

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2022**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

The figures have not been audited

	Note	Individual Period (4th quarter)		Cumulative Period	
		Current Quarter Ended	Corresponding Quarter Ended	Current Year To-date Ended	Corresponding Year To-date Ended
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Continuing operations		RM'000	RM'000	RM'000	RM'000
Revenue		43,050	48,581	180,051	206,043
Cost of sales		(22,162)	(25,424)	(104,270)	(124,188)
Gross profit		20,888	23,157	75,781	81,855
Administrative and operating expenses		(7,369)	(7,454)	(34,476)	(36,824)
Other operating (expense)/income		(427)	1,719	7,974	8,677
Results from operating activities		13,092	17,422	49,279	53,708
Finance income		848	492	2,276	1,587
Share of profit/(loss) of equity-accounted associate, net of tax		352	43	(281)	177
Profit before tax		14,292	17,957	51,274	55,472
Tax expense	22	(2,244)	(65)	(5,810)	(2,523)
Profit for the period/year		12,048	17,892	45,464	52,949
Other comprehensive income/(expense), net of tax					
Items that will not be reclassified subsequently to profit or loss					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		504	(73)	(979)	(638)
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(890)	(7)	990	721
Other comprehensive income/(expense) for the period/year, net of tax		(386)	(80)	11	83
Total comprehensive income for the period/year		11,662	17,812	45,475	53,032

	Individual Period (4th quarter)		Cumulative Period	
	Current Quarter Ended	Corresponding Quarter Ended	Current Year To-date Ended	Corresponding Year To-date Ended
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Profit attributable to :				
Owners of the Company	12,048	17,892	45,464	52,949
Profit for the period/year	12,048	17,892	45,464	52,949
Total comprehensive income attributable to :				
Owners of the Company	11,662	17,812	45,475	53,032
Total comprehensive income for the period/year	11,662	17,812	45,475	53,032
Earnings per ordinary share (sen)	25			
- Basic	1.80	2.67	6.79	7.91
- Diluted	1.80	2.67	6.79	7.91

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 2021. The accompanying notes are an integral part of this Statement.

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Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2022

Condensed Consolidated Statement of Financial Position

The figures have not been audited

	Note	As at 31/12/2022 RM'000	As at 31/12/2021 RM'000
Assets			
Property, plant and equipment	21	57,575	68,521
Investment property		13,834	14,222
Investment in an associate		5,389	5,670
Other investments		6,510	9,555
Deferred tax assets		760	110
Total non-current assets		84,068	98,078
Inventories		9,147	8,190
Current tax assets		310	619
Trade receivables	23	27,517	30,267
Other receivables, deposits and prepayments		4,250	2,671
Cash and cash equivalents		201,493	195,097
Total current assets		242,717	236,844
Total assets		326,785	334,922
Equity			
Share capital		186,463	186,463
Reserves			
Share option reserve		1,913	1,057
Capital reserve		41	41
Fair value reserve		(458)	219
Translation reserve		4,174	3,184
Retained earnings		108,319	110,018
Total equity attributable to owners of the Company		300,452	300,982
Liabilities			
Current tax liabilities		1,391	699
Trade payables		3,100	5,005
Other payables and accruals		21,842	28,236
Total current liabilities		26,333	33,940
Total liabilities		26,333	33,940
Total equity and liabilities		326,785	334,922
Net assets per share (RM)		0.45	0.45

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Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2022

Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	←——— Attributable to owners of the Company ———→						
	←——— Non-distributable ———→				→——— Distributable ———→		
	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	Total equity RM'000
12 months ended 31/12/2022							
At 1 January 2022	186,463	1,057	41	219	3,184	110,018	300,982
Foreign currency translation differences for foreign operations	-	-	-	-	990	-	990
Net change in fair value of equity investment designated at FVOCI	-	-	-	(979)	-	-	(979)
Total other comprehensive (expense)/income for the year	-	-	-	(979)	990	-	11
Profit for the year	-	-	-	-	-	45,464	45,464
Total comprehensive (expense)/income for the year	-	-	-	(979)	990	45,464	45,475
Contributions by and distributions to owners of the Company							
Share-based payment transactions	-	856	-	-	-	-	856
Dividends to owners of the Company	-	-	-	-	-	(46,861)	(46,861)
Total transactions with owners of the Company	-	856	-	-	-	(46,861)	(46,005)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	-	302	-	(302)	-
At 31 December 2022	186,463	1,913	41	(458)	4,174	108,319	300,452

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2022

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	
12 months ended 31/12/2021							
At 1 January 2021	186,463	-	41	871	2,463	107,263	297,101
Foreign currency translation differences for foreign operations	-	-	-	-	721	-	721
Net change in fair value of equity investment designated at FVOCI	-	-	-	(638)	-	-	(638)
Total other comprehensive (expense)/income for the year	-	-	-	(638)	721	-	83
Profit for the year	-	-	-	-	-	52,949	52,949
Total comprehensive (expense)/income for the year	-	-	-	(638)	721	52,949	53,032
Contributions by and distributions to owners of the Company							
Share-based payment transactions	-	1,057	-	-	-	-	1,057
Dividends to owners of the Company	-	-	-	-	-	(50,208)	(50,208)
Total transactions with owners of the Company	-	1,057	-	-	-	(50,208)	(49,151)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	-	(14)	-	14	-
At 31 December 2021	186,463	1,057	41	219	3,184	110,018	300,982

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements as at 31 December 2021. The accompanying notes are an integral part of this Statement.

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2022

Condensed Consolidated Statement of Cash Flows

The figures have not been audited

		12 months ended 31/12/2022	12 months ended 31/12/2021
	Note	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax from continuing operations		51,274	55,472
Adjustments for:-			
Depreciation of property, plant and equipment		21,451	27,247
Depreciation of investment property		388	388
Property, plant and equipment written off		1	108
Impairment loss on property, plant and equipment		-	343
Gain on disposal of property, plant and equipment	21	(300)	(482)
Interest income		(2,734)	(2,148)
Amortisation of deferred income		-	(399)
Share of loss/(profit) of equity-accounted associate, net of tax		281	(177)
Share-based payments		856	1,057
Operating profit before changes in working capital		71,217	81,409
Change in inventories		(958)	(2,538)
Change in trade and other receivables		1,171	10,701
Change in trade and other payables		(8,302)	(309)
Cash generated from operations		63,128	89,263
Interest received		459	561
Tax paid		(5,459)	(1,668)
Net cash generated from operating activities		58,128	88,156
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	21	(10,643)	(12,630)
Acquisition of other investments	8	(695)	(905)
Proceeds from disposal of:			
- property, plant and equipment		437	3,072
- other investments	8	3,017	1,806
Interest received		2,276	1,587
Net cash used in investing activities		(5,608)	(7,070)

	12 months ended 31/12/2022 RM'000	12 months ended 31/12/2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to owners of the Company	(46,861)	(50,208)
Net cash used in financing activities	(46,861)	(50,208)
Net increase in cash and cash equivalents	5,659	30,878
Effect of exchange rate fluctuations on cash held	737	555
Cash and cash equivalents as at 1 January	195,097	163,664
Cash and cash equivalents as at 31 December	201,493	195,097

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	124,980	122,009
- Short term deposits	31,750	26,276
Cash and bank balances	44,763	46,812
	201,493	195,097

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements as at 31 December 2021. The accompanying notes are an integral part of this Statement.

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2022

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 2021.

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 2021.

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 2021.

The following are accounting standard and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

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*

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 and the Company plan to apply the abovementioned amendments where applicable, in the respective financial years when the above amendments become effective.

The Group and the Company do not plan to apply MFRS 17, amendments to MFRS 17 that are effective for annual periods beginning on or after 1 January 2023 as it is not applicable to the Group and the Company.

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

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 2021 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 2021.

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

5. **Comparative Figures**

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

6. **Material Impairment of Assets**

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

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

During the financial year 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 year under review, as disclosed below:-

	12 months ended
	31/12/2022
	RM'000
Purchases	695
Sales	3,017

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

There were no changes in the composition of the Group during the current quarter and financial year 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 year 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 RM21.5 million of which RM2.6 million has been utilized as at 31 December 2022, a decrease of RM0.5 million as compared to 31 December 2021.

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 year-to-date is as follows:-

Analysis By Geographical Segments

12 months ended 31/12/2022

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit/(loss) before taxation	47,981	569	(10)	48,540
Revenue from external customer	173,924	5,721	406	180,051

12 months ended 31/12/2021

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit/(loss) before taxation	52,102	1,331	(109)	53,324
Revenue from external customer	196,730	9,078	235	206,043

	31/12/2022 RM'000	31/12/2021 RM'000
Reconciliation of segment profit:-		
Reportable segments	48,540	53,324
Finance costs	-	-
Interest income	2,734	2,148
Consolidated profit before taxation	<u>51,274</u>	<u>55,472</u>
Tax expense	<u>(5,810)</u>	<u>(2,523)</u>
Consolidated profit after taxation	<u><u>45,464</u></u>	<u><u>52,949</u></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 2021; and
- ii) Key management personnel.

Significant related party transactions are as follows:-

	12 months ended 31/12/2022 RM'000
i) Transactions with an associate <i>NGK Globetronics Technology Sdn Bhd</i>	
Rental of investment property	2,531
Provision of management support services	<u>252</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 (2021: 1 sen) per share and a single tier special dividend of 2 sen (2021: 2 sen) per share, totalling RM20.1 million (2021: RM20.1 million) in respect of the financial year ended 31 December 2021 was paid on 24 March 2022 to Depositors who are registered in the Record of Depositors of the Company on 14 March 2022.

A first interim single tier ordinary dividend of 1 sen (2021: 1 sen) per share and a single tier special dividend of 1 sen (2021: 1 sen) per share, totalling RM13.4 million (2021: RM13.4 million) in respect of the financial year ended 31 December 2022 was paid on 20 July 2022 to Depositors who are registered in the Record of Depositors of the Company on 5 July 2022.

A second interim single tier ordinary dividend of 1 sen (2021: 1 sen) per share and a single tier special dividend of 1 sen (2021: 1.5 sen) per share, totalling RM13.4 million (2021: RM16.7 million) in respect of the financial year ended 31 December 2022 was paid on 7 December 2022 to Depositors who are registered in the Record of Depositors of the Company on 24 November 2022.

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

Financial review for current quarter and financial period to date

	Individual Period (4th quarter)			Cumulative Period		
	Current Quarter Ended	Corresponding Quarter Ended	Changes	Current Year To-date Ended	Corresponding Year To-date Ended	Changes
	31/12/2022	31/12/2021		31/12/2022	31/12/2021	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	43,050	48,581	-11	180,051	206,043	-13
Operating Profit	13,092	17,422	-25	49,279	53,708	-8
Profit Before Tax	14,292	17,957	-20	51,274	55,472	-8
Profit After Tax	12,048	17,892	-33	45,464	52,949	-14
Profit Attributable to Owners of the Company	12,048	17,892	-33	45,464	52,949	-14

The Group's revenue and net profit for the quarter under review were RM43.1 million and RM12.1 million, a decrease of 11% and 33% respectively as compared to RM48.6 million and RM17.9 million in the corresponding quarter ended 31 December 2021.

The lower sales and net profit achieved in the current quarter were mainly due to:-

- i) Lower volume loadings from certain of the Group's customers and drop in economy of scale;
- ii) Forex loss of RM2.4 million recognised in the income statement as compared to forex gain of RM0.2 million in the corresponding quarter ended 31 December 2021; and
- iii) Higher tax expense of RM2.2 million recognised in the income statement as compared to tax expense of RM0.06 million in the corresponding quarter ended 31 December 2021.

For the year under review, the Group recorded a lower revenue of RM180.1 million and net profit of RM45.5 million as compared to RM206 million and RM52.9 million respectively in last year (decrease of 13% and 14% respectively). South East Asia and North America segment recorded sales decrease as compared to last year.

The lower revenue and net profit in current year-to-date was mainly due to:

- i) Lower volume loadings from certain of the Group's customers; and
- ii) Higher tax expense of RM5.8 million recognised in the income statement as compared to tax expense of RM2.5 million in the corresponding last year ended 31 December 2021.

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

	Current Quarter Ended	Immediate Preceding Quarter Ended	Changes
	31/12/2022	30/9/2022	
	RM'000	RM'000	
Revenue	43,050	46,318	-7
Operating Profit	13,092	14,715	-11
Profit Before Tax	14,292	15,076	-5
Profit After Tax	12,048	12,781	-6
Profit Attributable to Owner of the Company	12,048	12,781	-6

The Group's revenue for the quarter under review was RM43.1 million, a decrease of 7% from the preceding quarter of RM46.3 million while the net profit of the Group for the quarter was RM12.1 million, a decrease of 6% from the preceding quarter of RM12.8 million.

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

19. **Prospects**

The semiconductor industry continues to experience challenging macroeconomics and geopolitical issues resulting in supply chain disruption, uncertain end demand and rising inflation. In our local operating environment, the Group will experience higher utilities and labour costs due to the change in new government policies.

The Group expects the financial performance to be lower in Year 2023 in view of the lower customers' demand, challenging operating environment and the uncertain market conditions. The Group shall focus on prioritizing its business strategies and optimising resource utilization to ensure sustainability as well as strengthening its business fundamentals.

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 year ended 31 December 2022, the Group acquired property, plant and equipment with a cost of RM10.6 million (Year ended 31 December 2021: RM12.6 million).

(b) Capital commitments

As at 31 December 2022, the Group has entered into contracts to purchase property, plant and equipment for RM11 million (Year ended 31 December 2021: RM4.3 million).

(c) Disposals

Assets with a carrying amount of RM0.1 million were disposed of during the year ended 31 December 2022 (Year ended 31 December 2021: RM2.6 million), resulting in a gain on disposal of RM0.3 million (Year ended 31 December 2021: gain of RM0.5 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		12 months ended	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
		RM'000	RM'000	RM'000	RM'000
Current tax expense					
Malaysia	- current quarter/year	3,221	118	6,791	2,563
	- prior year	(327)	(53)	(331)	(249)
		<u>2,894</u>	<u>65</u>	<u>6,460</u>	<u>2,314</u>
Deferred tax expense					
Malaysia	- current quarter/year	(650)	-	(650)	209
		<u>2,244</u>	<u>65</u>	<u>5,810</u>	<u>2,523</u>

The effective tax rate of the Group is lower than the statutory tax rate in the year ended 31 December 2022 mainly due to tax incentives enjoyed by a subsidiary in the Group.

The current tax incentives enjoyed by a subsidiary in the Group expired on 30 June 2022.

23. **Trade Receivables**

The age analysis of trade receivables is as follow:-

	Current Quarter Ended 31/12/2022 RM'000	Corresponding Quarter Ended 31/12/2021 RM'000
Current (not past due)	25,445	27,991
1-30 days past due	2,072	2,224
31-60 days past due	-	52
Above 60 days past due	-	-
	2,072	2,276
Credit Impaired		
Individually impaired	-	-
	<u>27,517</u>	<u>30,267</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):-

	Current Quarter Ended 31/12/2022 RM'000	Corresponding Quarter Ended 31/12/2021 RM'000	Current Period To-date Ended 31/12/2022 RM'000	Corresponding Period To-date Ended 31/12/2021 RM'000
Depreciation of property, plant and equipment	5,245	5,448	21,451	27,247
Depreciation of investment property	97	97	388	388
Impairment loss on plant and equipment	-	343	-	343
Inventories/(reversal) of inventories written down	1,568	(1,477)	1,568	(1,477)
Amortization of deferred income	-	-	-	(399)
Gain on disposal of property, plant and equipment	(229)	(233)	(300)	(482)
Interest income	(1,002)	(650)	(2,734)	(2,148)
Gain on foreign exchange – realised	(328)	(483)	(4,052)	(2,761)
Loss/(gain) on foreign exchange – unrealised	2,726	237	753	(117)
Expenses/(income) arising from leases				
Expenses relating to short-term leases	364	351	1,480	1,695
Income from:				
- subleasing of building	(180)	(202)	(720)	(734)
- investment property	(927)	(803)	(3,522)	(3,255)

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

		3 months ended		12 months ended	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Net profit for the quarter/year	(RM'000)	12,048	17,892	45,464	52,949
Issued ordinary shares at beginning of the quarter/year	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the quarter/year	('000)	-	-	-	-
Weighted average number of ordinary shares	('000)	669,445	669,445	669,445	669,445
Basic earnings per ordinary share	(sen)	1.80	2.67	6.79	7.91

(ii) Diluted earnings per ordinary share

		3 months ended		12 months ended	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Net profit for the quarter/year	(RM'000)	12,048	17,892	45,464	52,949
Issued ordinary shares at beginning of the quarter/year	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the quarter/year	('000)	-	-	-	-
Effect of share option	('000)	55	-	55	-
Weighted average number of ordinary shares (diluted)		669,500	669,445	669,500	669,445
Diluted earnings per ordinary share	(sen)	1.80	2.67	6.79	7.91

26. **Corporate Proposals**

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

(b) There were no unutilised proceeds raised from corporate proposals by the Company during the financial year 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**

The Board of Directors has declared a second interim single tier ordinary dividend of 1 sen (2021: 1 sen) per share and a single tier special dividend of 1 sen (2021: 1.5 sen) per share, totalling RM13.4 million (2021: RM16.7 million) in respect of the financial year ended 31 December 2022 to Depositors who are registered in the Record of Depositors of the Company on 24 November 2022.

The above interim dividend was paid on 7 December 2022 as disclosed in Note 16 of this announcement.

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 21 February 2023