



**WONG ENGINEERING CORPORATION BERHAD
AND ITS SUBSIDIARIES**

Reg No: 199601037606 (409959-W)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR SIX MONTHS ENDED 30 APRIL 2022**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30 Apr 22 (RM'000)	PRECEDING YEAR CORRESPONDING QUARTER 30 Apr 21 (RM'000)	CURRENT YEAR TO DATE 30 Apr 22 (RM'000)	PRECEDING YEAR CORRESPONDING TO DATE 30 Apr 21 (RM'000)
Continuing operations				
Revenue	16,304	22,909	34,824	47,696
Operating Profit/(Loss)	(830)	4,016	201	7,446
Finance costs	(189)	(148)	(351)	(307)
Interest income	67	59	125	161
Share of loss in associates after tax	(345)	(487)	(709)	(815)
Profit/(Loss) before tax	(1,296)	3,440	(734)	6,485
Tax Expense	103	(905)	(217)	(1,941)
Profit/(Loss) for the period	(1,193)	2,535	(951)	4,544
Other comprehensive income/(expense), net of tax	-	-	-	-
Total comprehensive income	(1,193)	2,535	(951)	4,544
Profit/(Loss) for the year representing total comprehensive income/(expenses) for the year attributable to:				
Owners of the Company	(1,192)	2,537	(949)	4,547
Non-Controlling interest	(1)	(2)	(2)	(3)
	(1,193)	2,535	(951)	4,544
Basic earnings/(losses) per ordinary share (sen) - Note 23	(0.49)	1.04	(0.39)	1.87

The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 October 2021 and the accompanying explanatory notes set out on pages 5 to 13 which forms an integral part of this interim financial report.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2022

		Unaudited As at end of current quarter 30 Apr 2022 RM'000	Audited As at preceding financial year end 31 Oct 2021 RM'000
	Note		
ASSETS			
Property, plant and equipment		31,144	29,571
Right-of-use assets		3,040	3,406
Investment properties		489	491
Investment in an associate		8,857	9,566
Deferred Tax assets		3,213	3,361
Total non-current assets		<u>46,743</u>	<u>46,395</u>
Inventories		16,344	14,583
Trade and other receivables		16,792	22,445
Other investments		1,858	3,610
Current tax assets		182	130
Fixed deposits placed with licensed banks		655	655
Cash and cash equivalents		34,204	18,437
Total current assets		<u>70,035</u>	<u>59,860</u>
Total Assets		<u>116,778</u>	<u>106,255</u>
EQUITY			
Share capital		57,909	57,909
Treasury shares		-	(2,564)
Reserves		23,181	22,790
Total equity equitable to equity holders of the Company		<u>81,090</u>	<u>78,135</u>
Non-controlling interest		26	28
Total Equity		<u>81,116</u>	<u>78,163</u>
LIABILITIES			
Loans and borrowings	20	17,995	12,740
Lease liabilities		-	-
Total non-current liabilities		<u>17,995</u>	<u>12,740</u>
Trade and other payables		13,481	12,419
Loans and borrowings	20	3,901	2,268
Lease liabilities		-	32
Current tax liabilities		285	633
Total current liabilities		<u>17,667</u>	<u>15,352</u>
Total Liabilities		<u>35,662</u>	<u>28,092</u>
Total Equity and Liabilities		<u>116,778</u>	<u>106,255</u>
Net asset per share attributable to ordinary equity holders of the Company (RM)		<u>0.32</u>	<u>0.32</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 October 2021 and the accompanying explanatory notes set out on pages 5 to 13 which forms an integral part of this interim financial report.



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AND ITS SUBSIDIARIES**

Reg No: 199601037606 (409959-W)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 APRIL 2022**

(The figures have not been audited)

<----- Attributable to shareholders of the Company ----->

<--- Non-Distributable --->

	Share Capital RM'000	Treasury Shares RM'000	Distributable (Accumulated Losses)/Retained Earnings RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
6 months ended 30 April 2022 (Unaudited)						
At 1 November 2021	57,909	(2,564)	22,790	78,135	28	78,163
Total comprehensive income for the period	-	-	(949)	(949)	(2)	(951)
Total comprehensive income/(expenses) for the period	57,909	(2,564)	21,841	77,186	26	77,212
Resale/(Purchase) of treasury shares	-	2,564	3,861	6,425	-	6,425
Dividends paid	-	-	(2,521)	(2,521)	-	(2,521)
Total transactions with owners of the Company	-	2,564	1,340	3,904	-	3,904
At 30 April 2022	57,909	-	23,181	81,090	26	81,116
6 months ended 30 April 2021 (Unaudited)						
At 1 November 2020	57,909	(1,862)	13,125	69,172	34	69,206
Total comprehensive income for the period	-	-	4,547	4,547	(3)	4,544
Total comprehensive income/(expenses) for the period	57,909	(1,862)	17,672	73,719	31	73,750
Resale/(Purchase) of treasury shares	-	(702)	-	(702)	-	(702)
Dividends paid	-	-	(549)	(549)	-	(549)
Total transactions with owners of the Company	-	(702)	(549)	(1,251)	-	(1,251)
At 30 April 2021	57,909	(2,564)	17,123	72,468	31	72,499

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 October 2021 and the accompanying explanatory notes set out on pages 5 to 13 which forms an integral part of this interim financial report.



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Reg No: 199601037606 (409959-W)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX MONTHS ENDED 30 APRIL 2022**

	Unaudited 30 Apr 2022 RM'000	Unaudited 30 Apr 2021 RM'000
Profit/(Loss) before tax from continuing operations	(734)	6,485
Adjustments for:		
Non-cash items	3,113	2,634
Non-operating items	120	117
Operating profit before changes in working capital	2,499	9,236
Changes in working capital		
- Net changes in current assets	3,891	(5,675)
- Net changes in current liabilities	(1,458)	121
Dividend received	-	19
Tax (paid)/refund	(469)	(343)
Net cash from operating activities	4,463	3,358
Cash flow from investing activities		
- Purchase of machinery and equipment (Note 1)	(3,460)	(379)
- Proceeds from disposal of machinery and equipment	80	41
- Prepayments (Note 2)	-	(2,450)
- Addition of other investments	(971)	-
- Proceeds from disposal of other investments	2,600	-
- Withdrawal/(Placement) of fixed deposits	-	5,684
- Interest received	125	161
Net cash (used in)/from investing activities	(1,626)	3,057
Cash flow from financing activities		
- Payment of hire purchase creditors	(196)	(321)
- Payment of lease liabilities	(32)	(94)
- Repayment of term loan	(1,654)	(1,000)
- Drawdown of term loan	8,738	-
- Repurchase of treasury shares	-	(702)
- Resale of treasury shares	6,425	-
- Interest paid	(351)	(307)
Net cash (used in)/from financing activities	12,930	(2,424)
Net (decrease)/increase in cash and cash equivalents	15,767	3,991
Cash and cash equivalents at beginning of financial period	18,437	13,862
Cash and cash equivalents at end of financial period	34,204	17,853

Note - Cash and cash equivalents included in the condensed consolidated cash flow statement comprise the following

Short term deposit placed with licensed banks	RM'000	21,939	13,929
Cash and bank balances	RM'000	12,265	3,924
		34,204	17,853

Note 1 - During the financial period ended 30 April 2022, the Group acquired plant and equipment with an aggregate cost of RM3,460,000 (30 April 2021: RM379,000) of which RM3,460,000 was paid by cash (31 April 2021: RM379,000 by cash). There was no acquisition by means of finance leases (31 April 2021: RM nil).

Note 2 - Prepayment of RM2,450,000 relates to subscription of preference shares into the Group's associate company, Broadway Lifestyle Sdn. Bhd.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 October 2021 and the accompanying explanatory notes set out on pages 5 to 13 which forms an integral part of this interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022

Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134

1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the applicable disclosure provision of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of Wong Engineering Corporation Berhad (“WECEB” or “the Company”) and its subsidiaries (“the Group”) for the year ended 31 October 2021 (“FYE21”). The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent audited financial statements for FYE21 except for adoption of the following accounting standards, amendments and interpretations that have been issued by the MASB and effective for this financial year:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- 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*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

The adoptions of these new standards, amendments and interpretations does not have significant impact on the financial statements of the Group.

2. Audit qualification

There was no qualification on the audit report of the financial statements for the financial year ended 31 October 2021.

3. Seasonal or cyclical factors

The Group’s result is not significantly affected by any seasonal factors.

4. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the period under review.

5. Changes in estimates

There were no material changes in the estimates used for the preparation of this interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022**6. Changes in debt and equity securities**

There were no share buy-backs and share cancellations for the current financial period except for the following.

During the financial period ended 30 April 2022, the Company received 5,779,440 of bonus shares from the bonus issue exercise which was completed on 6 December 2021. Subsequently, the Company has resold all 10,595,640 of its treasury shares.

The details of the treasury shares held as at 30 April 2022 are as follow:

	Number of shares	Total Amount (RM)
Balance of treasury shares as at 1 November 2021	4,816,200	2,563,686
Shares bought back during the period	-	-
Shares sold during the period	(10,595,640)	(2,563,686)
Bonus shares received	5,779,440	-
Balance of treasury shares as at 30 April 2022	-	-

All the shares bought are retained as treasury shares in accordance with the requirements of Section 127 of the Companies Act, 2016. The treasury shares held had been accounted for using cost method. The amount of consideration paid, including directly attributable costs, is recognised as costs and set off against equity.

7. Dividends paid

The proposed single tier final dividend of 1.0 sen per ordinary share in respect of financial year ended 31 October 2021 has been approved by the shareholders at the 25th Annual General Meeting conducted virtually on 24 March 2022. The dividend amounting to RM2,521,420 was paid on 6 May 2022 to the registered shareholders at the close of business on 15 April 2022.

8. Segmental revenue and results

For the purpose of management, the Group is organized into four operating segments which are manufacturing and sales of high precision stamped and turned metal parts, trading of environmental and health product, construction and property development (PD) and investment. For financial reporting purposes, the first two segments are combined and referred to as "Manufacturing" because both segments exhibit similar long-term performance. The following is an analysis of the Group's revenue and results by the reportable business segments for the period ended 30 April 2022.

	Individual quarter for 3 months ended 30 April							
	Manufacturing		Construction & PD		Investment		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	15,054	13,029	1,250	9,880	-	-	16,304	22,909
Segment profit/(loss) before tax	(306)	1,252	(1,045)	1,676	55	512	(1,296)	3,440
Depreciation and amortisation	1,025	1,018	3	3	-	-	1,028	1,021
Capital investment	480	117	-	2	-	-	480	119



WONG ENGINEERING CORPORATION BERHAD

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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022

Segmental revenue and results (cont'd)

	Cumulative 6 months ended 30 April							
	Manufacturing		Construction & PD		Investment		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	29,271	23,018	5,553	24,659	-	19	34,824	47,696
Segment profit/(loss) before tax	449	1,072	(1,058)	5,305	(125)	108	(734)	6,485
Depreciation and amortisation	2,072	2,046	6	6	-	-	2,078	2,052
Capital investment	3,460	377	-	2	-	-	3,460	379

Revenue shown above represents revenue generated from external customers.

Segment total asset is used to measure the return on assets of each segment. Segment liabilities information is neither included in the internal management reports nor provided regularly to the management. Hence, no disclosure is made on segment liability.

	As at 30 April 2022 (RM'000)				
	Manufacturing	Construction & PD	Investment	Unallocated assets	Total
Segment asset	88,036	17,750	10,992	-	116,778

	As at 31 October 2021 (RM'000)				
	Manufacturing	Construction & PD	Investment	Unallocated assets	Total
Segment asset	77,543	24,989	3,723	-	106,255

The following is an analysis of the Group's revenue on the basis of geographical location of customers. Segmental assets are also based on the geographical locations of assets. The amounts of non-current assets do not include financial instruments and deferred tax assets

	Asia				Consolidated Total RM'000
	Malaysia RM'000	Outside Malaysia RM'000	Europe RM'000	Others RM'000	
Revenue from external customers	27,836	2,638	3,828	522	34,824
Non-current assets	34,673	-	-	-	34,673

**WONG ENGINEERING CORPORATION BERHAD**

Reg No: 199601037606 (409959-W)

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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022**9. Operating profit**

Operating profit is derived as:

	Current Quarter 30 April 2022 (Unaudited) RM	Current Year to Date 30 April 2022 (Unaudited) RM
After charging:		
Depreciation of property, plant and equipment	1,004,827	2,031,402
Depreciation right-of-use assets	21,927	43,853
Depreciation of investment properties	1,313	2,625
Fixed assets written off	177,273	177,273
Loss on fair value on other investments – unrealised	-	149,468
And crediting:		
Gain on disposal of other investments	-	26,000
Gain on fair value on other investments – unrealised	54,000	-
Gain on disposal of fixed assets	-	80,000
Gain on foreign exchange – realised	27,428	54,604
Gain on foreign exchange – unrealised	337,908	416,754

10. Material post balance sheet events

There were no items, transactions or events of a material and unusual nature which have arisen from the balance sheet date to the date of announcement which would have substantially affected the results of the Group in this interim financial report.

11. Changes in Group's composition

There were no changes in the composition of the Group during the quarter under review.

12. Changes in contingent liabilities and assets

The Company has given corporate guarantees of RM41,100,000 (30 April 2021: RM34,154,000) as security for banking facilities granted to certain subsidiaries and vendor supplying to a subsidiary of which RM21,896,000 (30 April 2021: RM16,357,000) were utilised as at the end of the reporting period.

13. Capital commitments

	30 April 2022 RM'000 (Unaudited)
Capital expenditure commitments	
Plant & equipment	
- Contracted but not provided for in the financial statements	<u>748</u>



WONG ENGINEERING CORPORATION BERHAD

Reg No: 199601037606 (409959-W)
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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022

Part B: Additional Information Required by Bursa Malaysia Securities Berhad’s Listing Requirements.

14. Review of performance for current quarter and preceding year corresponding quarter

Group performance

	Individual Quarter 3 months ended 30 April				Cumulative Quarter 6 months ended 30 April			
	2022	2021	Variance		2022	2021	Variance	
	RM'000	RM'000	RM'000	(%)	RM'000	RM'000	RM'000	(%)
Revenue	16,304	22,909	(6,605)	-29%	34,824	47,696	(12,872)	-27%
Profit/(Loss) before tax	(1,296)	3,440	(4,736)	-138%	(734)	6,485	(7,219)	-111%

The Group recorded revenue of RM16.30 million in the quarter ended 30 April 2022 (Q2'22); RM6.61 million lower (down 29%) relative to RM22.91 million reported in the same quarter of financial year 2021 (Q2'21). The drop in revenue was primarily due to reduced billings from Construction as the Kuchai Lama project approaches its completion stages offset by higher sales from Manufacturing as demand for metal fabricated components continue to surge arising from customers in the electrical and electronics (E&E) sector.

As a result of lower revenue attributed to Construction & PD segment, the Group suffered a loss before tax of RM1.30 million, a reduction of RM4.74 million (down 138%) relative to profit before tax of RM3.44 million reported in Q2'21. Besides that, the Group’s Manufacturing segment also recorded a loss before tax due to shift of product mix and higher input cost of raw materials and overhead.

Segmental performance

	Individual Quarter 3 months ended 30 April											
	Manufacturing				Construction & PD				Investment			
	2022	2021	Variance		2022	2021	Variance		2022	2021	Variance	
RM'000	RM'000	RM'000	(%)	RM'000	RM'000	RM'000	(%)	RM'000	RM'000	RM'000	(%)	
Revenue	15,054	13,029	2,025	16%	1,250	9,880	(8,630)	-87%	-	-	-	0%
Profit/(Loss) before tax	(306)	1,252	(1,558)	124%	(1,045)	1,676	(2,721)	-162%	55	512	(457)	89%

Manufacturing

Revenue grew by RM2.03 million (up 16%) driven by strong demand arising from customers in the electrical and electronics (E&E) and semiconductor sector. The segment recorded RM0.31 million loss before tax (down 124%) due to shift of product mix as well as higher input cost of raw materials and overhead.

Construction & PD

The construction project at Kuchai Lama recorded billings of RM1.25 million, a drop of RM8.63 million (down 87%) as the project is nearing its completion. The segment suffered loss before tax of RM1.05 million (down 162%) due to lower billings and share of loss from an associate company.

Investment

There were no dividends received from other investments. The drop in profit before tax is primarily due lower unrealized fair value gains as at 30 April 2022 relative to Q2'21.



WONG ENGINEERING CORPORATION BERHAD

Reg No: 199601037606 (409959-W)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022

15. Commentaries on profit before tax for current quarter as compared with the immediate preceding quarter

Group performance

	Current Year Quarter		Immediate Preceding Quarter		Variance	
	30 Apr 2022		31 Jan 2022		RM'000 (%)	
	RM'000		RM'000			
Revenue	16,304		18,520		(2,216) -12%	
Profit/(Loss) before tax	(1,296)		563		(1,859) -330%	

The Group recorded revenue of RM16.30 million in Q2'22, a reduction of RM2.22 million (down 12%) relative to RM18.52 million reported in the immediate preceding quarter (Q1'22). The drop in revenue was attributed to lower billings from Construction offset by higher sales from Manufacturing segment.

Profit before tax decreased by RM1.86 million (down 330%), resulting in a loss before tax of RM1.30 million in Q2'22. This is attributed to billing reductions from Construction while Manufacturing contends with higher input cost of raw materials and overhead aside from shifts in product mix.

Segmental performance

	Manufacturing				Construction & PD				Investment			
	30 Apr 2022		31 Jan 2022		30 Apr 2022		31 Jan 2022		30 Apr 2022		31 Jan 2022	
	RM'000	RM'000	RM'000	(%)	RM'000	RM'000	RM'000	(%)	RM'000	RM'000	RM'000	(%)
Revenue	15,054	14,217	837	6%	1,250	4,303	(3,053)	-71%	-	-	-	0%
Profit/(Loss) before tax	(306)	756	(1,062)	-141%	(1,045)	(13)	(1,032)	-7938%	55	(180)	235	131%

Manufacturing

Revenue grew by RM0.84 million (up 6%) as demand for metal fabricated components continue to surge. Manufacturing recorded a loss before tax of RM0.31 million (down RM1.06 million or 141%) due to shift in product mix and higher cost of raw materials and overhead as compared to Q1'22.

Construction & PD

The Kuchai Lama project recorded billings of RM1.25 million, RM3.05 million lower (down 71%) as it draws closer to its completion stages. The segment's loss before tax of RM1.05 million widened by RM1.03 million due to lower billings and fixed overhead cost.

Investment

There were no dividends received from other investments. The segment recorded a profit before tax due to unrealised fair value gains in the current quarter.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022**16. Prospects**

The Group anticipates near to medium term outlook to remain positive buoyed by healthy orders in the Manufacturing segment from customers in the semiconductor and E&E sector. Despite gradual transition into endemic phase, we remain highly cognizant of challenges in the business environment with issues of surging cost of raw materials, higher overhead and manpower constraints besides disruption in the global supply chain affecting availability and lead times. The Group strives to work closely with all our business partners to manage and resolve the challenges ahead in securing orders for new projects from existing and prospective customers.

As for Construction & PD segment, the Kuchai Lama project is drawing closer to its completion. The Group will cautiously seek out new projects and opportunities for expansion. Our associate company, Broadway Lifestyle Sdn Bhd (BLSB) is in the midst of planning for the proposed development in Sepang, Selangor on a parcel of land it acquired back in 2020. Premised on the above and barring further unforeseen circumstances, we remain cautiously optimistic of the Group's financial performance and prospect for the coming quarters.

17. Variance of profit forecast

The Group did not publish any profit forecast for the period under review.

18. Tax expense

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 April 2022	2021	6 months ended 30 April 2022	2021
	RM'000	RM'000	RM'000	RM'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Tax expense				
- current year tax	(65)	637	70	1,620
- prior year tax	-	-	-	-
Deferred tax				
- origination and reversal of temporary differences	(38)	268	147	321
- prior year	-	-	-	-
	<u>(103)</u>	<u>905</u>	<u>217</u>	<u>1,941</u>

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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022**19. Status of corporate proposals**

Save as disclosed below, there are no corporate proposals announced or uncompleted as at the date of this announcement: -.

On 22 December 2021, the Company announced to undertake the following:

- (i) a bonus issue of up to 128,911,771 free warrants in WECB ("Warrant(s)") on the basis of 1 Warrant for every 2 existing shares held on an entitlement date to be determined and announced later by the Board ("Entitlement Date") ("Proposed Bonus Issue of Warrants")
- (ii) establishment of a long-term incentive plan of up to 15% of the issued share capital of WECB (excluding treasury shares, if any) at any point in time during the duration of the long-term incentive plan, for the eligible employees and directors of the Group who fulfil the eligibility criteria set out in the by-laws of the long-term incentive plan. (Collectively, the "Proposals")

The application pursuant to the Proposals was submitted to Bursa Securities on 19 January 2022 for which approval was granted on 28 January 2022. The shareholders had approved the Proposals at the extraordinary general meeting held on 24 March 2022. The Proposed Bonus Issue of Warrants was completed with the listing and quotation for 126,070,939 Warrants on 5 May 2022.

For the Proposed LTIP, the Company is in the midst of preparation and submission of the relevant documents to Bursa Securities and confirmation of the effective date of implementation.

20. Bank borrowings

The bank borrowings as at 30 April 2022 are as follows:

	30 April 2022	31 October 2021
	RM'000	RM'000
	(Unaudited)	(Audited)
Current:		
Hire purchase creditors	145	268
Term loan	3,756	2,000
	<u>3,901</u>	<u>2,268</u>
Non-Current:		
Hire purchase creditors	-	73
Term loan	17,995	12,667
	<u>17,995</u>	<u>12,740</u>

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NOTES TO THE INTERIM FINANCIAL REPORT FOR SIX MONTHS ENDED 30 APRIL 2022**21. Changes in material litigation**

The Group is not engaged in any material litigation for the current financial year to date.

22. Proposed dividends

The Board of Directors do not recommend any interim dividend for the financial period ended 30 April 2022.

A single tier final dividend of 1.0 sen per ordinary share in respect of financial year ended 31 October 2021 was approved by the shareholders at the 25th Annual General Meeting on 24 March 2022. The dividend amounting to RM2,521,420 was paid on 6 May 2022 to the registered shareholders at the close of business on 16 April 2022.

23. Earnings per share***Basic earnings per share***

Basic earnings per share is calculated by dividing the net profit for the quarter/period by the weighted average number of ordinary shares during the financial quarter/period.

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 April		6 months ended 30 April	
	2022	2021	2022	2021
Net profit/(loss) attributable to shareholders (RM'000)	(1,192)	2,537	(949)	4,547
Weighted average number of ordinary shares in issue ('000)	242,650	242,964	242,650	242,964
Basic earnings/(losses) per ordinary share (Sen)	(0.49)	1.04	(0.39)	1.87

24. Related party transactions

There were no significant related party transactions during the quarter and period under review save for:

Paid to a company controlled by a Director and major shareholder of the Company (RM'000) [Mandated RRPT]	Mandate limit*	Individual Quarter		Cumulative Quarter	
		3 months ended 30 April		6 months ended 30 April	
		2022	2021	2022	2021
Rental charges	20	3	3	7	7
Project management fee	2,000	-	-	192	186
Rental charges of machineries and equipment	-	-	144	-	208

*Note: Mandate was renewed and approved in the 25th Annual General Meeting (AGM) held on 24 March 2022.

Paid to a company controlled by a major shareholder of the Company (RM'000)	Individual Quarter		Cumulative Quarter	
	3 months ended 30 April		6 months ended 30 April	
	2022	2021	2022	2021
Purchase of one unit 5 tonne forklift	88	-	88	-

By order of the board

Yong Loy Huat
Chief Executive Officer
16 June 2022