

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

	Current year quarter 31/03/2022 RM'000	Preceding year corresponding quarter 31/03/2021 RM'000	Current year to-date 31/03/2022 RM'000	Preceding year corresponding period 31/03/2021 RM'000
<b>Revenue from contracts with customers</b>	32,923	23,650	32,923	23,650
Cost of sales	<u>(22,594)</u>	<u>(25,439)</u>	<u>(22,594)</u>	<u>(25,439)</u>
<b>Gross profit/ (loss)</b>	10,329	(1,789)	10,329	(1,789)
<b>Other items of income</b>				
Interest income	45	54	45	54
Other income	1,337	1,071	1,337	1,071
<b>Other items of expense</b>				
Administrative expenses	(1,683)	(1,936)	(1,683)	(1,936)
Other expenses	<u>(372)</u>	<u>(415)</u>	<u>(372)</u>	<u>(415)</u>
<b>Profit/ (Loss) before tax</b>	9,656	(3,015)	9,656	(3,015)
Income tax	<u>(2,257)</u>	<u>120</u>	<u>(2,257)</u>	<u>120</u>
<b>Profit/ (Loss) net of tax, representing total comprehensive income/ (loss) for the period</b>	<u>7,399</u>	<u>(2,895)</u>	<u>7,399</u>	<u>(2,895)</u>
<b>Profit/ (Loss) net of tax attributable to:</b>				
Owners of the Company	<u>7,399</u>	<u>(2,895)</u>	<u>7,399</u>	<u>(2,895)</u>
<b>Profit/ (Loss) per share attributable to owners of the Company:</b>				
Basic (sen)	<u>7.43</u>	<u>(2.93)</u>	<u>7.43</u>	<u>(2.93)</u>
Diluted (sen)	<u>7.26</u>	<u>(2.93)</u>	<u>7.26</u>	<u>(2.93)</u>

*This Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2021 and accompanying explanatory notes attached to these interim financial statements.*

(Incorporated In Malaysia)

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

	As at 31/03/2022 RM'000	As at 31/12/2021 RM'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	24,029	24,322
Investment properties	2,112	2,133
Intangible asset	149	149
Deferred tax assets	62	93
	<u>26,352</u>	<u>26,697</u>
<b>Current assets</b>		
Inventories	40,676	30,852
Trade and other receivables	8,280	37,034
Other current assets	6,534	9,092
Income tax refundable	1	785
Other current financial assets	48,923	49,058
Cash and bank balances	57,451	29,608
	<u>161,865</u>	<u>156,429</u>
<b>Total assets</b>	<u>188,217</u>	<u>183,126</u>
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	9,130	7,139
Contract liabilities	263	4,295
Provision for taxation	975	-
Other current financial liabilities	13	-
	<u>10,381</u>	<u>11,434</u>
<b>Net current assets</b>	<u>151,484</u>	<u>144,995</u>
<b>Non-current liability</b>		
Deferred tax liabilities	2,494	2,578
<b>Total liabilities</b>	<u>12,875</u>	<u>14,012</u>
<b>Net assets</b>	<u>175,342</u>	<u>169,114</u>
<b>Equity attributable to owners of the Company</b>		
Share capital	60,174	57,691
Treasury shares	(9,378)	(9,378)
Employee share option reserve	3,081	3,715
Retained earnings	121,465	117,086
<b>Total equity</b>	<u>175,342</u>	<u>169,114</u>
<b>Total equity and liabilities</b>	<u>188,212</u>	<u>183,126</u>
<b>Net assets per share (RM)</b>	<u>1.74</u>	<u>1.71</u>

*This Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2021 and accompanying explanatory notes attached to these interim financial statements.*

(Incorporated In Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE PERIOD ENDED 31 MARCH 2022**

	<b>Current year to-date 31/03/2022 RM'000</b>	<b>Preceding year corresponding period 31/03/2021 RM'000</b>
<b>Operating activities</b>		
Profit/ (Loss) before tax	9,656	(3,015)
<u>Adjustments for:</u>		
Depreciation of investment properties	21	21
Depreciation of property, plant and equipment	809	853
Gain on disposal of property, plant and equipment	(19)	(30)
Grant of equity-settled share options	(17)	164
Interest income	(45)	(54)
Net fair value loss on derivatives - unrealised	372	415
Unrealised foreign exchange gain	(30)	(454)
<b>Operating cash flows before changes in working capital</b>	<u>10,747</u>	<u>(2,100)</u>
Changes in inventories	(9,824)	(14)
Changes in trade and other receivables	28,749	400
Changes in other current assets	2,558	(1,983)
Changes in trade and other payables	(1,029)	97
Changes in contract liabilities	(4,032)	(505)
<b>Cash flows generated from/ (used in) operations</b>	<u>27,169</u>	<u>(4,105)</u>
Interest received	43	52
Income tax paid	(551)	(92)
<b>Net cash generated from/ (used in) operating activities</b>	<u>26,661</u>	<u>(4,145)</u>
<b>Investing activities</b>		
Interest received	7	14
Proceeds from disposal of property, plant and equipment	19	30
Purchase of property, plant and equipment	(516)	(1,353)
<b>Net cash used in investing activities</b>	<u>(490)</u>	<u>(1,309)</u>
<b>Financing activities</b>		
Dividend paid	-	(2,966)
Proceeds from exercise of employee share options	1,866	-
<b>Net cash generated from/ (used in) financing activities</b>	<u>1,866</u>	<u>(2,966)</u>

*This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2021 and accompanying explanatory notes attached to these interim financial statements.*

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
 FOR THE PERIOD ENDED 31 MARCH 2022**

	<b>Current year to-date 31/03/2022 RM'000</b>	<b>Preceding year corresponding period 31/03/2021 RM'000</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	28,037	(8,420)
Effect of exchange rate changes on cash and cash equivalents	30	454
<b>Cash and cash equivalents at 1 January</b>	<u>77,884</u>	<u>88,268</u>
<b>Cash and cash equivalents at 31 March</b>	<u>105,951</u>	<u>80,302</u>
<b>Analysis of cash and cash equivalents</b>		
Cash and bank balances	57,451	33,389
Investments in money market funds	48,886	47,299
Less: Deposits with maturity of more than three months	<u>(386)</u>	<u>(386)</u>
<b>Cash and cash equivalents</b>	<u>105,951</u>	<u>80,302</u>

*This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2021 and accompanying explanatory notes attached to these interim financial statements.*

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE PERIOD ENDED 31 MARCH 2022**

	Equity, total RM'000	Equity attributable to owners of the Company, total RM'000	Share capital RM'000	Treasury shares RM'000	Employee share option reserve RM'000	Retained earnings RM'000
Opening balance at 1 January 2021	158,239	158,239	57,691	(9,378)	3,300	106,626
Total comprehensive loss	(2,895)	(2,895)	-	-	-	(2,895)
Grant of equity-settled share options	164	164	-	-	164	-
Closing balance at 31 March 2021	155,508	155,508	57,691	(9,378)	3,464	103,731
Opening balance at 1 January 2022	169,114	169,114	57,691	(9,378)	3,715	117,086
Total comprehensive income	7,399	7,399	-	-	-	7,399
Dividends on ordinary shares	(3,020)	(3,020)	-	-	-	(3,020)
Exercise of employee share options	1,866	1,866	2,483	-	(617)	-
Grant of equity-settled share options	(17)	(17)	-	-	(17)	-
Closing balance at 31 March 2022	175,342	175,342	60,174	(9,378)	3,081	121,465

*This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2021 and accompanying explanatory notes attached to these interim financial statements.*

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

**PART A -  
 EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM  
 FINANCIAL REPORTING**

**A1. Basis of preparation**

These condensed consolidated interim financial statements, for the period ended 31 March 2022, have been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). These condensed consolidated interim financial statements also comply with IAS34: Interim Financial Reporting issued by the International Accounting Standards Board.

The explanatory notes attached to the unaudited interim financial report provide an explanation of the event and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 December 2021. They do not include all the information required for full annual financial statements and should be read in conjunction with the Group’s financial statements for the financial year ended 31 December 2021.

**A2. Significant accounting policies**

The significant accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2021 of the Group, except for the adoption of the following new MFRSs, Amendments to MFRSs and Interpretations effective for financial period beginning on or after 1 January 2022:

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018-2020	

The adoption of the above MFRSs, Amendments to MFRSs and Interpretations did not have any material financial impact on these condensed consolidated financial statements.

The following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

**MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2023**

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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

**A2. Significant accounting policies (continued)**

**MFRSs, Interpretations and Amendments which effective for a date yet to be confirmed**

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between Investors and its Associate or Joint Venture
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The directors anticipate that the abovementioned MFRSs, Interpretations and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these MFRSs, Interpretations and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

**A3. Seasonal or cyclical factors**

The Group's business operation and performance are not affected materially by any seasonal or cyclical factors for the financial quarter under review.

**A4. Items of unusual nature**

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow in the quarterly financial statements.

**A5. Material changes in estimates**

There were no changes in estimates of amounts reported in either the prior interim period of the current financial period or prior financial years that have had a material effect on the results during the current quarter and financial period-to-date.

**A6. Changes in debt and equity securities**

During the financial period ended 31 March 2022, the Company issued 1,794,000 units of ordinary shares for cash pursuant to the Company's Employee Share Option Scheme ("ESOS") at exercise prices ranged from RM1.01 to RM1.19 per ordinary share. Details of the issued and paid-up capital of the Company as at 31 March 2022 are as follows:

	<b>No. of shares</b>	<b>RM'000</b>
As at 1 January 2022	106,884,000	57,691
Ordinary shares issued pursuant to ESOS	1,794,000	2,483
	<hr/>	<hr/>
As at 31 March 2022	108,678,000	60,174

Other than the above, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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**A7. Dividend paid**

An interim tax-exempt dividend of 3 sen per ordinary share in respect of the financial year ended 31 December 2021 amounting to RM3.02 million was paid on 20 April 2022.

**A8. Segment reporting**

The Group is organised into business units based on their products and services, and has two reportable operating segments as follows:-

- i. Manufacturing segment - manufacturing and sale of plywood, veneer and laminated veneer lumber (LVL).
- ii. Electricity segment - generation and sale of electricity.

The following table provides an analysis of the Group's revenue, results, assets and liabilities by business segment:

	Manufacturing RM'000	Electricity RM'000	Adjustment/ Elimination RM'000	Total RM'000
<b><u>Period ended 31 March 2022</u></b>				
<b>Revenue</b>				
External sales	32,923	-	-	32,923
Inter-segment sales	-	577	(577)	-
	<u>32,923</u>	<u>577</u>	<u>(577)</u>	<u>32,923</u>
<b>Results</b>				
Segment profit	<u>9,385</u>	<u>33</u>	<u>238</u>	<u>9,656</u>
<b>Segment assets as at 31 March 2022</b>	<u>133,565</u>	<u>3,591</u>	<u>51,061</u>	<u>188,217</u>
<b>Segment liabilities as at 31 March 2022</b>	<u>9,298</u>	<u>108</u>	<u>3,469</u>	<u>12,875</u>
<b><u>Period ended 31 March 2021</u></b>				
<b>Revenue</b>				
External sales	23,590	60	-	23,650
Inter-segment sales	-	414	(414)	-
	<u>23,590</u>	<u>474</u>	<u>(414)</u>	<u>23,650</u>
<b>Results</b>				
Segment (loss)/ profit	<u>(3,328)</u>	<u>93</u>	<u>220</u>	<u>(3,015)</u>
<b>Segment assets as at 31 December 2021</b>	<u>125,666</u>	<u>5,787</u>	<u>51,673</u>	<u>183,126</u>
<b>Segment liabilities as at 31 December 2021</b>	<u>11,377</u>	<u>57</u>	<u>2,578</u>	<u>14,012</u>



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

**A8. Segment reporting (continued)**

The following items are added to segment profit or loss to arrive at total loss before tax reported in the unaudited condensed consolidated statement of comprehensive income:

	Current year to-date 31/03/2022	Preceding year corresponding period 31/03/2021
	RM'000	RM'000
Interest income from fixed deposit	2	2
Distribution income from money market funds	41	179
Net gain on money market funds	183	34
Rental income from investment properties	66	66
Depreciation of investment properties	(21)	(21)
Direct operating expenses arising from investment properties	(33)	(40)
	<u>238</u>	<u>220</u>

The following items are added to segment assets to arrive at total assets reported in the unaudited condensed consolidated statement of financial position:

	As at 31/03/2022	As at 31/12/2021
	RM'000	RM'000
Money market funds	48,886	48,662
Investment properties	2,112	2,133
Deferred tax assets	62	93
Tax refundable	1	785
	<u>51,061</u>	<u>51,673</u>

The following item is added to segment liabilities to arrive at total liabilities reported in the unaudited condensed consolidated statement of financial position:

	As at 31/03/2022	As at 31/12/2021
	RM'000	RM'000
Provision for taxation	975	-
Deferred tax liabilities	2,494	2,578
	<u>3,469</u>	<u>2,578</u>

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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**A9. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current financial quarter.

**A10. Change in contingent liabilities or contingent assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

**A11. Capital commitments**

The following table provides information on the capital commitments subsequent to the end of the current financial quarter:

	As at 31/03/2022	As at 31/12/2021
	RM'000	RM'000
Approved and contracted for property, plant and equipment	-	344

**A12. Material events subsequent to the reporting period**

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the interim financial statements under review.

**A13. Changes in composition of the Group**

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

**A14. Related party transactions**

The following table provides information on the transactions which have been entered into with related parties during the period ended 31 March 2022 and 31 March 2021 as well as the balances with the related parties as at 31 March 2022 and 31 December 2021:

	Transaction value for period ended		Balance outstanding as at	
	31/03/2022	31/03/2021	31/03/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
<u>Nature of transactions</u>				
Sales of electricity to a related party ^	-	60	5	5
Purchase of motor vehicle from a related party ^	-	85	-	-
Rental paid to a director	48	48	-	-

^ Related party is a company in which a director, Lin Hao Yu has interest.

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

**PART B -  
 ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD  
 (PART A OF APPENDIX 9B)**

**B1. Review of performance of the Group**

**Comparison of the current quarter against the corresponding quarter**

	<b>Current year quarter 31/03/2022 RM'000</b>	<b>Preceding year corresponding quarter 31/03/2021 RM'000</b>	<b>Changes %</b>
Revenue	32,923	23,650	39.2
Operating profit/ (loss)	9,418	(3,235)	-391.1
Non-operating income	238	220	8.2
Profit/ (Loss) before tax	9,656	(3,015)	-420.3
Profit/ (Loss) after tax	7,399	(2,895)	-355.6
Profit/ (Loss) attributable to owners of the parent	7,399	(2,895)	-355.6

The Group recorded revenue of RM32.92 million in current quarter under review, an increase of 39% as compared to previous year's corresponding quarter. Excluding the effect of freight income, average selling price from sale of goods in current quarter soared by 55% due to robust demand for wood products, particularly from US region. As a result, the Group reported gross profit of RM10.33 million in current quarter despite a lower sales volume of approximately 21% as compared to corresponding quarter of previous year.

At US, goods moved very slow due to the on-going logistic and port congestion issues. This also caused the postponement of shipping schedule by both bulk carriers and container ships. There was no available bulk carrier delivering our plywood to US in February and March 2022 while availability of container shipping was limited as well. Hence, the Group's closing inventories increased by approximately RM9.82 million due to higher production volume as compared to sales in current quarter. Although production cost had gone up slightly due to the increase in logs price, adhesive and diesel cost, the Group reported an operating profit of RM9.42 million, compared to operating loss a year ago.

In line with the improvement from selling price, the Group had reversed its loss-making position in first quarter 2021 and reported profit before tax of RM9.66 million in current quarter under review. Profit after tax of the Group stood at RM7.40 million for current quarter under review.

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

**B2. Comparison with immediate preceding quarter's results**

	Current year quarter 31/03/2022 RM'000	Immediate preceding quarter 31/12/2021 RM'000	Changes %
Revenue	32,923	55,224	-40.4
Operating profit	9,418	16,680	-43.5
Non-operating income	238	265	-10.2
Profit before tax	9,656	16,945	-43.0
Profit after tax	7,399	12,935	-42.8
Profit attributable to owners of the parent	7,399	12,935	-42.8

Revenue in current quarter had reduced by approximately 40% to RM32.92 million as compared to RM55.22 million recorded in immediate preceding quarter. Decrease in revenue was mainly due to lower sales volume as a result of delay of shipping schedule. Total sales volume in current quarter had dropped by approximately 49%. Excluding the effect of freight portion, gross profit margin from sale of goods had improved from 32% in immediate preceding quarter to 39% despite of increase in production costs in current quarter under review. This was because delivery in immediate preceding quarter included certain long outstanding orders which have a lower selling price.

In line with the reduced sales, operating profit of the Group in current quarter decreased from RM16.68 million to RM9.42 million. Included in the operating profit is one-off item such as bad debts recovered of RM0.12 million for current quarter, compared to RM1.73 million recovered in fourth quarter 2021.

For quarter ended 31 March 2022, the Group reported profit before tax of RM9.66 million, a decrease of 43% as compared to immediate preceding quarter which was consistent with a lower sales and operating profit. Accordingly, profit after tax in current quarter also reduced by approximately 43% to RM7.40 million as compared to RM12.94 million recorded in immediate preceding quarter.

**B3. Prospects for the remaining period of current financial year**

Based on the North America lumber market outlook report, housing starts, which is a primary driver of lumber demand and selling price is expected to continue growing in year 2022. Thus, we expect that market price for wood products is sustainable in current year based on the US consumption of lumber as well as continued supply-side constraints due to its logistic issue and also Russia-Ukraine conflict.

However, costs of raw material and other components are increasing in current year due to increased oil price. Besides, revision of minimum wage effective from 1 May 2022 would increase our production costs by approximately 4%. The impact of the increasing production cost can be minimised if we are able to increase our production volume through the employment of more workers. However, the current selling price of plywood, without taking into consideration of the recent strengthening of US dollar, is able to absorb the increase of the production costs. Based on the current operating environment, the Board of Directors is confident that the Group will achieve a new height in year 2022.

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**B4. Profit forecast or profit guarantee**

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.

**B5. Income tax**

	Current year quarter 31/03/2022	Preceding year corresponding quarter 31/03/2021	Current year to-date 31/03/2022	Preceding year corresponding period 31/03/2021
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Malaysian income tax	2,310	-	2,310	-
Deferred income tax:				
- Origination and reversal of temporary differences	(53)	(120)	(53)	(120)
	2,257	(120)	2,257	(120)

The effective tax rate for current quarter was lower than the statutory tax rate, principally due to certain income not subjected to income tax purposes.

**B6. Status of corporate proposals**

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

**B7. Borrowings**

The Group has no borrowings as at 31 March 2022.

**B8. Material litigations**

There were no material litigations since the financial year ended 31 December 2021 and up to the date of this report.

**B9. Dividends**

The Board of Directors is pleased to declare an interim tax-exempt dividend of 3 sen per ordinary share in respect of the financial year ending 31 December 2022. The entitlement date and payment date are on 30 June 2022 and 15 July 2022 respectively. The total dividends declared to-date for the current financial year ending 31 December 2022 is 3 sen per ordinary share.

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

**B10. Auditors' report**

There was no qualification to the audited financial statements of the Company and its subsidiary for the financial year ended 31 December 2021.

**B11. Profit/ Loss per share**

Basic profit/ loss per share is calculated by dividing the profit/ loss for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period. For diluted loss per share calculation, the weighted average number of ordinary shares in issue was adjusted to assume that the maximum number of new ordinary shares have been issued pursuant to the share options granted under the Employees' Share Option Scheme ("ESOS"). The dilutive portion of the ordinary shares deemed issued pursuant to the ESOS are accounted for in the diluted (loss)/ earnings per share calculation. The ESOS will have a dilutive effect only when the average market price of ordinary shares of the Company during the period exceeds the exercise price of options granted.

	Current year quarter 31/03/2022	Preceding year corresponding quarter 31/03/2021	Current year to-date 31/03/2022	Preceding year corresponding period 31/03/2021
Profit/ (Loss) net of tax, attributable to owners of the parent used in the computation of loss per share (RM'000)	7,399	(2,895)	7,399	(2,895)
Weighted average number of ordinary shares in issue ('000)	99,622	98,869	99,622	98,869
Effects of dilution:				
- Employee share options ('000)	2,266	- *	2,266	- *
Weighted average number of ordinary shares for diluted profit/ loss per share computation ('000)	101,888	98,869	101,888	98,869
Basic profit/ (loss) per share (sen per share)	7.43	(2.93)	7.43	(2.93)
Diluted profit/ (loss) per share (sen per share)	7.26	(2.93)	7.26	(2.93)

\* nil due to anti-dilutive effect

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

**B12. Derivative financial instruments**

As at 31 March 2022 and 31 December 2021, the Group has the following outstanding derivatives financial instruments:

	Principal or Notional Amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
<b><u>31 March 2022</u></b>			
Foreign currency forward contract:			
- Less than 1 year	19,768	37	13
<b><u>31 December 2021</u></b>			
Foreign currency forward contract:			
- Less than 1 year	29,155	396	-

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

The fair value changes are attributable to changes in foreign exchange spot and forward rate. Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and forward rate curves.

(Incorporated in Malaysia)

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 FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**B13. Profit/ Loss before tax**

The following amounts have been included in arriving at profit/ loss before tax:

	Current year quarter 31/03/2022	Preceding year corresponding quarter 31/03/2021	Current year to-date 31/03/2022	Preceding year corresponding period 31/03/2021
	RM'000	RM'000	RM'000	RM'000
Interest income	(45)	(54)	(45)	(54)
Distribution income from money market funds	(41)	(179)	(41)	(179)
Net gain on money market funds	(183)	(34)	(183)	(34)
Gain on disposal of property, plant and equipment	(19)	(30)	(19)	(30)
Bad debts recovered	(120)	-	(120)	-
Rental income	(71)	(68)	(71)	(68)
Rental of office premises	48	48	48	48
Depreciation of property, plant and equipment	809	853	809	853
Depreciation of investment properties	21	21	21	21
Direct operating expenses arising from investment properties:				
- rental generating properties	33	40	33	40
Net fair value (gain)/ loss on derivatives:				
- realised	(286)	(23)	(86)	(23)
- unrealised	372	415	372	415
Net gain on foreign exchange:				
- realised	(399)	(91)	(399)	(91)
- unrealised	(30)	(454)	(30)	(454)