

**GLOBETRONICS TECHNOLOGY BHD**

Registration No. 199601037932 (410285-W)

**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021****Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

The figures have not been audited

	Note	Individual Period (3rd quarter)		Cumulative Period	
		Current Quarter Ended	Corresponding Quarter Ended	Current Year To-date Ended	Corresponding Year To-date Ended
		30/9/2021	30/9/2020	30/9/2021	30/9/2020
		RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>					
Revenue		55,664	65,542	157,462	164,374
Cost of sales		(32,348)	(40,579)	(98,764)	(109,537)
Gross profit		23,316	24,963	58,698	54,837
Administrative and operating expenses		(8,541)	(8,419)	(29,370)	(28,425)
Net gain on impairment of financial instruments		-	430	-	439
Other operating income		1,889	811	6,958	6,552
Results from operating activities		16,664	17,785	36,286	33,403
Finance income		446	351	1,095	1,419
Share of profit/(loss) of equity-accounted associate, net of tax		40	(3)	134	38
Profit before tax		17,150	18,133	37,515	34,860
Tax expense	22	(881)	(99)	(2,458)	(915)
Profit for the period		16,269	18,034	35,057	33,945
<b>Other comprehensive (expense)/income, net of tax</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		(506)	159	(565)	(285)
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		235	(612)	728	256
<b>Other comprehensive (expense)/income for the period, net of tax</b>		(271)	(453)	163	(29)
<b>Total comprehensive income for the period</b>		15,998	17,581	35,220	33,916

	Individual Period (3rd quarter)		Cumulative Period	
	Current Quarter Ended	Corresponding Quarter Ended	Current Year To-date Ended	Corresponding Year To-date Ended
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
	RM'000	RM'000	RM'000	RM'000
<b>Profit attributable to :</b>				
Owners of the Company	16,269	18,034	35,057	33,945
<b>Profit for the period</b>	<b>16,269</b>	<b>18,034</b>	<b>35,057</b>	<b>33,945</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the Company	15,998	17,581	35,220	33,916
<b>Total comprehensive income for the period</b>	<b>15,998</b>	<b>17,581</b>	<b>35,220</b>	<b>33,916</b>
<b>Earnings per ordinary share (sen)</b>	25			
- Basic	2.43	2.69	5.24	5.07
- Diluted	2.43	2.69	5.24	5.07

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited Financial Statements as at 31 December 2020. The accompanying notes are an integral part of this Statement.

# GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021

## Condensed Consolidated Statement of Financial Position

The figures have not been audited

	Note	As at 30/9/2021 RM'000	As at 31/12/2020 RM'000
<b>Assets</b>			
Property, plant and equipment	21	77,378	96,988
Investment property		6,143	6,336
Investment in an associate		5,627	5,493
Other investments		9,609	10,923
Deferred tax assets		110	319
<b>Total non-current assets</b>		<b>98,867</b>	<b>120,059</b>
Inventories		8,168	5,652
Current tax assets		14	675
Trade receivables	23	42,347	42,397
Other receivables, deposits and prepayments		1,862	1,242
Cash and cash equivalents		184,447	163,664
<b>Total current assets</b>		<b>236,838</b>	<b>213,630</b>
<b>Total assets</b>		<b>335,705</b>	<b>333,689</b>
<b>Equity</b>			
Share capital		186,463	186,463
Reserves			
Share option reserve		697	-
Capital reserve		41	41
Fair value reserve		292	871
Translation reserve		3,191	2,463
Retained earnings		108,862	107,263
<b>Total equity attributable to owners of the Company</b>		<b>299,546</b>	<b>297,101</b>
<b>Liabilities</b>			
Deferred income		-	399
<b>Total non-current liabilities</b>		<b>-</b>	<b>399</b>
Current tax liabilities		1,549	109
Trade payables		5,268	5,096
Other payables and accruals		29,342	30,984
<b>Total current liabilities</b>		<b>36,159</b>	<b>36,189</b>
<b>Total liabilities</b>		<b>36,159</b>	<b>36,588</b>
<b>Total equity and liabilities</b>		<b>335,705</b>	<b>333,689</b>
<b>Net assets per share (RM)</b>		<b>0.45</b>	<b>0.44</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements as at 31 December 2020. The accompanying notes are an integral part of this Statement.

# GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021

### Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	← Attributable to owners of the Company →						Total equity RM'000
	Share capital RM'000	Share option reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	
<b>9 months ended 30/9/2021</b>							
At 1 January 2021	186,463	-	41	871	2,463	107,263	297,101
Foreign currency translation differences for foreign operations	-	-	-	-	728	-	728
Net change in fair value of equity investment designated at FVOCI	-	-	-	(565)	-	-	(565)
Total other comprehensive (expense)/income for the period	-	-	-	(565)	728	-	163
Profit for the period	-	-	-	-	-	35,057	35,057
<b>Total comprehensive (expense)/income for the period</b>	-	-	-	(565)	728	35,057	35,220
<b>Contributions by and distributions to owners of the Company</b>							
Share-based payment transactions	-	697	-	-	-	-	697
Dividends to owners of the Company	-	-	-	-	-	(33,472)	(33,472)
<b>Total transactions with owners of the Company</b>	-	697	-	-	-	(33,472)	(32,775)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	-	(14)	-	14	-
<b>At 30 September 2021</b>	<b>186,463</b>	<b>697</b>	<b>41</b>	<b>292</b>	<b>3,191</b>	<b>108,862</b>	<b>299,546</b>

# GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021

### Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	← <i>Attributable to owners of the Company</i> →					
	← <i>Non-distributable</i> →			→ <i>Distributable</i>		
	Share capital RM'000	Capital reserve RM'000	Fair Value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	Total equity RM'000
<b>9 months ended 30/9/2020</b>						
At 1 January 2020	186,463	41	719	2,877	106,692	296,792
Foreign currency translation differences for foreign operations	-	-	-	256	-	256
Net change in fair value of equity investment designated at FVOCI	-	-	(285)	-	-	(285)
Total other comprehensive (expense)/income for the period	-	-	(285)	256	-	(29)
Profit for the period	-	-	-	-	33,945	33,945
<b>Total comprehensive (expense)/income for the period</b>	-	-	(285)	256	33,945	33,916
<b>Contributions by and distributions to owners of the Company</b>						
Dividends to owners of the Company	-	-	-	-	(33,472)	(33,472)
<b>Total transactions with owners of the Company</b>	-	-	-	-	(33,472)	(33,472)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	25	-	(25)	-
<b>At 30 September 2020</b>	<b>186,463</b>	<b>41</b>	<b>459</b>	<b>3,133</b>	<b>107,140</b>	<b>297,236</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements as at 31 December 2020. The accompanying notes are an integral part of this Statement.

# GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021

### Condensed Consolidated Statement of Cash Flows

The figures have not been audited

		9 months ended 30/9/2021	9 months ended 30/9/2020
	Note	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax from continuing operations		37,515	34,860
Adjustments for:-			
Depreciation of property, plant and equipment		21,799	29,015
Depreciation of investment property		193	193
Property, plant and equipment written off		-	2
Reversal of impairment loss on trade receivables		-	(439)
Gain on disposal of property, plant and equipment	21	(248)	(370)
Interest income		(1,498)	(2,063)
Amortisation of deferred income		(399)	(1,251)
Share of profit of equity-accounted associate, net of tax		(134)	(38)
Share-based payments		697	-
Operating profit before changes in working capital		57,925	59,909
Change in inventories		(2,516)	1,682
Change in trade and other receivables		(570)	(10,534)
Change in trade and other payables		(1,470)	507
Cash generated from operations		53,369	51,564
Interest received		403	644
Tax paid		(147)	(848)
Net cash generated from operating activities		<b>53,625</b>	<b>51,360</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	21	(4,779)	(15,740)
Acquisition of other investments	8	(883)	(4,993)
Proceeds from disposal of:			
- property, plant and equipment		2,838	1,293
- other investments	8	1,807	4,356
Interest received		1,095	1,419
Net cash generated from/(used in) investing activities		<b>78</b>	<b>(13,665)</b>

	<b>9 months ended 30/9/2021 RM'000</b>	<b>9 months ended 30/9/2020 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to owners of the Company	(33,472)	(33,472)
Repayment of other borrowings, net	-	(4,128)
Net cash used in financing activities	<b>(33,472)</b>	<b>(37,600)</b>
Net increase in cash and cash equivalents	<b>20,231</b>	<b>95</b>
Effect of exchange rate fluctuations on cash held	552	203
<b>Cash and cash equivalents as at 1 January</b>	163,664	146,236
<b>Cash and cash equivalents as at 30 September</b>	<b>184,447</b>	<b>146,534</b>

**Cash and cash equivalents**

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprise :

Funds placed with financial institutions:		
- Short term investment funds	113,533	89,131
- Short term deposits	27,812	29,575
Cash and bank balances	43,102	27,828
	<b>184,447</b>	<b>146,534</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements as at 31 December 2020. The accompanying notes are an integral part of this Statement.

# LOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021

### Notes to the condensed consolidated interim financial statements

#### 1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting in Malaysia, requirements of the Companies Act 2016 ("CA 2016") and paragraph 9.22 and Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2020.

These 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 December 2020.

#### 2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2020.

New and revised MFRSs, interpretations and amendments below that are relevant and came into effect for accounting periods beginning on or after 1 January, 2021 did not have any significant impact to the unaudited consolidated financial statements upon their initial application:-

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

#### 3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the Group's most recent annual audited financial statements for the year ended 31 December 2020 was unmodified.

#### 4. Changes in Estimates

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that was applied to the financial statements as at and for the year ended 31 December 2020.

There were no changes in estimates of amounts reported in the prior financial periods that have a material effect in the current quarter.

#### 5. Comparative Figures

Certain comparative figures have been reclassified to conform with current period's presentation.



6. **Material Impairment of Assets**

There was no material impairment of assets during the period under review.

7. **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

During the financial period under review, there were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their nature, size, or incidence.

8. **Quoted Securities and Bond**

There were purchases and disposal of quoted investments during the financial period under review, as disclosed below:-

	<b>9 months ended</b>
	<b>30/9/2021</b>
	<b>RM'000</b>
Purchases	883
Sales	1,807

9. **Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial period to date.

10. **Debt and Equity Securities**

There were no issuance and repayments of debt and equity securities, share buy back, shares held as treasury stocks and resale of treasury shares for the financial period to date.

11. **Changes in Contingent Liabilities**

The Group has issued corporate guarantees to financial institutions for banking facilities granted to certain subsidiaries up to a limit of RM31.6 million of which RM3.1 million has been utilized as at 30 September 2021, a decrease of RM0.5 million as compared to 31 December 2020.

12. **Operating Segments**

The Group's operating segment comprises of only one key business activities, which is the manufacture, assembly, testing and sales of integrated circuits, chip carrier quartz crystal products, optoelectronic products, LED lighting system, LED components and modules, small outline components, sensors and optical products and technical plating services for the semiconductor and electronics industries.

The Group's geographical segmental report for the financial period-to-date is as follows:-

**Analysis By Geographical Segments**

**9 months ended 30/9/2021**

	<b>South East Asia RM'000</b>	<b>North America RM'000</b>	<b>Others RM'000</b>	<b>Group RM'000</b>
Segment profit/(loss) before taxation	35,070	1,037	(90)	36,017
Revenue from external customer	149,895	7,383	184	157,462

**9 months ended 30/9/2020**

	<b>South East Asia RM'000</b>	<b>North America RM'000</b>	<b>Others RM'000</b>	<b>Group RM'000</b>
Segment profit before taxation	31,104	1,122	571	32,797
Revenue from external customer	154,010	8,446	1,918	164,374

	<b>30/9/2021 RM'000</b>	<b>30/9/2020 RM'000</b>
Reconciliation of segment profit:-		
Reportable segments	36,017	32,797
Finance costs	-	-
Interest income	1,498	2,063
Consolidated profit before taxation	37,515	34,860
Tax expense	(2,458)	(915)
Consolidated profit after taxation	<u>35,057</u>	<u>33,945</u>

13. **Related parties**

**Identity of related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with:-

- i) Subsidiaries and associate of the Company as disclosed in Note 5 and Note 6 of the audited Consolidated Financial Statements of the Group as at and for the year ended 31 December 2020;
- ii) Key management personnel; and
- iii) Companies in which a Director, Mr. Ng Kweng Chong is deemed to have substantial financial interest:
  - Ng Kweng Chong Holdings Sdn. Bhd. (Registration No: 197901007294 (51580 - M))
  - Wiserite Sdn. Bhd. (Registration No: 199601038240 (410593 - W))
  - Glencare Sdn. Bhd. (Registration No: 200101013301 (549058 - U))

**Significant related party transactions are as follows:-**

	<b>9 months ended 30/9/2021 RM'000</b>
i) Transactions with an associate <i>NGK Globetronics Technology Sdn Bhd</i>	
Rental of investment property	1,881
Provision of management support services	144
	<u>          </u> <u>          </u>

14. **Events Subsequent to the Balance Sheet Date**

There were no material events subsequent to the balance sheet date.

15. **Seasonal/Cyclical Factors**

The business operations of the Group are not affected by any major seasonal or cyclical factors other than the volatility of the customers' demand which is inherent in the industry that we operate in.

16. **Dividends Paid**

A third interim single tier ordinary dividend of 1 sen (2020: 1 sen) per share and a single tier special dividend of 2 sen (2020: 2 sen) per share, totalling RM20.1 million (2020: RM20.1 million) in respect of the financial year ended 31 December 2020 was paid on 25 March 2021 to Depositors who are registered in the Record of Depositors of the Company on 15 March 2021.

A first interim single tier ordinary dividend of 1 sen (2020: 1 sen) per share and a single tier special dividend of 1 sen (2020: 1 sen) per share, totalling RM13.4 million (2020: RM13.4 million) in respect of the financial year ending 31 December 2021 was paid on 5 July 2021 to Depositors who are registered in the Record of Depositors of the Company on 21 June 2021.

## 17. Overall Review of Group's Financial Performance And Segmental Analysis

*Financial review for current quarter and financial period to date*

	Individual Period (3rd quarter)			Cumulative Period		
	Current	Corresponding	Changes	Current	Corresponding	Changes
	Quarter	Quarter		Year To-date	Year To-date	
	Ended	Ended	Ended	Ended		
30/9/2021	30/9/2020	%	30/9/2021	30/9/2020	%	
	RM'000	RM'000		RM'000	RM'000	
Revenue	55,664	65,542	-15	157,462	164,374	-4
Operating Profit	16,664	17,785	-6	36,286	33,403	9
Profit Before Interest and Tax	17,150	18,133	-5	37,515	34,860	8
Profit Before Tax	17,150	18,133	-5	37,515	34,860	8
Profit After Tax	16,269	18,034	-10	35,057	33,945	3
Profit Attributable to Owners of the Company	16,269	18,034	-10	35,057	33,945	3

The Group's revenue and net profit for the quarter under review was RM55.7 million and RM16.3 million, a decrease of 15% and 10% respectively as compared to RM65.5 million and RM18.0 million in the corresponding quarter ended 30 September 2020.

The lower net profit achieved in the current quarter was mainly due to lower volume loadings from certain of the Group's customers and drop in economy of scale.

For the period under review, the Group recorded a lower revenue of RM157.5 million and a higher net profit of RM35.1 million as compared to RM164.4 million and RM33.9 million respectively in the corresponding period last year (decrease of 4% and increase of 3% respectively). South East Asia segment recorded sales decrease as compared to corresponding period last year.

The lower revenue achieved in the current period was mainly due to lower volume loadings from certain of the Group's customers offset by marginal improvement in net profit achieved.

## 18. Material Changes in the Quarterly Results Compared to the Results of the Immediate Preceding Quarter

	Current Quarter Ended	Immediate Preceding Quarter Ended	Changes
	30/9/2021	30/6/2021	%
	RM'000	RM'000	
Revenue	55,664	46,403	20
Operating Profit	16,664	7,045	>100
Profit Before Interest and Tax	17,150	7,424	>100
Profit Before Tax	17,150	7,424	>100
Profit After Tax	16,269	6,251	>100
Profit Attributable to Owner of the Company	16,269	6,251	>100

The Group's revenue for the quarter under review was RM55.7 million, an increase of 20% from the preceding quarter of RM46.4 million while the net profit of the Group for the quarter was RM16.3 million, an increase of more than 100% from the preceding quarter of RM6.3 million.

The higher revenue and net profit were mainly due to higher volume loadings of products and better economy of scale from certain of the Group's customers.

19. **Prospects**

The Group's financial performance may continue to be impacted by the Covid-19 outbreak with lockdown or stay at home order depending on the number of infected Covid-19 cases. The Group has taken strong initiative to mitigate the exposure and disruption in the supply chain.

The Group will continue to focus on escalating up the value chain and riding on the R&D initiatives in new products design and development with our key customers moving forward.

20. **Variance of Actual Profit from Forecast Profit**

Not Applicable.

21. **Property, Plant and Equipment**

The carrying amount of land and buildings has been brought forward, without amendment from the previous audited financial statements.

**(a) Acquisitions**

During the quarter ended 30 September 2021, the Group acquired property, plant and equipment with a cost of RM4.8 million (Quarter ended 30 September 2020: RM15.7 million).

**(b) Capital commitments**

As at 30 September 2021, the Group has entered into contracts to purchase property, plant and equipment for RM5.2 million (Quarter ended 30 September 2020: RM4.1 million).

**(c) Disposals**

Assets with a carrying amount of RM2.6 million were disposed of during the quarter ended 30 September 2021 (Quarter ended 30 September 2020: RM0.9 million), resulting in a gain on disposal of RM0.2 million (Quarter ended 30 September 2020: gain of RM0.4 million), which is included as other operating income in the income statement.

There were no amendments to the valuation of property, plant and equipment brought forward.

22. **Tax Expense**

		3 months ended		9 months ended	
		30/9/2021	30/9/2020	30/9/2021	30/9/2020
		RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>					
Malaysia	- current period	868	130	2,445	969
	- prior year	(196)	(31)	(196)	(54)
		<u>672</u>	<u>99</u>	<u>2,249</u>	<u>915</u>
<b>Deferred tax expense</b>					
Malaysia	- current period	209	-	209	-
		<u>881</u>	<u>99</u>	<u>2,458</u>	<u>915</u>

The effective tax rate of the Group is lower than the statutory tax rate in the period-to-date ended 30 September 2021 mainly due to tax incentives enjoyed by a subsidiary in the Group.

23. **Trade Receivables**

The age analysis of trade receivables is as follow:-

	<b>Current Quarter Ended 30/9/2021 RM'000</b>	<b>Corresponding Quarter Ended 30/9/2020 RM'000</b>
Current (not past due)	40,535	45,362
1-30 days past due	1,331	3,186
31-60 days past due	316	84
Above 60 days past due	165	-
	1,812	3,270
<b>Credit Impaired</b>		
Individually impaired	-	-
	<u>42,347</u>	<u>48,632</u>

The Group is satisfied that recovery of the amount is possible, therefore there is no impairment for past due trade receivables.

24. **Profit Before Tax**

Profit before tax is arrived at after charging/(crediting):-

	<b>Current Quarter Ended 30/9/2021 RM'000</b>	<b>Corresponding Quarter Ended 30/9/2020 RM'000</b>	<b>Current Period To-date Ended 30/9/2021 RM'000</b>	<b>Corresponding Period To-date Ended 30/9/2020 RM'000</b>
Depreciation of property, plant and equipment	5,594	10,794	21,799	29,015
Depreciation of investment property	64	64	193	193
Property, plant and equipment written off	-	2	-	2
Amortization of deferred income	-	(415)	(399)	(1,251)
Loss/(gain) on disposal of property, plant and equipment	50	(316)	(248)	(370)
Interest income	(570)	(514)	(1,498)	(2,063)
(Gain)/loss on foreign exchange – realised	(1,287)	737	(2,277)	(1,183)
Loss/(gain) on foreign exchange – unrealised	372	246	(354)	(64)
<b>Expenses/(income) arising from leases</b>				
Expenses relating to short-term leases	435	365	1,344	1,164
Income from:				
- subleasing of building	(360)	(382)	(1,095)	(1,082)
- investment property	(627)	(627)	(1,881)	(1,881)
<b>Net gain on impairment of financial instruments</b>				
Reversal of impairment loss on trade receivables	-	(430)	-	(439)

25. Earnings Per Ordinary Share ("EPS")  
*(i) Basic earnings per ordinary share*

		3 months ended		9 months ended	
		30/9/2021	30/9/2020	30/9/2021	30/9/2020
Net profit for the period	(RM'000)	16,269	18,034	35,057	33,945
Issued ordinary shares at beginning of the period	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the period	('000)	-	-	-	-
<b>Weighted average number of ordinary shares</b>	('000)	669,445	669,445	669,445	669,445
Basic earnings per ordinary share	(sen)	2.43	2.69	5.24	5.07

*(ii) Diluted earnings per ordinary share*

		3 months ended		9 months ended	
		30/9/2021	30/9/2020	30/9/2021	30/9/2020
Net profit for the period	(RM'000)	16,269	18,034	35,057	33,945
Issued ordinary shares at beginning of the period	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the period	('000)	-	-	-	-
<b>Weighted average number of ordinary shares (diluted)</b>		669,445	669,445	669,445	669,445
Diluted earnings per ordinary share	(sen)	2.43	2.69	5.24	5.07

**26. Corporate Proposals**

(a) There were no corporate proposals by the Company during the financial period to date.

(b) There were no unutilised proceeds raised from corporate proposals by the Company during the financial period to date.

**27. Changes In Material Litigation**

To date, the Company has no material litigation case pending.

**28. Foreign Currency Risk Management**

The Group is exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the respective functional currencies of the Group entities. The currency giving rise to this risk is primarily the U.S. Dollar ("USD").

The Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

**29. Dividends Declared**

No dividends were declared in the quarter ended 30 September 2021.

By Order of the Board

Lee Peng Loon (MACS 01258)  
SSM PC NO. 201908002340

P'ng Chiew Keem (MAICSA 7026443)  
SSM PC NO. 201908002334

Joint Secretaries

Dated this 26 October 2021