

Unaudited Condensed Consolidated Statement of Comprehensive Income for the financial year ended 31/12/2021

	Note	Current quarter		Cumulative period	
		3 months ended		Financial year ended	
		31/12/2021	31/12/2020	31/12/2021	31/12/2020
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	44,360	33,834	151,932	106,094
Cost of sales		(31,511)	(27,100)	(114,713)	(86,686)
Gross profit		12,849	6,734	37,219	19,408
Other income		521	152	1,329	303
Selling and distribution expenses		(567)	(716)	(2,315)	(2,293)
Administration expenses		(4,802)	(3,156)	(15,720)	(10,369)
Net impairment losses on financial assets		149	-	149	-
Other expenses		(2,591)	(2,921)	(4,267)	(4,719)
		(7,811)	(6,793)	(22,153)	(17,381)
Operating profit		5,559	93	16,395	2,330
Finance income		11	-	14	-
Finance costs		(449)	(363)	(1,595)	(1,359)
Share of results of associate		125	157	175	241
Profit before tax	B8	5,246	(113)	14,989	1,212
Income tax expense	B5	(1,557)	(1,397)	(3,881)	(1,963)
Profit after tax		3,689	(1,510)	11,108	(751)
Total Comprehensive income for the period		3,689	(1,510)	11,108	(751)
Profit Attributable To:					
Owners of The Parent		3,549	(1,624)	10,754	(998)
Non-Controlling Interests		140	114	354	247
		3,689	(1,510)	11,108	(751)
Total comprehensive income attributable to :					
Owners of The Parent		3,549	(1,624)	10,754	(998)
Non-Controlling Interests		140	114	354	247
		3,689	(1,510)	11,108	(751)
Weighted average number of ordinary shares in issue ('000)	B11	115,200	96,000	114,942	96,000
Earnings per share					
Basic (Sen)	B11	3.08	(1.69)	9.36	(1.04)

(The Unaudited 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.)

Unaudited Condensed Consolidated Statement of Financial Position as at 31/12/2021

	Note	Unaudited As at 31/12/2021 RM'000	Audited As at 31/12/2020 RM'000
ASSETS			
Non-current assets:			
Property, plant and equipment		11,632	12,666
Investment in an associate		5,164	4,989
Deferred tax assets		99	86
Total non-current assets		16,895	17,741
Current assets:			
Inventories		70,788	53,668
Trade receivables		60,887	42,171
Other receivables, deposits and prepayments		7,887	4,632
Contract assets		2,460	1,885
Current tax assets		436	708
Deposits, cash and bank balances		16,392	22,444
Total current assets		158,850	125,508
TOTAL ASSETS		175,745	143,249
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		58,772	53,126
Retained profits		37,448	27,846
		96,220	80,972
Non-controlling interest		1,896	1,542
TOTAL EQUITY		98,116	82,514

Unaudited Condensed Consolidated Statement of Financial Position as at 31/12/2021

(Contd.)

	Note	Unaudited As at 31/12/2021 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		367	268
Total non-current liabilities		2,328	2,573
Current Liabilities:			
Trade payables		12,981	7,924
Other payables and accruals		6,626	5,767
Contract liabilities		2,004	9,508
Borrowings	B7	52,299	34,905
Bank overdraft		11	-
Current tax liabilities		1,380	58
Total current liabilities		75,301	58,162
TOTAL LIABILITIES		77,629	60,735
TOTAL EQUITY AND LIABILITIES		175,745	143,249
Net assets per share (RM)		0.84	0.70

(The Unaudited 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 financial year ended 31/12/2021

<--- 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		-	(998)	(998)	247	(751)
Issue of shares		4,611	-	4,611	-	4,611
Balance at 31/12/2020		53,126	27,846	80,972	1,542	82,514
		1,676				
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		-	10,754	10,754	354	11,108
Dividends paid to equity holders of the Company	A7	-	(1,152)	(1,152)	-	(1,152)
Balance at 31/12/2021		58,772	37,448	96,220	1,896	98,116

(The Unaudited 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 financial year ended 31/12/2021

	Financial year ended	
	31/12/2021	31/12/2020
	RM'000	RM'000
Cash Flows From Operating Activities:		
Profit before tax	14,989	1,212
<i>Adjustments for :</i>		
Depreciation of property, plant and equipment	2,669	2,176
Written off on property, plant and equipment	-	86
Reversal of impairment loss on trade receivables	(1,231)	(35)
Impairment loss on trade receivables	1,082	787
Gain on disposal property, plant and equipment	(108)	(92)
Interest expense	1,532	1,359
Interest income	(14)	(28)
Inventories written down	605	1,533
Inventories written off	1,323	502
Share of results of an associate	(175)	(241)
Operating profit before changes in working capital	20,672	7,259
<u>Changes in Working Capital</u>		
(Increase)/Decrease in Inventories	(19,047)	2,434
(Increase) in Trade and other receivables	(21,824)	(14,609)
Increase/(Decrease) in Trade and other payables	5,918	8,426
(Increase) in Contract assets	(575)	-
(Decrease)/Increase in Contract liabilities	(7,505)	-
	(43,033)	(3,749)
Net Cash (used in)/generated from operations	(22,361)	3,510
Interest received	14	28
Income tax refunded	-	115
Income tax paid	(2,201)	(1,251)
	(2,187)	(1,108)
Net Cash (used in)/generated from Operating Activities	(24,548)	2,402

Unaudited Condensed Statement of Cash Flows for the financial year ended 31/12/2021
(Contd.)

	Financial year ended	
	31/12/2021	31/12/2020
	RM'000	RM'000
Cash Flows From Investing Activities:		
Proceeds from disposal of property, plant and equipment	151	92
Purchase of property, plant and equipment	(2,076)	(992)
Placement of deposits with a licensed bank	(3,027)	(41)
Net cash used in Investing Activities	(4,952)	(941)
Cash Flows From Financing Activities:		
Proceeds from issuance of ordinary shares	5,646	4,611
Net proceeds from bankers' acceptances	18,118	10,883
Payment of lease liabilities	(671)	(1,503)
Interest paid	(1,532)	(1,359)
Dividend paid	(1,152)	-
Net cash generated from Financing Activities	20,409	12,632
Net (decrease)/increase in cash and cash equivalents	(9,091)	14,093
Cash and cash equivalents at beginning of the year	20,942	7,131
Cash and cash equivalents at end of the year	11,851	21,224
Cash and Cash Equivalents Comprise:		
Deposits, cash and bank balances	16,392	22,444
Less: Bank overdraft	(11)	-
Less: Non-short term deposits placed with licensed banks	(4,530)	(1,220)
	11,851	21,224

(The Unaudited 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 financial year ended 31/12/2021

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* ##

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 9 *Financial Instruments: Fees in the '10 percent' test for Derecognition of Financial Liabilities*
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

Amendments/Improvements to MFRSs effective for annual periods beginning on or after 01/01/2023

MFRS 101 *Classification of liabilities as current or non-current*
MFRS 101, MFRS Practice Statement 2 and MFRS 108 *Disclosure of accounting policies and definition of accounting estimates*
MFRS 112 *Deferred tax related to assets and liabilities arising from a Single Transaction*
MFRS 117 *Insurance Contracts*

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 financial year ended 31/12/2021.

A5. Material Changes in estimates

There were no changes in estimates that had materially affected the Group during the current financial year.

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

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 financial year, 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 31/12/2021	58,772	115,200

A7. Dividends paid

On 24/09/2021, the Company paid a single-tier tax-exempt interim dividend of 1 sen (2020: Nil) per share in respect of the financial year ended 31/12/2021 amounting to RM1,152,000 (2020: RM Nil).

A8. Operating Segment Information

For management purposes, the Group categorises 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, processing of stainless steel sheets products, and trading of other metal related products;
- b) The marine hardware & consumables segment is in the business of trading 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 online chlorination nitrile glove dipping lines and Double or Single former rubber glove dipping lines, trading of dipping line parts and consumable and engineering services including machining, cutting, dismantle and cleaning of conveyor chains.

During the financial year under review, the management has reassessed the classification of the reportable segments and determined that it would be more reflective of 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 has been reclassified.

	Stainless steel and metal-related products	Marine hardware & consumables	Other industrial hardware	Engineering works	Total
<i>3 months ended 31/12/2021</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	33,241	6,888	1,931	2,293	44,353
Reportable segment gross profit/(loss)	11,503	1,613	947	(1,282)	12,781
<i>3 months ended 31/12/2020</i>					
Revenues from external customers	18,852	8,037	4,025	2,681	33,595
Reportable segment gross profit/(loss)	3,841	1,643	959	(58)	6,385



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K. SENG SENG CORPORATION BERHAD

(Registration No. 198501000983 (133427 W))

(Incorporated in Malaysia)

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

A8. Operating Segment Information (Contd.)

	Stainless steel and metal-related products	Marine hardware & consumables	Other industrial hardware	Engineering Works	Total
<i>Financial year ended 31/12/2021</i>	RM'000	RM'000	RM'000	RM'000	RM'000
Revenues from external customers	100,392	24,000	8,919	18,591	151,902
Reportable segment gross profit	26,992	5,429	3,863	282	36,566
<i>Financial year ended 31/12/2020</i>					
Revenues from external customers	58,603	24,918	12,304	10,018	105,843
Reportable segment gross profit	9,321	5,075	3,059	1,610	19,065

A9. Material events subsequent to the end of the financial year

There were no material events subsequent to the current financial year ended 31/12/2021 and up to the date of this report which may substantially affect the results of the operations of the Group.

A10. Effects of changes in the composition of the Group

There were no changes in composition of the Group for the financial year ended 31/12/2021.

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.

A12. Capital commitment

There were no capital commitments either contracted upon or otherwise that had affected the Group for the financial year ended 31/12/2021 other than as disclosed below:-

Approved and contracted for	RM'000
	4,075
Approved but not contracted for	-
	4,075
Analysed as follows:	
For purchase of property	4,075

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

A13. Related party transactions

The Group's related party transactions in the current quarter and for the financial year ended 31/12/2021 are as follows:

	Current quarter		Cumulative period	
	3 months ended		Financial year ended	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	RM'000	RM'000	RM'000	RM'000
<i>Subsidiary of an associate</i>				
Purchase from related parties	-	-	1	3
Interest receivable	-	-	-	4
<i>Transactions with companies associate to directors</i>				
Legal retainer fees paid to a legal firm	15	15	60	45
Rental received from a company in which a director has interests	3	-	12	-

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

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

B1. Review of performance

	Current Quarter			For the Financial Year Ended		
	31/12/2021 RM'000	31/12/2020 RM'000	Changes %	31/12/2021 RM'000	31/12/2020 RM'000	Changes %
Revenue	44,360	33,834	31.1	151,932	106,094	43.2
Operating Profit/(Loss)	5,559	(59)	* n/m	16,395	2,027	708.8
Profit Before Interest and Tax	5,684	250	2173.6	16,570	2,571	544.5
Profit Before Tax	5,246	(113)	* n/m	14,989	1,212	1136.7
Profit/(Loss) After Tax	3,689	(1,510)	* n/m	11,108	(751)	*n/m
Profit/(Loss) Attributable to owners of the Company	3,549	(1,624)	* n/m	10,754	(998)	*n/m

* n/m - not meaningful

For the current financial year, the Group's revenue increased by RM45.84 million or 43.2% as compared to the previous financial year. For the current quarter, the Group's revenue increased by RM10.53 million or 31.1% as compared to the corresponding quarter in the previous financial year. The performance for the current financial year and current quarter was largely attributed to an increase in revenue from the stainless steel and metal-related products segment due to wider market outreach and an increased in the number of customers.

The Group's profit before tax improved by RM13.78 million for the current financial year. The current quarter profit before tax improved by RM5.36 million. The increase in profit before tax was mainly due to an increase in revenue and better gross profit margin.

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 66.09% (2020: 55.37%) to the Group's revenue. The current quarter revenue increased by RM14.39 million or 76.33% as compared to the corresponding quarter in the previous financial year. Current year segmental gross profit has improved by RM17.67 million, and the current quarter segmental profit has improved by RM7.66 million. This was mainly attributed to the surge in commodity prices caused by growing demand.

Marine Hardware and Consumables Segment:

The marine hardware and consumables segment contributed 15.8% (2020: 23.54%) to the Group's revenue. Current year revenue decreased by RM0.92 million or 3.7% and the current quarter's revenue decreased by RM1.15 million or 14.3%. Whereas the current year segmental gross profit improved by RM0.35 million or 7%, but current quarter segmental gross profit dropped by RM0.03 million. The performance of the marine hardware and consumables segment remained rather consistent with the previous financial year and corresponding preceding period and the increase in profit mainly due to better profit margin.

Other Industrial Hardware Segment:

Other industrial hardware segment contributed 5.87% (2020: 11.62%) to the Group's revenue. Current year revenue decreased by RM3.39 million or 27.51% and current-quarter revenue dropped by RM2.09 million or 52%. Whereas the current year segmental gross profit has improved by RM0.8 million despite current quarter segmental gross profit decreased by RM0.01 million. Despite the overall performance of this segment having dropped, profit was increased due to better profit margin as a result of a surge in average selling price.

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

B1. Review of performance (Continued)

Engineering Works Segment:

The engineering works segment contributed 12.24% (2020: 9.46%) to the Group's revenue. Current year revenue quarter revenue increased by RM8.57 million or 85.58% and current-quarter revenue dropped by RM0.39 million. The current year segmental gross profit dropped by RM1.33 million and incurred losses in the current quarter as compared to the corresponding quarter in the preceding year. The revenue for the current year increased mainly due to the revenue recognised on the completion of a glove dipping line project. The drop in profit and losses incurred in the current quarter mainly due to inventories written off amounted to RM1.33 million.

B2. Comparison with immediate preceding quarter's results

	Individual quarter ended		
	31/12/2021 RM'000	30/9/2021 RM'000	Changes %
Revenue	44,360	31,084	42.7
Operating Profit	5,038	1,174	329.1
Profit Before Interest and Tax	5,684	2,667	113.1
Profit Before Tax	5,246	2,240	134.2
Profit After Tax	3,689	1,627	126.7
Profit Attributable to owners of the Company	3,549	1,604	121.3

Current quarter revenue increased by RM13.28 million or 42.7% as compared to the previous quarter. The Group recorded a profit before tax of RM5.25 million, an increase of RM3.01 million as compared to the previous quarter. Both revenue and profit before tax were improved during the current quarter mainly due to better performance by the stainless steel and metal related products segment which attributed to the growing demand with the increase in average selling price.

B3. Commentary on prospects

With Malaysia's gross domestic product (GDP) forecasted to further expand between 5.5% and 6.5% in 2022, the Group is cautiously optimistic on the outlook for 2022 as pandemic restrictions continued to be eased on the back of the gradual reopening of the local economy.

The Group will continue to be focused on its core business activities, continuing its efforts to improve operational efficiencies and better cost management measures to fulfill our customer orders and drive value for our shareholders. Business strategies and expansions plan are inclusive but not limited to market expansion and venturing into new range of product lines.

The Board will continue to monitor the status and progress of the COVID-19 endemic 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 the Group's prospects for 2022 to be challenging.

B4. Profit forecast or profit guarantee

Not applicable as the Group has not issued any profit forecast or profit guarantee.

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

B5. Breakdown of tax changes

	Current Quarter RM'000	Current Year-to-Date RM'000
Tax charges comprise:		
Malaysian taxation based on profit for the period:		
Current tax expense	1,471	3,795
Deferred tax expense	86	86
Net tax charge	1,557	3,881
Reconciliation of Effective Tax Rate:		
	Current RM'000	Year-to-Date %
Accounting Profit before tax	14,989	-
Statutory tax amount / rate	3,597	24.0%
<i>Tax Effects of Expenses Disallowed:</i>		
Non taxable income	(10)	-0.1%
Non deductible expenses	959	6.4%
Utilisation of previously unrecognised tax losses and capital allowances	(714)	-4.8%
Share of results of an associate	(42)	-0.3%
Deferred tax assets not recognised	330	2.2%
Over provision of income tax in prior years	(148)	-1.0%
Over provision of deferred tax in prior years	(91)	-1.0%
Effective tax amount / rate	3,881	25.9%

B6. Status of corporate proposals

(a) Corporate proposals

There were no corporate proposals undertaken as of 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 31/12/2021:-

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 condensed consolidated interim financial statements for the financial year ended 31/12/2021

B7. Details of Group borrowings and debts securities

The Group's borrowings securities denominated in Malaysian Ringgit as at 31/12/2021 are as follows:

	As at	
	31/12/2021	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	51,589	33,471
Lease liabilities	710	1,434
	<u>52,299</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 Financial year ended	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	RM'000	RM'000	RM'000	RM'000
<i>1) Other operating income:</i>				
Gain on disposal of property, plant and equipment	(95)	(40)	(108)	(92)
<i>2) Administration expenses & Cost of sales:</i>				
Depreciation of properties, plant & equipment	288	371	2,669	2,176
Property, plant and equipment written off	-	86	-	86
Employee benefit expenses	5,261	3,528	17,735	12,890
<i>3) Other expenses/(Reversal):</i>				
Inventories written down	605	1,533	605	1,533
Impairment loss on trade receivable	1,082	787	1,082	787
Reversal of impairment loss on trade receivables	(32)	(35)	(1,231)	(35)
Inventories written off	1,323	-	1,323	502
Realised foreign exchange (gain)/losses	(67)	5	(21)	58
Loss due to compromised e-payment transaction	-	-	695	-
<i>4) Finance costs/(income):</i>				
Fixed deposits interest income	(11)	-	(14)	(28)
Bank overdrafts interest	9	5	20	28
Bankers acceptance commission	353	282	1,293	1,104
Lease liabilities interests	69	76	219	227

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

Notes of the condensed consolidated interim financial statements for the financial year ended 31/12/2021

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 31/12/2021.

B10. Proposed Dividends

No interim dividend has been declared or proposed for the current quarter in respect of the financial year ended 31/12/2021.

B11. Earnings per share

(a) The earnings used as the numerator in calculating Basic and Diluted earnings per share (EPS) for the financial year ended 31/12/2021 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>3,549</u>	<u>10,754</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 financial year ended 31/12/2021 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>115,200</u>	<u>114,942</u>
Weighted average number of ordinary shares in issue (used as denominator for the Diluted EPS)	<u>115,200</u>	<u>114,942</u>

Diluted earnings per share are 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 the Audit and Risk Management Committee and approved by the Board of Directors on 23/2/2022.