

FIAMMA HOLDINGS BERHAD

Quarterly Report on consolidated results for the fourth quarter ended 30 September 2022

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited)

	NOTE	INDIVIDUAL QUARTER (Q4)		CUMULATIVE QUARTER (12 MONTHS)	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
		QUARTER	CORRESPONDING QUARTER	TO DATE	CORRESPONDING PERIOD
		30 SEPT 2022	30 SEPT 2021	30 SEPT 2022	30 SEPT 2021
		RM'000	RM'000	RM'000	RM'000
Revenue		89,785	61,808	369,979	338,022
Cost of sales		(62,403)	(39,958)	(257,390)	(229,738)
Gross profit		27,382	21,850	112,589	108,284
Operating expenses		(14,723)	(12,669)	(54,183)	(52,204)
Change in fair value of investment properties		-	(175)	-	(175)
Finance costs		(1,375)	(1,369)	(5,478)	(6,257)
Other operating income		1,000	1,213	3,677	3,965
Profit before tax		12,284	8,850	56,605	53,613
Tax expense	B5	(3,554)	(4,450)	(15,497)	(16,067)
Profit for the period		8,730	4,400	41,108	37,546
Other comprehensive income					
Foreign exchange translation difference		382	(76)	729	201
Revaluation of property, plant and equipment		11,538	-	11,538	-
Total comprehensive income		20,650	4,324	53,375	37,747
Profit for the period attributable to:					
Owners of the Company		7,727	3,927	36,842	34,501
Non-controlling Interest		1,003	473	4,266	3,045
Profit for the period		8,730	4,400	41,108	37,546
Total comprehensive income for the period attributable to:					
Owners of the Company		19,538	3,872	48,904	34,645
Non-controlling Interest		1,112	452	4,471	3,102
Total comprehensive income		20,650	4,324	53,375	37,747
Basic earnings per share (sen)	B11	1.52	0.80	7.36	7.03
Diluted earnings per share (sen)	B11	1.52	0.77	7.35	7.00

This Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2021.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022
(The figures have not been audited)

	NOTE	AS AT 30 SEPT 2022 RM'000	AS AT 30 SEPT 2021 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		114,928	102,167
Right-of-use assets		48	72
Investment properties		76,906	76,906
Inventories		130,661	129,474
Deferred tax assets		5,284	5,343
		<u>327,827</u>	<u>313,962</u>
Current assets			
Inventories		275,403	277,854
Contract assets		7,760	3,418
Contract costs		822	1,230
Trade and other receivables		92,159	70,975
Prepayments		954	847
Current tax assets		1,367	1,343
Cash and cash equivalents		102,339	104,450
		<u>480,804</u>	<u>460,117</u>
TOTAL ASSETS		<u>808,631</u>	<u>774,079</u>
EQUITY			
Share capital		277,744	268,408
Treasury shares		(11,023)	(11,023)
Reserves and retained earnings		311,847	274,999
Total equity attributable to owners of the Company		<u>578,568</u>	<u>532,384</u>
Non-controlling interest		<u>20,486</u>	<u>27,075</u>
TOTAL EQUITY		<u>599,054</u>	<u>559,459</u>
LIABILITIES			
Non-current liabilities			
Loans and borrowings	B7	31,169	42,788
Trade payables		5,613	5,613
Lease liabilities		22	48
Deferred tax liabilities		5,456	2,879
		<u>42,260</u>	<u>51,328</u>
Current liabilities			
Loans and borrowings	B7	99,172	87,751
Trade and other payables		46,840	55,454
Contract liabilities		19,541	17,488
Lease liabilities		28	26
Provision for warranties		515	485
Current tax liabilities		1,221	2,088
		<u>167,317</u>	<u>163,292</u>
TOTAL LIABILITIES		<u>209,577</u>	<u>214,620</u>
TOTAL EQUITY AND LIABILITIES		<u>808,631</u>	<u>774,079</u>
Net assets per share (RM)		<u>1.1382</u>	<u>1.0784</u>

This Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2021.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2022
(The figures have not been audited)

NOTE	←----- Non-distributable ----->					Distributable		NON-CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	REVALUATION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000		
At 1 October 2021	268,408	(11,023)	1,805	1,256	-	271,938	532,384	27,075	559,459
Total comprehensive income for the financial period									
- Foreign exchange translation reserve	-	-	524	-	-	-	524	205	729
- Revaluation of property, plant and equipment	-	-	-	-	11,538	-	11,538	-	11,538
- Profit for the financial year	-	-	-	-	-	36,842	36,842	4,266	41,108
Total comprehensive income for the financial year	-	-	524	-	11,538	36,842	48,904	4,471	53,375
<i>Contribution by and (distributions to) owners of the Company</i>									
- Dividends to owners of the Company	-	-	-	-	-	(10,914)	(10,914)	-	(10,914)
- Issuance of ordinary shares pursuant to ESOS	A6 8,194	-	-	-	-	-	8,194	-	8,194
- Transfer from share option reserve	1,142	-	-	(1,201)	-	59	-	-	-
Total transactions with owners of the Company	9,336	-	-	(1,201)	-	(10,855)	(2,720)	-	(2,720)
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	(11,060)	(11,060)
At 30 September 2022	<u>277,744</u>	<u>(11,023)</u>	<u>2,329</u>	<u>55</u>	<u>11,538</u>	<u>297,925</u>	<u>578,568</u>	<u>20,486</u>	<u>599,054</u>

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2021.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2021

(The figures have not been audited)

NOTE	< ----- Non-distributable ----- >				Distributable		NON- CONTROLLING INTEREST RM'000	TOTAL EQUITY RM'000
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	TRANSLATION RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000		
	At 1 October 2020	265,030	(10,904)	1,661	2,373	250,278		
Total comprehensive income for the financial period								
- Foreign exchange translation reserve	-	-	144	-	-	144	57	201
- Profit for the financial year	-	-	-	-	34,501	34,501	3,045	37,546
Total comprehensive income for the financial year	-	-	144	-	34,501	34,645	3,102	37,747
<i>Contribution by and (distributions to) owners of the Company</i>								
- Dividends to owners of the Company	-	-	-	-	(13,545)	(13,545)	-	(13,545)
- Issuance of ordinary shares pursuant to ESOS	2,965	-	-	-	-	2,965	-	2,965
- Transfer from share option reserve	413	-	-	(1,117)	704	-	-	-
- Own shares acquired	-	(119)	-	-	-	(119)	-	(119)
Total transactions with owners of the Company	3,378	(119)	-	(1,117)	(12,841)	(10,699)	-	(10,699)
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	-	-	(1,326)	(1,326)
At 30 September 2021	268,408	(11,023)	1,805	1,256	271,938	532,384	27,075	559,459

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2021.

FIAMMA HOLDINGS BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 12 MONTHS ENDED 30 SEPTEMBER 2022

(The figures have not been audited)

	12 MONTHS ENDED 30 SEPT 2022 RM'000	12 MONTHS ENDED 30 SEPT 2021 RM'000
Cash flows from operating activities		
Profit before tax	56,605	53,613
Adjustments	5,994	10,231
Operating profit before changes in working capital	62,599	63,844
Changes in working capital:		
Contract assets	(4,342)	(2,145)
Contract liabilities	2,053	(2,135)
Contract costs	408	(353)
Inventories	1,236	5,173
Prepayments	(107)	306
Trade and other payables	(8,603)	(25,604)
Trade and other receivables	(20,868)	48,248
Cash generated from operations	32,376	87,334
Provision for warranties utilised	(272)	(313)
Tax paid net of refund	(15,914)	(22,066)
Net cash from operating activities	16,190	64,955
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,210)	(3,070)
Acquisition of investment properties	-	(90)
Interest received	1,661	2,033
Proceeds from disposal of property, plant and equipment	51	65
Net cash from /(used in) investing activities	502	(1,062)
Cash flows from financing activities		
Dividends paid to non-controlling interest	(11,060)	(1,326)
Dividends paid to owners of the Company	(10,914)	(13,545)
Repayment of borrowings - net	(198)	(55,530)
Interest paid	(5,111)	(5,854)
Interest paid in relation to lease liabilities	(2)	(6)
Payment of lease liabilities	(24)	(149)
Proceeds from issuance of ordinary shares pursuant to ESOS	8,194	2,965
Purchase of treasury shares	-	(119)
Net cash used in financing activities	(19,115)	(73,564)
Net decrease in cash and cash equivalents	(2,423)	(9,671)
Cash and cash equivalents at beginning of financial year	104,450	114,027
Effect of exchange rate fluctuation on cash held	312	94
Cash and cash equivalents at end of financial year	102,339	104,450

This Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes attached to the interim financial statements and the audited financial statements for the financial year ended 30 September 2021.

Fiamma Holdings Berhad ((Registration No: 198201008992 (88716-W)) (“Fiamma” or “the Company”))

Notes to the interim financial statements for the quarter ended 30 September 2022

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting

The unaudited interim financial statements have been prepared in accordance with MFRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group as at and for the financial year ended 30 September 2021.

AI. Accounting Policies

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia. The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

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 – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Notes to the Interim Financial Statements

A1. Accounting Policies (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 October 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022; and
- from the annual period beginning on 1 October 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Group.

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

A2. Report of the Auditors to the Members of Fiamma

The report of the auditors to the members of Fiamma and its subsidiaries on the financial statements for the financial year ended 30 September 2021 were not subject to any qualification and did not include any adverse comments made under Section 266 (3) of the Companies Act 2016.

A3. Seasonality or Cyclicity of Interim Operations

The business of the Group was not subject to material seasonal or cyclical fluctuations.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial year under review.

A5. Material Changes in Estimates of Amounts Reported

There were no material changes in estimates used in reporting the current quarter as compared to the financial statements of the Group for the financial year ended 30 September 2021.

Notes to the Interim Financial Statements

A6. Debt and Equity Securities

- (a) During the current financial quarter and current financial year, a total of 740,000 and 14,632,000 new ordinary shares, respectively, were issued pursuant to the exercise of Employees' Share Option Scheme ("ESOS") at an option price of RM0.56 per ordinary share.
- (b) The owners of the Company, by a special resolution passed at the Annual General Meeting held on 23 February 2022, approved the Company's plan to repurchase its own shares.

There was no share buy-back during the current quarter and current financial year.

As at 30 September 2022, the Company held 21,624,400 of its own shares, representing 4.08% of the total number of issued shares of the Company. These shares were being held and retained as treasury shares.

There were no other issuance, cancellation, resale and repayments of debt and equity securities for the current financial quarter ended 30 September 2022.

A7. Dividend Paid

No dividend was paid during the current quarter.

A8. Operating Segment Information

The Group has three (3) reportable segments, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed based on the Group's management and internal reporting structure. For each of the strategic business units, the Chief Executive Officer (the chief operating decision maker) reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Groups' reportable segments:

Trading and services	Distribution and servicing of electrical home appliances, sanitaryware, kitchen and wardrobe system and built-in furniture, other household products, bathroom accessories, medical devices and healthcare products
Property development	Property development
Investment holding and property investment	Long term investment in quoted and unquoted shares and property investment

Notes to the Interim Financial Statements

A8. Operating Segment Information (continued)

The reportable segment information for the Group is as follows:

	Trading & Services RM'000	Property Development RM'000	Investment Holding & Property Investment RM'000	Total RM'000
For the financial year ended 30 September 2022				
External revenue	339,759	26,291	3,929	369,979
Inter/Intra segment revenue	26,626	-	39,216	65,842
Total reportable revenue	366,385	26,291	43,145	435,821
Segment profit	54,690	6,889	40,569	102,148
Segment assets	416,877	381,400	484,104	1,282,381
Segment assets				1,282,381
Elimination of inter-segment transactions or balances				(473,750)
				808,631
Segment liabilities	(110,801)	(219,250)	(112,229)	(442,280)
Segment liabilities				(442,280)
Elimination of inter-segment transactions or balances				232,703
				(209,577)
<i>Reconciliation of profit</i>				
				30 Sept 2022
				RM'000
Total profit for reportable segments				102,148
Elimination of inter-segment profits				(39,512)
Depreciation				(2,579)
Interest expense				(5,113)
Interest income				1,661
				56,605

Notes to the Interim Financial Statements

A9. *Events Subsequent to the end of the Financial Year*

- (a) Subsequent to the financial quarter end, a total of 210,000 new ordinary shares were issued pursuant to the exercise of ESOS at an option price of RM0.56 per ordinary share.
- (b) Subsequent to the financial quarter end, the Company repurchased 20,000,000 of its issued shares from the open market at an average price of RM0.974 per share including transaction costs. Total consideration paid was approximately RM19.484 million and it was financed by internally generated funds.

With the share buy-back, the Company held 41,624,400 of its own shares, representing 7.85% of the total number of issued shares of the Company. These shares were being held and retained as treasury shares.

There were no other material events as at 17 November 2022, being the date not earlier than 7 days from the date of this announcement that will affect the financial results of the financial quarter under review.

A10. *Changes in Composition of the Group*

There was no change in the composition of the Group for the current quarter, including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

Notes to the Interim Financial Statements

B. Compliance with Bursa Securities Listing Requirements.

B1. Review of the Performance of the Group

	12 months ended	
	30 Sept 2022 RM'000	30 Sept 2021 RM'000
Revenue	369,979	338,022
Profit before tax	56,605	53,613

The Group recorded a higher revenue of RM369.98 million in the current financial year compared with RM338.02 million in the preceding financial year. Consequently, profit before tax (“PBT”) for the current financial year of RM56.61 million was higher compared with RM53.61 million in the preceding financial year.

The Group’s revenue is derived primarily from trading and services segment which contributed 91.8% of the Group’s revenue in the current financial year. The segment recorded a higher revenue of RM339.76 million in the current financial year compared with RM311.48 million in the preceding financial year. PBT for the current financial year of RM53.31 million was, however, lower compared with RM55.59 million in the preceding financial year due to higher product costs.

The property development segment contributed 7.1% of the Group’s revenue in the current financial year. The segment recorded a higher revenue of RM26.29 million in the current financial year compared with RM22.07 million in the preceding financial year. This segment recorded PBT of RM1.00 million in the current financial year compared with loss before tax (LBT) of RM4.61 million in the preceding financial year, mainly due to better margin and lower operating expenses.

The investment holding and property investment segment contributed 1.1% of the Group’s revenue in the current financial year. The segment recorded a lower revenue of RM3.93 million in the current financial year compared with RM4.47 million in the preceding financial year, which has resulted in lower PBT of RM2.30 million in the current financial year compared with RM2.63 million in the preceding financial year.

Notes to the Interim Financial Statements

B2. Comparison with Preceding Quarter's Results

	3 months ended	
	30 Sept 2022	30 June 2022
	RM'000	RM'000
Revenue	89,785	94,287
Profit before tax	12,284	15,849

The Group recorded a lower revenue of RM89.78 million in the current quarter ended 30 September 2022 compared with RM94.29 million in the previous quarter ended 30 June 2022. Consequently, the Group recorded a lower PBT of RM12.28 million compared with RM15.85 million in the previous quarter ended 30 June 2022.

B3. Prospects

The Malaysian economy registered a strong growth of 14.2% in the third quarter of 2022 (2Q 2022: 8.9%). Apart from the sizeable base effects from negative growth in the third quarter of 2021, the high growth was underpinned by continued expansion in domestic demand. On a quarter-on-quarter seasonally-adjusted basis, the economy grew by 1.9% (2Q 2022: 3.5%). Overall, the Malaysian economy expanded by 9.3% in the first three quarters of 2022.

Headline inflation, as measured by the annual percentage change in the Consumer Price Index (CPI), rose to 4.5% during the quarter (2Q 2022: 2.8%). The inflationary pressures reflected the confluence of stronger demand conditions and elevated cost pressures, particularly for food-related items.

Amid persistent strengthening in the US dollar, the ringgit depreciated by 4.9% (2Q 2022: -4.6%), in line with movements of regional currencies during the quarter (3Q 2022 regional average: -5.5%). Furthermore, the weakening of the yuan also weighed on the ringgit, given the close trade linkages between Malaysia and China.

Global growth is expected to slow going into 2023. The rebound from the reopening of the economies will wane, and growth would likely be weighed down by tighter global financial conditions and high inflation. Central banks, especially in advanced economies, have quickened the pace of monetary policy adjustments to contain inflation. This has led to significant spillovers to emerging market economies, through weaker currencies, tighter financial conditions and slower exports. While inflation is expected to ease in 2023, it would likely remain above average amid elevated commodity prices and tight labour markets.

The balance of risks to global growth remains tilted to the downside. Risks stem from further escalations of geopolitical tensions or more aggressive monetary tightening to manage persistent inflation.

Going forward, Malaysia's economic growth will be supported by continued expansion in domestic demand. The economy would benefit from the improvement in labour market conditions, realisation of multi-year projects and higher inbound tourism activity. While external demand is expected to moderate, this will be partly cushioned by Malaysia's diversified export base.

The balance of risks to Malaysia's growth outlook remains tilted to the downside. This stems from weaker-than-expected global growth, further escalation of geopolitical conflicts, and worsening supply chain disruptions.

(Source: Economic and Financial Developments in Malaysia in the Third Quarter of 2022, Bank Negara Malaysia)

Notes to the Interim Financial Statements

B3. Prospects (continued)

With the above outlook, the Directors expect the performance for the financial year 2023 to be challenging. Nevertheless, the Group will continue to remain focused on its existing core businesses.

For the trading and services segment, Fiamma will continue to build on its supply chain system and core competencies to remain a market leader for its products. It will continue to invest in brand building and promotional activities to strengthen and expand its distribution network in Malaysia for its various brands of home appliances, sanitaryware, kitchen and wardrobe system and built-in furniture, medical devices and healthcare products and source for new products and business opportunities that are in synergy with the Group's products and activities.

For the property development segment, the on-going residential developments in Kota Tinggi, Johor, as well as the completed and unsold residential and commercial developments, will contribute to the Group's revenue in financial year 2023 and the coming financial years.

The proposed residential developments in Jalan Sungai Besi and Jalan Yap Kwan Seng, both in Kuala Lumpur, are expected to contribute to the Group's future income stream once the proposed developments are launched and sold.

Notes to the Interim Financial Statements

B4. Profit Forecast or Profit Guarantee

Not applicable.

B5. Tax Expense

Tax expense comprises the following:

	12 months ended 30 Sept 2022 RM'000
Current tax expense	15,074
Deferred tax expense	552
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	15,626
Over provision in prior year	(129)
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	15,497
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	RM'000
Profit before tax	56,605
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Tax at Malaysian tax rate of 24%	13,585
Non-deductible expenses and other tax effects	2,041
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Tax expense	15,626
Over provision in prior year	(129)
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Tax expense	15,497
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B6. Status of Corporate Proposal

The Group has not announced any corporate proposals, which have not been completed at the date of this announcement.

Notes to the Interim Financial Statements

B7. Group Borrowings and Debt Securities

The Group's borrowings as at 30 September 2022 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Non-current			
Repayable after 12 months			
Term loan	31,169	-	31,169
	=====	=====	=====
Current			
Repayable within 12 months			
Term loan	11,752	-	11,752
Revolving credit	51,000	-	51,000
Bills payable	-	36,420	36,420
Sub-total	62,752	36,420	99,172
	=====	=====	=====
Total	93,921	36,420	130,341
	=====	=====	=====

B8. Derivatives

The details of the Group's foreign currency forward contracts as at 30 September 2022 are as follows:

	Notional amount RM'000	Fair value RM'000	Difference RM'000
Foreign currency forward contracts			
US Dollar	253	255	2
Chinese Yuan Renminbi	625	637	12
	-----	-----	-----
	878	892	14
	=====	=====	=====

The above instruments were executed with established financial institutions in Malaysia. There is no cash requirement for these contracts.

The Group uses appropriate financial instruments, such as foreign currency forward contracts, to hedge against specific exposures including foreign currency risks.

With the adoption of MFRS 139, the difference between the notional value and fair value of the contracts amounting to RM14,000 has been recognised in the financial statements.

Notes to the Interim Financial Statements

B9. Changes in Material Litigation

There was no impending material litigation as at 17 November 2022, being the date not earlier than 7 days from the date of this announcement.

B10. Dividend

No dividend was recommended for the current quarter under review.

B11. Earnings per share

Basic earnings per share

The calculation of basic earnings per share was based on the profit attributable to the owners of the Company and a weighted average number of ordinary shares outstanding, is as follows:

	3 months ended 30 Sept 2022 RM'000	12 months ended 30 Sept 2022 RM'000
Profit for the financial period attributable to owners of the Company	7,727	36,842
	'000	'000
Weighted average number of ordinary shares at 30 September 2022	507,940	500,734
Basic earnings per share (sen)	1.52	7.36
	'000	'000
Weighted average number of ordinary shares at 30 September 2022 (basic)	507,940	500,734
Effects of share options	211	188
Weighted average number of ordinary shares at 30 September 2022 (diluted)	508,151	500,922
Diluted earnings per share (sen)	1.52	7.35

Notes to the Interim Financial Statements

B12. Profit before tax

	12 months ended 30 Sept 2022 RM'000
Profit before tax is arrived at after charging:	
Depreciation and amortisation	2,579
Interest expense	5,112
Inventories written down and written off, net	28
Loss on foreign exchange – realised and unrealised	58
Loss on derivative financial instruments – realised	12
	=====
and after crediting:	
Interest income	1,661
Reversal of allowance for impairment loss for trade receivables - net	316
Gain on foreign exchange – realised and unrealised	293
Gain on derivative financial instruments – unrealised	14
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B13. Capital Commitments

There was no capital commitment as at 30 September 2022.

This announcement is dated 24 November 2022.