



**ELK-DESA RESOURCES BERHAD**

(Company No: 198901002858 (180164-X))

**QUARTERLY REPORT ON CONSOLIDATED  
RESULTS FOR THE PERIOD ENDED  
30 JUNE 2022**

**ELK-DESA RESOURCES BERHAD** (Company No: 198901002858 (180164-X))**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****For the financial period ended 30 June 2022**

(The figures have not been audited.)

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Revenue	38,955,459	31,372,615	38,955,459	31,372,615
Other income	546,955	602,212	546,955	602,212
Cost of inventories sold	(9,284,570)	(5,788,163)	(9,284,570)	(5,788,163)
Depreciation of PPE & right-of-use assets	(679,739)	(702,001)	(679,739)	(702,001)
Impairment allowance	5,256,840	(8,320,928)	5,256,840	(8,320,928)
Other expenses	(9,748,372)	(7,347,613)	(9,748,372)	(7,347,613)
Finance costs	(1,672,412)	(2,905,077)	(1,672,412)	(2,905,077)
Profit before taxation	23,374,161	6,911,045	23,374,161	6,911,045
Taxation	(5,780,622)	(1,943,783)	(5,780,622)	(1,943,783)
Profit for the financial period	17,593,539	4,967,262	17,593,539	4,967,262
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	17,593,539	4,967,262	17,593,539	4,967,262
Earnings per ordinary share - basic (sen)	5.83	1.67	5.83	1.67
Earnings per ordinary share - diluted (sen)	5.80	1.65	5.80	1.65

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022)

**ELK-DESA RESOURCES BERHAD** (Company No: 198901002858 (180164-X))  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**As at 30 June 2022**

(The figures have not been audited.)

	<b>As at 30.06.2022 RM</b>	<b>As at 31.03.2022 RM</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	11,174,514	11,181,923
Hire purchase receivables	367,782,655	336,249,132
Right-of-use assets	5,738,498	3,842,989
Deferred tax assets	10,287,598	12,275,500
	394,983,265	363,549,544
<b>Current assets</b>		
Inventories	13,055,476	11,946,537
Other assets	373,012	701,297
Trade receivables	16,353,240	16,459,842
Hire purchase receivables	134,405,779	131,801,653
Other receivables, deposits and prepayments	3,239,021	2,221,076
Current tax assets	418,003	423,603
Short term funds	33,885,755	43,277,806
Cash and bank balances	26,940,188	11,880,630
	228,670,474	218,712,444
Total assets	<u>623,653,739</u>	<u>582,261,988</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	351,493,098	344,898,934
Retained earnings	103,781,817	97,199,748
ICULS - equity component	-	5,430,218
Total equity	455,274,915	447,528,900
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Block discounting payables - secured	91,493,814	63,897,622
Term loan - unsecured	5,304,000	6,306,000
Lease liabilities	5,230,531	3,286,604
Deferred tax liabilities	-	2,168
	102,028,345	73,492,394
<b>Current liabilities</b>		
Trade payables	2,798,804	3,617,351
Other payables and accruals	4,796,825	6,965,474
ICULS - liability component	-	7,078
Block discounting payables - secured	50,542,186	42,729,205
Term loan - unsecured	4,008,000	4,008,000
Lease liabilities	729,110	734,027
Bank overdraft	-	322,400
Current tax liabilities	3,475,554	2,857,159
	66,350,479	61,240,694
Total liabilities	<u>168,378,824</u>	<u>134,733,088</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>623,653,739</u>	<u>582,261,988</u>
Net assets per share	1.50	1.50

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022)*

**ELK-DESA RESOURCES BERHAD** (Company No: 198901002858 (180164-X))  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**For the financial period ended 30 June 2022**  
(The figures have not been audited.)

	<b>Number of Issued Shares Units</b>	<b>Share Capital RM</b>	<b>Retained Earnings RM</b>	<b>ICULS - equity component RM</b>	<b>Total Equity RM</b>
Balance as at 1 April 2021	297,238,774	344,449,188	91,576,189	5,805,076	441,830,453
Total comprehensive income	-	-	4,967,262	-	4,967,262
Issuance of shares upon conversion of ICULS	328,308	387,405	(54,873)	(322,897)	9,635
Second interim dividend for financial year ended 31 March 2021	-	-	(14,134,472)	-	(14,134,472)
<b>Balance as at 30 June 2021</b>	<b>297,567,082</b>	<b>344,836,593</b>	<b>82,354,106</b>	<b>5,482,179</b>	<b>432,672,878</b>
Balance as at 1 April 2022	297,619,913	344,898,934	97,199,748	5,430,218	447,528,900
Total comprehensive income	-	-	17,593,539	-	17,593,539
Issuance of shares upon conversion of ICULS	5,587,206	6,594,164	(1,157,193)	(5,430,218)	6,753
Second interim dividend for financial year ended 31 March 2022	-	-	(9,854,277)	-	(9,854,277)
<b>Balance as at 30 June 2022</b>	<b>303,207,119</b>	<b>351,493,098</b>	<b>103,781,817</b>	<b>-</b>	<b>455,274,915</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022)*

**ELK-DESA RESOURCES BERHAD** (Company No: 198901002858 (180164-X))  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the financial period ended 30 June 2022**  
(The figures have not been audited.)

	<b>3 months ended</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM</b>	<b>RM</b>
<b><u>Cash flows from operating activities</u></b>		
Profit before taxation	23,374,161	6,911,045
Adjustment for :		
Depreciation of property, plant and equipment	273,611	276,134
Depreciation of right-of-use assets	406,128	425,868
Inventories written down / (written back)	5,103	(32,973)
(Reversal)/Impairment allowances made for the financial year:		
- hire-purchase receivables	(4,972,595)	8,547,725
- trade receivables	108,389	104,156
Interest expense	1,587,138	2,844,760
Interest on lease liabilities	85,274	60,317
Interest income	(90,652)	(376,621)
Income from short term funds	(10,927)	(77,693)
Unrealised loss/(gain) on foreign exchange	(84,858)	(16,493)
Operating profit before working capital changes	20,680,772	18,666,225
Changes in working capital:		
Inventories	(1,114,041)	280,472
Other assets	328,284	12,342
Hire purchase receivables	(29,165,055)	5,379,901
Trade receivables	85,104	943,787
Other receivables, deposits and prepayments	(1,017,945)	(531,011)
Trade payables	(818,546)	(3,760,806)
Other payables and accruals	(1,953,696)	(2,391,827)
	(33,655,895)	(67,142)
Cash generated from/(used in) operations	(12,975,123)	18,599,083
Tax paid	(3,173,025)	(4,002,430)
<b>Net cash from/(used in) operating activities</b>	<b>(16,148,148)</b>	<b>14,596,653</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(266,202)	(298,023)
Net withdrawal/(placement) of fixed deposit with licensed banks with original maturity of more than three (3) months	-	5,022,465
Withdrawals/(Placements) of deposits assigned in favour of the trustee	1,120,686	(309,934)
Interest received	90,652	376,621
Income received from short term funds	10,927	77,693
<b>Net cash from/(used in) investing activities</b>	<b>956,063</b>	<b>4,868,822</b>

**ELK-DESA RESOURCES BERHAD** (Company No: 198901002858 (180164-X))**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****For the financial period ended 30 June 2022**

(The figures have not been audited.)

	<b>3 months ended</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>RM</b>	<b>RM</b>
<b><u>Cash flows from financing activities</u></b>		
Net (repayment)/drawdown of term loans	(1,002,000)	(1,002,000)
Net (repayment)/drawdown of block discounting payables	35,523,981	29,028,423
Interest paid	(1,917,127)	(2,343,977)
Repayment of lease liabilities	(447,900)	(468,420)
Dividend paid	(9,854,277)	(14,134,472)
<b>Net cash from/(used in) financing activities</b>	<b>22,302,677</b>	<b>11,079,554</b>
<b>Net increase/(decrease) in cash and cash equivalents during the financial period</b>	<b>7,110,592</b>	<b>30,545,029</b>
Cash and cash equivalents as at beginning of financial year	53,715,351	22,305,362
<b>Cash and cash equivalents as at end of financial period</b>	<b>60,825,943</b>	<b>52,850,391</b>
<b><u>Composition of cash and cash equivalents</u></b>		
Deposits, cash and bank balances	26,940,188	68,216,638
Bank overdraft	-	(102,666)
Short term fund	33,885,755	44,079,661
Deposits assigned in favour of the trustee of SPE	-	(59,343,242)
	<b>60,825,943</b>	<b>52,850,391</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2022)

## **A1 Accounting Policies And Basis Of Preparation**

The interim financial statements have been prepared in accordance with MFRS 134: *Interim Financial Reporting* and Chapter 9 Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements are unaudited and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2022, which had been prepared in accordance with Malaysian Financial Reporting Standards (MFRS).

The accounting policies adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2022 except for the adoption of new MFRSs, amendments and IC interpretations that are mandatory for the Group for the financial year beginning or after 1 April 2022.

On 1 April 2022, the following accounting standards, amendments and interpretations of the MFRS Framework were adopted by the Group.

<b>Title</b>	<b>Effective Date</b>
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022

Application of the above accounting standards, amendments and interpretations are not expected to have a material impact on the financial statements of the Group.

## **A2 Seasonal and Cyclical Factors**

Generally, the Group's operations will benefit from higher consumer spendings during festive seasons in Malaysia.

## **A3 Unusual Items due to Their Nature, Size or Incidence**

There were no unusual items that may affect the amount stated in the interim financial statements during the financial year ended 30 June 2022.

## **A4 Change in Estimates**

There were no changes in estimates that had any material effect for the financial period ended 30 June 2022.

## **A5 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuance, repurchases and repayment of debt and equity securities and share cancellations during the financial period ended 30 June 2022 except for the following:

### Equity Securities

The eight (8) years ICULS programme ended on its maturity date on 15 April 2022 and all remaining 6,594,164 ICULS had been converted to 5,587,206 ordinary shares during the financial period.

As at 30 June 2022, the number of ordinary shares were 303,207,119 shares.

## **A6 Dividend Paid**

On 16 June 2022, the Company had paid a second interim single tier dividend of 3.25 sen per share in respect of the financial year ended 31 March 2022, the dividend amounting to RM9.85 million.

**A7 Segmental Reporting**

	Hire Purchase Financing RM	Furniture RM	Consolidated RM
<b><u>Year to Date and Quarter Ended 30 June 2022</u></b>			
Revenue (External)	24,515,346	14,440,113	38,955,459
Other income	339,942	207,013	546,955
Cost of inventories sold	-	(9,284,570)	(9,284,570)
Depreciation of PPE & right of use assets	(338,430)	(341,309)	(679,739)
Impairment allowance	5,362,364	(105,524)	5,256,840
Other expenses	(6,252,824)	(3,495,548)	(9,748,372)
Finance costs	(1,630,836)	(41,576)	(1,672,412)
<b>Profit before tax</b>	<b>21,995,562</b>	<b>1,378,599</b>	<b>23,374,161</b>
Segment assets	583,669,114	39,984,625	623,653,739
Segment liabilities	163,668,224	4,710,600	168,378,824
<b><u>Year to Date and Quarter Ended 30 June 2021</u></b>			
Revenue (External)	22,879,369	8,493,246	31,372,615
Other income	593,256	8,956	602,212
Cost of inventories sold	-	(5,788,163)	(5,788,163)
Depreciation of PPE & right-of-use assets	(345,986)	(356,015)	(702,001)
Impairment allowance	(8,219,772)	(101,156)	(8,320,928)
Other expenses	(4,949,593)	(2,398,020)	(7,347,613)
Finance costs	(2,892,693)	(12,384)	(2,905,077)
<b>Profit before tax</b>	<b>7,064,581</b>	<b>(153,536)</b>	<b>6,911,045</b>
Segment assets	641,788,080	33,180,298	674,968,378
Segment liabilities	239,133,954	3,161,546	242,295,500



**A8 Subsequent Events**

There was no material event subsequent to the current quarter.

**A9 Changes in the Composition of the Group**

There were no changes in the composition of the Group, including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations during the financial period ended 30 June 2022.

**A10 Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities and assets for the Group as at 30 June 2022.

**A11 Capital Commitments**

The Group has on 28 June 2022 entered into a Sale and Purchase agreement for the purchase of a piece of freehold industrial land together with buildings erected for a cash consideration of RM19.28 million. Refer to Company's announcement for more details.

**A12 Related Party Disclosures**

The Group has on 28 June 2022 entered into a related party transaction with Zhongxin Realty Sdn Bhd for the purchase of a piece of freehold industrial land together with buildings erected. Refer to Company's announcement for more details.

**B1 Review of Performance**
**YEAR TO DATE AND CURRENT QUARTER (FY2023-Q1 vs FY2022-Q1)**

GROUP	Individual Quarter		Variance	Variance	Cumulative Quarter		Variance	Variance
	3 months ended				3 months ended			
	30.06.2022	30.06.2021			30.06.2022	30.06.2021		
	RM	RM			RM	RM		
Revenue	38,955,459	31,372,615	7,582,844	24%	38,955,459	31,372,615	7,582,844	24%
Profit before interest and tax	25,046,573	9,816,122	15,230,451	155%	25,046,573	9,816,122	15,230,451	155%
Profit before taxation	23,374,161	6,911,045	16,463,116	238%	23,374,161	6,911,045	16,463,116	238%

GROUP	As at		Variance	Variance
	30.06.2022	30.06.2021		
	RM	RM	RM	%
Hire Purchase Receivables	502,188,434	508,869,449	(6,681,015)	-1%
Bank Borrowings	151,348,000	169,107,658	(17,759,658)	-11%
Medium Term Notes ("MTN")	-	54,449,284	(54,449,284)	-100%

The Group's revenue for the quarter increased by 24% to RM38.96 million. Profit before tax for the quarter increased by 238% to RM23.37 million. The higher revenue and profit before tax were due to higher contribution from both hire purchase and furniture segments.

Hire purchase receivables as at 30 June 2022 stood at RM502 million, which is marginally 1% lower than the previous year.

The Group's bank borrowings decreased by 11% mainly due to repayment of block discounting facilities and term loans. There was no outstanding balance for MTN as they were fully redeemed in last financial year. As at 30 June 2022, the Group's gearing remains at a low level of 0.33 times.

HIRE PURCHASE SEGMENT	Individual Quarter		Variance	Variance	Cumulative Quarter		Variance	Variance
	3 months ended				3 months ended			
	30.06.2022	30.06.2021			30.06.2022	30.06.2021		
	RM	RM	RM	%	RM	RM	RM	%
Revenue	24,515,346	22,879,369	1,635,977	7%	24,515,346	22,879,369	1,635,977	7%
Profit before interest and tax	23,626,398	9,957,274	13,669,124	137%	23,626,398	9,957,274	13,669,124	137%
Profit before taxation	21,995,562	7,064,581	14,930,981	211%	21,995,562	7,064,581	14,930,981	211%

Revenue increased by 7% to RM24.52 million, mainly due to increase in hire purchase portfolio.

For the quarter, there was a reversal of impairment allowance amounting to RM5.36 million compared to an impairment allowance of RM8.22 million in the corresponding period of the last financial period. The reversal of impairment allowance was due to a significant decrease in the non-performing accounts during the quarter as a result of positive recovery activities and exceptionally good collection trend. Net impaired loans ratio decreased from 2.89% as at 31 March 2022 to 1.83% as at 30 June 2022. There was a reversal of credit loss charge of 0.98% compared to a credit loss charge of 1.43% in the corresponding period of the last financial period.

Other expenses increased by 25% to RM6.18 million mainly due to higher staff costs and operating costs. Cost to income ratio stood at 28%. Finance cost reduced by 44% to RM1.63 million due to lower borrowings.

The profit before tax increased by 211% to RM22.00 million mainly due to the lower impairment allowance and borrowing costs during the quarter.

FURNITURE SEGMENT	Individual Quarter		Variance	Variance	Cumulative Quarter		Variance	Variance
	3 months ended				3 months ended			
	30.06.2022	30.06.2021			30.06.2022	30.06.2021		
	RM	RM	RM	%	RM	RM	RM	%
Revenue	14,440,113	8,493,246	5,946,867	70%	14,440,113	8,493,246	5,946,867	70%
Profit before interest and tax	1,420,175	(141,152)	1,561,327	1106%	1,420,175	(141,152)	1,561,327	1106%
Profit before taxation	1,378,599	(153,536)	1,532,135	998%	1,378,599	(153,536)	1,532,135	998%

Revenue increased by 70% to RM14.44 million mainly due to higher furniture sales in this quarter as compared to MCO disruptions to the furniture operations in the previous corresponding quarter.

Impairment allowance increased marginally by 4% to RM0.10 million due to slower repayment from furniture dealers. Other expenses increased by 46% to RM3.50 million mainly due to higher staff costs and other operating costs.

The segment recorded a higher profit before tax of RM1.38 million mainly due to higher sales for the quarter ended 30 June 2022.

**B2 Comparison of Results with Preceding Quarter**

GROUP	Current Quarter	Immediate Preceding Quarter	Variance	Variance
	30.06.2022	31.03.2022		
	RM	RM	RM	%
Revenue	38,955,459	35,960,333	2,995,126	8%
Profit before interest and tax	25,046,573	9,191,566	15,855,007	172%
Profit before taxation	23,374,161	7,531,084	15,843,077	210%
Hire purchase receivables	502,188,434	468,050,785	34,137,649	7%
Bank borrowings	151,348,000	117,263,227	34,084,773	29%

The Group's profit before tax for the current quarter of RM23.37 million was higher as compared to RM7.53 million of the immediate preceding quarter mainly due to a higher profit contribution from hire purchase segment in the current quarter.

### **B3 Prospects and Outlook**

Malaysia's transition into the endemic phase augurs well for the national economy as a whole. In line with continued expansion in global growth and higher private sector spending, the Malaysian economy is expected to remain on its recovery path. For 2022, the domestic economy is expected to remain on its recovery path, supported by the continued expansion in global demand and higher private sector expenditure given improving labour market conditions and on-going policy support. The continuation of major investment projects in both private and public sectors will also support growth.

The threat of further operational disruptions caused by Movement Control Orders or lockdowns, which had impacted the performance of the Group in FY2022, has dissipated as the result of a high vaccination rate in Malaysia.

In the next 12 months, ELK-Desa is still mindful of the uncertainties that remain within the operating landscape. These include the rising cost of living; expiry of loan moratoriums given out by banks that may impact borrowers' disposable incomes and their repayment ability. Moreover, the Group's debt recovery activities continue to be constrained by the Covid-19 Act which generally protects borrowers' interest.

The overall demand for used-car hire purchase financing will continue to be strong as the economy normalises. Additionally, the growth of online trading platforms for used cars may contribute towards a slower price reduction rate for older used cars and the introduction of a higher minimum wage rate of RM1500 may be positive for the industry.

In view of this, ELK-Desa aims to gradually bring its hire purchase receivables portfolio towards pre-pandemic levels while taking a cautious approach to protect our asset quality. We will continue to keep track of the market developments while remaining steadfast on strengthening our credit recovery efforts.

For the furniture segment, the improving business and consumer sentiments are expected to drive demand for quality and value for money furniture products. ELK-Desa plans to sustain revenue growth for its furniture segment by working closely with furniture dealers and manufacturers to identify the right furniture products that appeal to Malaysian consumers. This is in tandem with our strategy to solidify our presence in the wholesaling of home furniture in the domestic market.

Concurrently, the Group will also be optimising its capabilities in stock and logistics management in order to ensure the timely delivery of our furniture products to our customers. We are especially focused on pro-actively managing potential supply chain constraints caused by logistics disruptions.

The exceptional profit contribution from HP segment in this quarter, mainly due to the reversal of impairment allowance on HP receivables, was better than expected. However, we do not foresee such reversal trend to continue for the remaining financial year given the current challenging operating environment.

For the financial ending 31 March 2023, the Board of ELK-Desa will strive to deliver improved performance as compared to FY2022. The Board is also committed to delivering its dividend policy of distributing not less than 60% of the Group's annual net profits after tax to shareholders in the current financial year.

#### B4 Profit Forecasts

The Group did not issue any profit forecasts for the period under review.

#### B5 Taxation

Tax charge for the quarter and financial period ended 30 June 2022 are set out below:

	<b>3 months ended 30.06.2022 RM</b>
(a) Income Tax	3,797,020
(b) Deferred Taxation	1,983,602
	<u>5,780,622</u>

The effective tax rate of the Group for the current quarter ended 30 June 2022 was higher than the statutory tax rate mainly due to certain expenses which were not deductible for tax purposes.

#### B6 Status of Corporate Proposals Announced

There are no corporate proposals announced for the Group as at the reporting date.

#### B7 Group Borrowings & Debt Securities

The Group does not have any borrowings or debt securities that are denominated in foreign currency.

		<b>As at 30.06.2022 RM</b>	<b>As at 30.06.2021 RM</b>
<b>Borrowings</b>			
Block Discounting Payables	- within 1 year	50,542,186	57,365,519
(Fixed rate and secured)	- later than 1 year	91,493,814	98,319,473
		142,036,000	155,684,992
Term Loan	- within 1 year	4,008,000	4,008,000
(Floating and unsecured)	- later than 1 year	5,304,000	9,312,000
		9,312,000	13,320,000
Bank overdraft		-	102,666
Total Borrowings		<u>151,348,000</u>	<u>169,107,658</u>
<b>Debt Securities</b>			
ICULS - liability component	- later than 1 year	-	133,187
Medium Term Notes	- within 1 year	-	34,474,675
	- later than 1 year	-	19,974,609
		-	54,449,284
Total Debt Securities		<u>-</u>	<u>54,582,471</u>

#### B8 Changes in Material Litigation

There was no material litigation against the Group as at the reporting date.

#### B9 Dividend

There was no dividend proposed in the current quarter and the previous corresponding quarter.

## B10 Earnings Per Share

Basic earnings per share is calculated by dividing the Group's net profit by the weighted average number of ordinary shares in issue during the financial period.

	Quarter ended 30.06.2022	Quarter ended 30.06.2021	Year to date 30.06.2022	Year to date 30.06.2021
Profit after taxation (RM)	17,593,539	4,967,262	17,593,539	4,967,262
Weighted average number of ordinary shares (units)	301,673,819	297,384,340	301,673,819	297,384,340
Basic earnings per ordinary share (sen)	5.83	1.67	5.83	1.67

Diluted earnings per share is calculated by dividing the Group's net profit by the weighted average number of ordinary shares in issue after adjustment for the effects of all dilutive potential ordinary shares.

	Quarter ended 30.06.2022	Quarter ended 30.06.2021	Year to date 30.06.2022	Year to date 30.06.2021
Profit after taxation (RM)	17,593,539	4,967,262	17,593,539	4,967,262
Interest expense on ICULS, net of tax (RM)	1,375	23,113	1,375	23,113
Adjusted profit after tax (RM)	17,594,914	4,990,375	17,594,914	4,990,375
Weighted average number of ordinary shares (units)	301,673,819	297,384,340	301,673,819	297,384,340
Adjustment for potential dilutive shares (units)	1,533,300	5,823,920	1,533,300	5,823,920
Adjusted weighted average number of ordinary shares (units)	303,207,119	303,208,260	303,207,119	303,208,260
Diluted earnings per ordinary share (sen)	5.80	1.65	5.80	1.65

## B11 Audit Report For The Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding financial year ended 31 March 2022 was not qualified.

## B12 Notes to the Statement of Comprehensive Income

	3 months ended 30.06.2022 RM
Profit before taxation is arrived at after charging:	
Interest expense	1,587,138
Interest on lease liabilities	85,274
And crediting :	
Interest income	101,579
Unrealised foreign exchange gain / (loss)	84,858
Realised foreign exchange gain / (loss)	(103,533)

## B13 Retained Earnings

The following analysis of realised and unrealised retained earnings is prepared in accordance with the guidance issued by the Malaysian Institute of Accountants in the prescribed format by Bursa Malaysia Securities Berhad.

	As at 30.06.2022 RM	As at 31.03.2022 RM
Total retained earnings of the Company and its subsidiaries		
- Realised	128,233,441	119,680,770
- Unrealised	10,285,899	12,273,802
	138,519,340	131,954,572
Less: Consolidation adjustments	(34,737,523)	(34,754,824)
Total retained earnings as per consolidation accounts	103,781,817	97,199,748