	58,162
TOTAL LIABILITIES		75,015	60,735
TOTAL EQUITY AND LIABILITIES		169,442	143,249
Net assets per share (RM)		0.80	0.70

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

Unaudited Condensed Statement of Changes in Equity for the 9 months ended 30/09/2021

<--- Attributable to owners of the Company --->

	Note	Share Capital RM'000	Retained Profits RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance at 01/01/2020		48,515	28,844	77,359	1,295	78,654
Total comprehensive income for the period		-	644	644	133	777
Balance at 30/09/2020		48,515	29,488	78,003	1,428	79,431
Balance at 01/01/2021		53,126	27,846	80,972	1,542	82,514
Issue of ordinary shares		5,646	-	5,646	-	5,646
Total comprehensive income for the period		-	7,205	7,205	214	7,419
Dividends paid to equity holders of the Company	A7	-	(1,152)	(1,152)	-	(1,152)
Balance at 30/09/2021		58,772	33,899	92,671	1,756	94,427

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

Unaudited Condensed Statement of Cash Flows for the 9 months ended 30/09/2021

	9 months ended	
	30/09/2021	30/9/2020
	RM'000	RM'000
Cash Flows From Operating Activities:		
Profit before tax	9,743	1,343
<i>Adjustments for :</i>		
Depreciation of property, plant and equipment	2,381	1,805
Reversal of impairment loss on trade receivables	(1,199)	-
Gain on disposal property, plant and equipment	(13)	(52)
Interest expense	1,101	994
Interest income	(3)	(91)
Share of profits of an associate	(50)	(84)
Operating profit before changes in working capital	11,960	3,915
<u>Changes in Working Capital</u>		
(Increase)/Decrease in Inventories	(24,032)	(111)
Decrease/(Increase) in Trade and other receivables	(10,172)	(6,787)
Increase/(Decrease) in Trade and other payables	8,005	(2,268)
Increase in Contract assets	(431)	-
Decrease in Contract liabilities	(8,026)	-
	(34,656)	(9,166)
Net Cash used in operations	(22,696)	(5,251)
Interest received	3	91
Income tax refunded	-	303
Income tax paid	(858)	(1,013)
	(855)	(619)
Net Cash used in Operating Activities	(23,551)	(5,870)

Unaudited Condensed Statement of Cash Flows for the 9 months ended 30/09/2021
(Contd.)

	9 months ended	
	30/09/2021	30/9/2020
	RM'000	RM'000
Cash Flows From Investing Activities:		
Proceeds from disposal of property, plant and equipment	10	52
Purchase of property, plant and equipment	(3,016)	(802)
Placement of deposits with a licensed bank	(17)	-
Net cash used in Investing Activities	<u>(3,023)</u>	<u>(750)</u>
Cash Flows From Financing Activities:		
Proceeds from issuance of ordinary shares	5,646	-
Net proceeds from bankers' acceptances	12,667	12,707
Proceeds from/(Payment of) lease liabilities	1,105	(1,329)
Interest paid	(1,101)	(994)
Dividend paid	(1,152)	-
Net cash generated from Financing Activities	<u>17,165</u>	<u>10,384</u>
Net (decrease)/increase in cash and cash equivalents	<u>(9,409)</u>	<u>3,764</u>
Cash and cash equivalents at beginning of the period	<u>20,942</u>	<u>8,609</u>
Cash and cash equivalents at end of the period	<u><u>11,533</u></u>	<u><u>12,373</u></u>
Cash and Cash Equivalents Comprise:		
Deposits, cash and bank balances	13,054	12,373
Less: Non-short term deposits placed with licensed banks	(1,521)	-
	<u><u>11,533</u></u>	<u><u>12,373</u></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

Notes of the condensed consolidated interim financial statements for the 9 months ended 30/09/2021

A. Compliance with Malaysian Financial Reporting Standard (MFRS) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB), and Chapter 9.22 of the Main Market Listing Requirements of the 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 31/12/2020. 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 financial year ended 31/12/2020.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31/12/2020 except for the adoption of the following Amendments/Improvement to MFRSs:-

Amendments/Improvements to MFRSs effective for annual periods beginning on or after 01/01/2021

MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement*, MFRS 7 *Financial Instruments: Disclosure*, MFRS 4 *Insurance Contracts* and MFRS 16 *Leases - Interest Rate Benchmark Reform - Phase 2*

Amendments/Improvements to MFRSs effective for annual periods beginning on or after 01/04/2021

MFRS 16 *Leases: Covid-19 Related Rent Concessions beyond 30/06/2021*

Amendments/Improvements to MFRSs effective for annual periods beginning on or after 01/01/2022

MFRS 3 *Business Combinations - Reference to the Conceptual Framework*
MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*
MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract*
Annual Improvements to MFRS Standards 2018 - 2020

The adoption of the above Amendments/Improvement to MFRSs are not expected to have any material impact on the financial statements of the Group.

A2. Audit report qualification and status of matters raised

The audit report of the Group's annual financial statements for the year ended 31/12/2020 did not contain any qualifications.

A3. Seasonality or cyclicity of interim operations

Other than lower demand for our products during the festive period particularly in the first quarter of the year, our Group does not experience any material seasonality or cyclicity in our business operations.

A4. Unusual Items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the current quarter and cumulative 9 months period ended 30/09/2021.

A5. Material Changes in estimates

There were no changes in estimates that had materially affected the Group during the current quarter under review and financial year to date.

Notes of the condensed consolidated interim financial statements for the 9 months ended 30/09/2021

A6. Issuances, repurchases and repayments of debts and equity instruments

There were no issuance and repayment of debts and equity securities, shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares during the current quarter under review save for the following:-

	Amount	No. of Shares
	RM'000	000
Issued and fully paid shares:		
At 01/01/2021	53,126	103,950
Private Placement @RM0.485 on 07/01/2021	3,613	7,450
Private Placement @RM0.535 on 11/01/2021	2,033	3,800
At 30/09/2021	58,772	115,200

A7. Dividends paid

There were no dividends paid by the Group during the current quarter ended 30/09/2021 and financial year to date save for the following:-

	Current Quarter	Year-to-Date
	RM'000	RM'000
Dividend		
Financial year ending 31 December 2021		
Single tier tax exempt interim dividend of 1 sen per share paid on 24/09/2021	1,152	1,152

A8. Operating Segment Information

For management purposes, the Group categories its business units based on their products and services, and has four reportable operating segments as follows:

- a) The stainless steel and metal related products segment is in the business of manufacture and sales of stainless steel tubes and pipes, and processing of stainless steel sheets products and trading of other metal related products;
- b) The marine hardware & consumable segment is in the business of trading of marine hardware;
- c) The other industrial hardware segment is in the business of trading of industrial hardware; and
- d) The engineering works segment is in the business of manufacturing and installation of Double or Single former on-line chlorination nitrile glove dipping lines and Double or Single former rubber glove dipping lines, trading of dipping lines parts and consumable and engineering services including machining, cutting, dismantle and cleaning of conveyor chain.

During the previous quarter, the management has reassessed the classification of the reportable segments and determined that it would be more reflective on the group performance to reclassify the trading of other metal related products initially included in the other industrial hardware segment to the stainless steel segment. Accordingly the comparative information have been reclassified.

Notes of the condensed consolidated interim financial statements for the 9 months ended 30/09/2021

A8. Operating Segment Information (Contd.)

	Stainless steel and metal related products	Marine hardware & consumable	Other industrial hardware	Engineering works	Total
<i>3 months ended 30/09/2021</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	22,606	4,930	1,708	1,832	31,076
Reportable segment gross profit/(loss)	5,971	1,087	885	(459)	7,484
<i>3 months ended 30/09/2020</i>					
Revenues from external customers	19,419	4,828	3,629	3,399	31,275
Reportable segment gross profit	3,604	876	776	828	6,084

	Stainless steel and metal related products	Marine hardware & consumable	Other industrial hardware	Engineering Works	Total
<i>9 months ended 30/09/2021</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	67,151	17,112	6,988	16,298	107,549
Reportable segment gross profit	15,489	3,816	2,916	1,564	23,785
<i>9 months ended 30/09/2020</i>					
Revenues from external customers	39,751	16,881	8,279	7,337	72,248
Reportable segment gross profit	5,480	3,432	2,100	1,668	12,680

A9. Material events subsequent to the end of the interim period

There were no material events subsequent to the current financial quarter ended 30/09/2021 up to the date of this interim financial report which may substantially affect the results of the operations of the Group.

A10. Effects of changes in the composition of the Group and financial year-to-date

There were no changes in composition of the Group during the current quarter ended 30/09/2021.

A11. Changes in contingent liabilities & assets since the last annual financial statements date

There were no changes in the contingent liabilities and assets of the Group since the last audited date of the financial statements.

Notes of the condensed consolidated interim financial statements for the 9 months ended 30/09/2021

A12. Capital commitment

There were no capital commitments either contracted upon or otherwise that had affected the Group as at the current quarter ended 30 September 2021 other than as disclosed below:-

	RM'000
Approved and contracted for	5,992
Approved but not contracted for	-
	<u>5,992</u>
Analysed as follows:	
For purchase of property	<u>5,992</u>

A13. Related party transactions

The Group's related party transactions in the current quarter and the cumulative period to date ended 30/09/2021 are as follows:

	Current quarter		Cumulative period	
	3 months ended		9 months ended	
	30/09/2021	30/9/2020	30/09/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
<u>Subsidiary of an associate</u>				
Purchase from related parties	-	-	1	3
Interest receivable	-	-	-	4
<u>Transactions with companies associate to directors</u>				
Legal retainer fees paid to a legal firm	15	15	45	45
Rental received from a company in which a director has interests	3	-	9	-
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Notes of the Interim Financial Report for the 9 months ended 30/09/2021

B. Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Bhd

B1. Review of performance

	3rd quarter ended			Cumulative period 9 months ended		
	30/9/2021 RM'000	30/9/2020 RM'000	Changes %	30/9/2021 RM'000	30/9/2020 RM'000	Changes %
Revenue	31,084	31,297	(0.7)	107,572	72,260	48.9
Operating Profit	2,657	2,333	13.9	10,836	2,104	415.0
Profit Before Interest and Tax	2,667	2,444	9.1	10,886	2,339	365.4
Profit Before Tax	2,240	2,112	6.1	9,743	1,343	625.5
Profit After Tax	1,627	1,798	(9.5)	7,419	777	854.8
Profit Attributable to owners of the Company	1,604	1,757	(8.7)	7,205	644	1018.8

The Group recorded revenue of RM107.57 million for the 9-months cumulative quarter ended 30.09.2021, which grew by RM35.31 million or 48.9% compared to revenue of RM72.26 million for the corresponding period in the previous financial year.

The Group recorded revenue of RM31.08 million for the current quarter ended 30.09.2021, which dropped by RM0.21 million or 0.7% compared to revenue of RM31.3 million for the corresponding period in the previous financial year. The performance for the current quarter was affected due to the full lockdown of 21 days and various phases of movement control orders imposed.

The Group's profit before tax soared to RM9.74 million for the 9-months cumulative period ended 30.09.2021 as compared to profit before tax of RM1.34 million in the corresponding period in the previous financial year. The current quarter attained RM2.24 million profit before tax as compared to profit before tax of RM2.11 million for the corresponding period in the previous financial year, mainly due to higher selling price and volume.

Stainless Steel and Metal Related Products Segment:

Stainless steel and metal related products segment remained to be the core business segment of the Group, comprising 62.4% to the Group's revenue for the 9-months cumulative quarter ended 30.09.2021. The current quarter revenue stood at RM22.61 million, an increase of RM3.19 million or 16.41% from RM19.42 million in the corresponding quarter in the previous financial year. Current quarter segmental gross profit has improved to RM5.97 million from RM3.60 million, representing an increase of RM2.37 million or 65.83%. This was attributed to the surge in commodity prices caused by growing demand.

Engineering Works Segment:

Engineering works segment contributed 15% of the total revenue for the 9-months cumulative quarter, as compared to 10% in the 9-months corresponding period in the previous financial year. Current quarter revenue dropped by RM1.57 million from RM3.4 million to RM1.83 million as compared to the corresponding period in the previous financial year. Losses incurred for current quarter of RM0.46 million, as compared to gross profit of RM0.83 million for the corresponding period in the previous financial year, mainly due to full lockdown and thus slow down in the progress of the projects and servicing jobs because of the imposition of various phases of movement control orders during the current quarter under review.

Marine Hardware and Consumable Segment:

Marine hardware and consumable segment contributed 16% of the total revenue for the 9-months cumulative quarter, as compared to 23% in the 9-months corresponding period in the previous financial year. Current quarter performance remained consistent with the corresponding preceding period.

Notes of the Interim Financial Report for the 9 months ended 30/09/2021

B1. Review of performance (Continued)

Other Industrial Hardware Segment:

Other industrial hardware segment contributed 6.5% of the total revenue for the 9-months cumulative quarter, as compared to 11.46% in the 9-months corresponding period in the previous financial year. Current quarter revenue dropped by RM1.92 million from RM3.63 million to RM1.71 million as compared to the corresponding preceding period. Gross profit however has improved slightly by RM0.1 million due to better profit margin as a result of surge in selling price.

B2. Comparison with immediate preceding quarter's results

	Individual quarter ended		
	30/9/2021 RM'000	30/6/2021 RM'000	Changes %
Revenue	31,084	41,200	(24.6)
Operating Profit	1,174	5,222	(77.5)
Profit Before Interest and Tax	2,667	5,468	(51.2)
Profit Before Tax	2,240	5,093	(56.0)
Profit After Tax	1,627	4,152	(60.8)
Profit Attributable to owners of the Company	1,604	4,073	(60.6)

Current quarter revenue reduced by RM10.12 million or 24.6% as compared to previous quarter. The Group recorded a profit before tax of RM2.24 million, dropped by RM2.85 million as compared to the previous quarter. Both revenue and profit before tax were dropped during the current quarter mainly due to full lockdown of 21 days on the Group's operations as a result of various phases of movement control orders imposed by the authorities in view of the rising cases of COVID-19 pandemic. The profit was further affected due to provision of losses for electronic payment being compromised amounted to RM0.7 million. The matter is currently under investigation by police.

B3. Commentary on prospects

The Malaysia economy remains on a recovery path in 2021 despite challenging. Nevertheless, Bank Negara Malaysia ("BNM") after considering the resurgence of COVID-19 cases and the re-imposition of nationwide containment measures, has revised its full-year gross domestic growth forecast to between 3% to 4% (Source: *BNM Q2 2021 Economic and Financial Development Report*). As the nation's vaccination programme gathers pace, the economic sectors are expected to gradually reopen and lift business sentiments. As such, Malaysia's growth recovery is expected to broadly resume in the later part of second half 2021. The operating environment is expected to remain challenging due to the COVID-19 pandemic. COVID-19 pandemic remains a threat despite availability of vaccines worldwide. Uncertainty persists about the future course of pandemic and its further economic and social consequences arising thereafter. The steel and some other commodities prices are on the upward trajectory and the shortage of raw materials have affected the price equilibrium in the sector. This situation is expected to persist until the return of normalcy in the supply chain.

The Group will continue to be focused on its core business activities, continuing to its efforts to improve operational efficiencies and better cost management measures in order to fulfil our customer orders and drive value for our shareholders. Business strategies and expansions plan inclusive but not limited to opening up of new branches for its stainless steel and metal related products segment throughout Malaysia, and also to put more attention on B2B and/or B2C e-commerce marketing.

The Board will continue to monitor the status and progress of COVID-19 and will regularly review the performance and progress of the Group's operations and financial performance as well as introduce measures to improve operating efficiencies, where necessary. The Board expects that the Group's prospects for the financial year ending 31/12/2021 to be challenging but satisfactory.

Notes of the Interim Financial Report for the 9 months ended 30/09/2021

B4. Profit forecast or profit guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee in a public document.

B5. Breakdown of tax changes

Tax charges comprise:

Malaysian taxation based on profit for the period:

	Current Quarter RM'000	Current Year-to-Date RM'000
Current tax expense	2,324	2,324
Deferred tax expense	-	-
Net tax charge	2,324	2,324

Reconciliation of Effective Tax Rate:

Accounting Profit before tax

Statutory tax amount / rate

Tax Effects of Expenses Disallowed:

	Current Year-to-Date RM'000	%
Accounting Profit before tax	9,743	-
Statutory tax amount / rate	2,670	27.4%
Non deductible expenses	89	0.9%
Utilisation of previously unrecognised tax losses and capital allowances	(485)	-5.0%
Share of results of an associate	(12)	-0.1%
Deferred tax assets not recognised	62	0.6%
Effective tax amount / rate	2,324	23.9%

B6. Status of corporate proposals

(a) Corporate proposals

There were no corporate proposals undertaken but not completed as at the date of this report.

(b) Utilisation of proceeds

On 25/08/2020, the Company announced to undertake a private placement of up to 19,200,000 new ordinary shares in the Company ("Placement Shares"), representing 20% of the total number of issued shares of the Company, to third-party investor(s) ("Private Placement"). The Private Placement has been completed on 11/01/2021 with a total share subscribed of 19,200,000 Placement Shares and a total gross proceeds received of RM10.26 million.

Following is the status of the utilisation of the Private Placement as at 30/09/2021:-

Purpose	Timeframe for utilisation	Approved utilisation RM'000	Private Placement received RM'000	Actual utilisation RM'000	Balance to be utilised RM'000
(i) Business Expansion	18 months	5,000	5,000	-	5,000
(ii) Working Capital	12 months	4,500	5,157	5,157	-
(iii) Defray estimated expenses	Immediate	100	100	100	-
	-	9,600	10,257	5,257	5,000

Notes of the Interim Financial Report for the 9 months ended 30/09/2021

B7. Details of Group borrowings and debts securities

The Group's borrowings securities denominated in Malaysian Ringgit as at 30/09/2021 are as follows:

	As at	
	30/9/2021	31/12/2020
	RM'000	RM'000
Secured		
Non-current:		
Lease liabilities	1,961	2,305
	<u>1,961</u>	<u>2,305</u>
Current:		
Bills and other trade financing liabilities	46,138	33,471
Lease liabilities	2,653	1,434
	<u>48,791</u>	<u>34,905</u>

B8. Profit/(Loss) before taxation

Profit/(Loss) before taxation is arrived at after charging/(crediting):

	Individual quarter ended		Cumulative period 9 months ended	
	30/09/2021	30/9/2020	30/09/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
<i>1) Other operating income:</i>				
Gain on disposal of property, plant and equipment	-	(27)	(13)	(52)
<i>2) Administration expenses & Cost of sales:</i>				
Depreciation of properties, plant & equipment	689	752	2,381	1,805
Employee benefit expenses	5,169	3,336	12,474	9,362
<i>3) Other expenses/(Reversal):</i>				
Reversal of impairment loss on trade receivables	(1,199)	-	(1,199)	-
Realised foreign exchange losses	7	52	46	97
Loss due to compromised e-payment transaction	695	-	695	-
<i>4) Finance costs/(income):</i>				
Interest income	(1)	(63)	(3)	(91)
Bank overdrafts	4	5	11	23
Bankers acceptance	330	261	940	820
Lease liabilities/Finance lease liabilities	49	46	150	151

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable.

B9. Changes in Material Litigations

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending which might materially and adversely affect the financial position or business of the Group for the current quarter ended 30/09/2021.

B10. Proposed Dividends

The Directors do not recommend any dividends for the current quarter ended 30/09/2021.

Notes of the Interim Financial Report for the 9 months ended 30/09/2021

B11. Earnings per share

(a) The earnings used as the numerator in calculating Basic and Diluted earnings per share (EPS) for the current quarter ended 30/09/2021 are as follows:

	Current Quarter RM'000	Current Year-to-Date RM'000
Profit for the financial period attributable to owners of the Parent (used as numerator for the Basic EPS)	<u>1,604</u>	<u>7,205</u>

(b) The weighted average number of ordinary shares used in the denominator in calculating Basic and Diluted earnings per share for the current quarter and cumulative period ended 30/09/2021 are as follows:

	Current Quarter '000	Current Year-to-Date '000
Weighted average number of ordinary shares in issue (used as denominator for the Basic EPS)	<u>114,942</u>	<u>114,942</u>
Weighted average number of ordinary shares in issue (used as denominator for the Diluted EPS)	<u>114,942</u>	<u>114,942</u>

Diluted earnings per share is equivalent to Basic EPS as the Group does not have any dilutive potential ordinary shares in issue during the financial quarter under review and financial year to date.

B12. Authorisation for issue

The interim unaudited financial report was duly reviewed by Audit and Risk Management Committee and approved by the Board of Directors on 24/11/2021.