



**PRICEWORTH INTERNATIONAL BERHAD [199601026940 (399292-V)]**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

**Statements of comprehensive income**

For the financial period ended 31 December 2021

	<b>INDIVIDUAL QUARTERS 3 MONTHS ENDED 31 December 2021 RM'000</b>	<b>CUMULATIVE PERIOD 18 MONTHS ENDED 31 December 2021 RM'000</b>
<b>Revenue</b>	29,168	67,692
Cost of sales	(21,361)	(61,031)
<b>Gross Profit</b>	<u>7,807</u>	<u>6,661</u>
<b>Other items of income</b>	2,915	14,158
<b>Other items of expenses</b>		
Administration expenses	(7,810)	(17,030)
Other operating expenses	(13,005)	(31,475)
Selling expenses	(2,247)	(4,982)
Finance costs	(5,425)	(9,041)
<b>Loss before tax</b>	<u>(17,765)</u>	<u>(41,709)</u>
Income tax expenses	(1,815)	(1,816)
<b>Loss after tax</b>	<u>(19,580)</u>	<u>(43,525)</u>
Other comprehensive loss	-	(2)
<b>Total comprehensive loss</b>	<u><u>(19,580)</u></u>	<u><u>(43,527)</u></u>
<b>Loss attributable to:</b>		
Owners of the parent	(19,580)	(43,525)
Non-controlling interests	-	-
	<u>(19,580)</u>	<u>(43,525)</u>
<b>Total comprehensive loss attributable to:</b>		
Owners of the parent	(19,580)	(43,527)
Non-controlling interests	-	-
	<u>(19,580)</u>	<u>(43,527)</u>
<b>Loss per share attributable to owners of the parent (sen per share):</b>		
Basic	<u>(3.62)</u>	<u>(1.17)</u>

**Notes:**

(i) The financial year end has been changed from 30 June to 31 December. The reporting financial period will be for a period of 3 months and 18 months, made up from 01 October 2021 to 31 December 2021 and from 01 July 2020 to 31 December 2021 respectively. As such, there are no comparative figures for the preceding year corresponding periods.

(ii) The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020 and the accompanying notes to the quarterly report.



## CONDENSED CONSOLIDATED BALANCE SHEETS

## Statements of financial position

As at 31 December 2021

Note	AS AT END OF CURRENT QUARTER (UNAUDITED) 31.12.2021 RM'000	AS AT END OF PRECEDING FINANCIAL YEAR (RESTATED) 30.06.2020 RM'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	129,091	157,243
Biological assets	145,200	151,400
Land use rights	12,366	12,690
Intangible assets	9,594	9,959
Deferred tax assets	-	-
	<u>296,251</u>	<u>331,292</u>
<b>Current assets</b>		
Inventories	20,354	7,381
Trade and other receivables	11,039	10,051
Cash and bank balances	2,288	4,072
	<u>33,680</u>	<u>21,504</u>
<b>Total assets</b>	<b>329,931</b>	<b>352,796</b>
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Loans and borrowings	26,610	24,618
Trade and other payables	70,816	65,695
Income tax payable	-	6
	<u>97,426</u>	<u>90,319</u>
<b>Net current liabilities</b>	<b>(63,746)</b>	<b>(68,815)</b>
<b>Non-current liabilities</b>		
Loans and borrowings	12,008	11,125
Deferred tax liabilities	23,370	26,736
	<u>35,378</u>	<u>37,861</u>
<b>Total liabilities</b>	<b>132,804</b>	<b>128,180</b>
<b>Net assets</b>	<b>197,127</b>	<b>224,616</b>
<b>Equity attributable to owners of the parent</b>		
Share capital	383,514	367,978
Other reserves	1,467	1,469
Accumulated Losses	(187,971)	(144,447)
	<u>197,010</u>	<u>225,000</u>
<b>Non-controlling interests</b>	<b>(384)</b>	<b>(384)</b>
<b>Total equity</b>	<b>196,627</b>	<b>224,616</b>
<b>Redeemable Convertible Note</b>	<b>500</b>	
<b>Total equity and liabilities</b>	<b>329,931</b>	<b>352,796</b>
<b>Net assets per share (RM)</b>	<b>0.36</b>	<b>0.05</b>

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Attributable to Equity Holders of the Parent										
	Share Capital	Share Premium	< Non - Distributable >			Other Reserve, Total	Treasury Shares	Accumulated Losses	Total	Non-controlling Interest	Total Equity
			Warrant Reserve	Other Reserve	Foreign Currency Translation Reserve						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 July 2020	367,978	-	-	1,469	-	1,469	-	(144,447)	225,000	(384)	224,616
Total comprehensive loss	-	-	-	(2)	-	(2)	-	(43,524)	(43,526)	0	(43,526)
Proceed from issuance of Private Placement	16,029	-	-	-	-	-	-	-	16,029	-	16,029
Expenses on Private Placement	(492)	-	-	-	-	-	-	-	(492)	-	(492)
At 30 December 2021	383,515	-	-	1,467	-	1,467	-	(187,971)	197,011	(384)	196,627
At 1 July 2019	366,052	-	-	1,469	-	1,469	-	(84,353)	283,168	(384)	282,784
Total comprehensive loss	-	-	-	-	-	-	-	(60,094)	(60,094)	-	(60,094)
Expenses on Private Placement	(99)	-	-	-	-	-	-	-	(99)	-	(99)
Proceeds from issuance of Private Placement	2,025	-	-	-	-	-	-	-	2,025	-	2,025
At 30 June 2020	367,978	-	-	1,469	-	1,469	-	(144,447)	225,000	(384)	224,616



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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE YEAR PERIOD 31 DECEMBER 2021

	18 months ended 31.12.21 RM'000	AUDITED 12 months ended 30.06.2020 RM'000
Net loss before tax	(41,709)	(71,310)
Adjustments for:-		
Amortisation of land used right	697	-
Allowance for impairment on receivables	1,432	1,489
Deposit written off	-	23,000
Depreciation of property, plant and equipment	31,159	22,123
Fair value loss on biological assets	6,200	7,700
Impairment Loss on property, plant and equipment	1,749	395
Inventories written off	161	311
Gain on disposal of property, plant and equipment	(3,340)	(8,620)
Property, plant and equipment written off	-	10,065
Interest expense	10,529	7,246
Operating profit/ (loss) before changes in working capital	6,878	(7,601)
Changes in working capital:		
(Increase)/Decrease in inventories	(13,134)	5,078
(Increase)/Decrease in receivables	(2,419)	8,576
Decrease in payables	(69)	(9,023)
Net used in operation	(8,744)	(2,970)
Tax paid	(6)	(8)
Net cash used in operating activities	(8,750)	(2,978)
Investing activities		
Purchase of plant and equipment	(5,654)	(1,053)
Proceeds from disposal of plant and equipment	4,238	11,201
Net cash (used in)/ from investing activities	(1,416)	10,148
Financing activities		
Proceeds from issuance of shares	15,537	1,926
Interest paid	(2,200)	(4,111)
Repayment of Bank Borrowings	(4,953)	(1,774)
Net cash from / (used in) financing activities	8,384	(3,958)
Net (decrease)/increase in cash and cash equivalents	(1,782)	3,212
Effect of exchange rate changes on cash and cash equivalents	(2)	62
Cash and cash equivalents at beginning of the year	4,072	798
Cash and cash equivalents at end of year	2,288	4,072
Cash and cash equivalents at end of the year comprise the following:		
	RM'000	RM'000
Fixed deposits with licenced banks	-	-
Cash and bank balances	2,288	4,072
	2,288	4,072

Notes:

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(ii) The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020 and the accompanying notes to the quarterly report.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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### **PART A: EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**

#### **A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standard (MFRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The preparation of an interim financial report in conformity with MFRS 134, Interim Financial Reporting, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 30 June 2020. It contains unaudited condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 30 June 2020. The condensed consolidated interim financial report and notes there on do not include all of the information required for a full set of financial statements prepared in accordance with MFRS.

#### **A2. Change in Accounting Policies**

The significant accounting policies adopted by the Group in these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2020 of the Group, except the adoption of the following new MFRSs, Amendments to MFRSs and Interpretations effective for the financial period beginning on or after 1 January 2020:

MFRS 16	Leases
Amendments to MFRS 9	Prepayment Features with Negative Compensations
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint Venture
IC Interpretation 23	Uncertainty over Income Tax Treatments
Annual Improved to MFRSs 2015 – 2017 Cycle	

The adoption of the above MFRSs, Amendments to MFRSs and Interpretations did not have any material financial impact on these condensed consolidated financial statements.

The followings MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

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### **MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2020**

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101 and 108	Definition of Material
Amendments to MFRS 7, 9 and 139	Interest Rate Benchmark Reform

The following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group: (continue)

### **MFRSs, Interpretations and Amendments effective for a annual periods beginning on or after 1 January 2021**

MFRS 17	Insurance Contracts
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### **MFRSs, Interpretations and Amendments which effective for a date yet to be confirmed**

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between Investors and its Associate or Joint Venture
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The directors anticipate that the abovementioned MFRSs, Interpretations and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these MFRSs, Interpretations and Amendments will have no material impact on the financial statements of the Group in the period of initial application.

#### **A3. Auditors' Report on Preceding Annual Financial Statements**

The Group's audited financial statements for the financial year ended 30 June 2020 reported material uncertainty related to going concern. However, the audit report was not qualified.

#### **A4. Seasonal or Cyclical Factors**

The Group's performance was not subject to any material seasonal or cyclical factors except that the timber logs extraction operation could be affected to a certain extent by the prevailing weather conditions.

#### **A5. Items of Unusual Nature**

There were no unusual items as a result of their nature, size or incidence that had affected assets, liabilities, equity, net income or cash flow during the financial period.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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### **A6. Material Changes in Estimates**

There were no significant changes in estimates that have had a material effect on the current quarter's results.

### **A7. Changes in Debts and Equity Securities**

40,949,294 of new ordinary shares were listed on 28<sup>th</sup> December 2021.

### **A8. Dividend Paid**

No dividend was paid during the current quarter under review. No dividend has been proposed by the Directors for the quarter under review (corresponding period 30.09.2020: Nil).

### **A9. Segmental Information**

No segmental report was prepared as the Group is primarily engaged in replanting and harvesting of timber logs on various Sustainable Forest Management Licence Areas, manufacturing and marketing of various timber downstream products such as plywood, veneer, sawn timber, moulded timber and finger joint. The principal place of business is in Sabah, Malaysia.

### **A10. Valuation of Property, Plant and Equipment**

There were no valuations of property, plant and equipment during the current quarter.

### **A11. Change in Contingent Liabilities or Contingent Assets**

#### Guarantees

The Company has provided corporate guarantees to subsidiaries as securities for loan financing, hire purchase and lease financing facilities amounting to RM30,000,000.00. The balance of these facilities outstanding at 31.12.2021 amounted to RM1,100,000.

### **A12. Material Events Subsequent to the Reporting Period**

There were no significant changes in estimates that have had a material effect on the current quarter's results.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021




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### A13. Changes in the Composition of the Group

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

### A14. Related Party Transactions

There are no other significant related party transactions except for the followings:

Name of related party	Type of Transactions	Transactions Value for the 18 months period ended		Balance Outstanding as at	
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
		RM	RM	RM	RM
Green Edible Oil Sdn Bhd	Rental Income	146,000	45,000	7,500	-
KHB Nusantara Sdn Bhd	Rental Income	180,000 	60,000	15,000	-
Lim Nyuk Foh	Rental Expenses	42,300 	42,300	15,000	11,800
Rantau Hartawan Sdn Bhd	Rental Expenses	159,200 	23,200.00	154,819	11,600



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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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**PART B:  
ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF  
BURSA MALAYSIA SECURITIES BERHAD  
(PART A OF APPENDIX 9B)**

**B1. Review of Performance of the Group**

**(a) Comparison of the current quarter against the corresponding quarter**

	Current year quarter 31.12.2021 RM'000	Preceding year corresponding quarter 31.12.2020 RM'000	Changes %
Revenue	29,168	3,585	714%
Operating Profit/(Loss)	7,807	(3,786)	-306%
Non-operating income	2,915	3,320	-12%
Profit/(Loss) before tax	(17,765)	(7,413)	140%
Profit/(Loss) after tax	(19,580)	(7,413)	164%
Profit/(Loss) attributable to owners of the parent	(19,580)	(7,413)	164%

For the current quarter under review, the Group recorded revenue of RM29 million, which is 714% higher compared to RM3.6 million recorded in the corresponding quarter in 2020. The Group recorded a loss before tax of RM17.8 million, which is 140% higher compared to a loss before tax of RM7.4 million in the corresponding quarter in 2020.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### (b) Comparison of the current year to-date (18 months ended 31 December 2021) against the corresponding period (18 months ended 31 December 2020)

	Current year to date 31.12.2021 RM'000	Preceding year corresponding period 31.12.2020 RM'000	Changes %
Revenue	67,692	35,459	91%
Operating Loss	6,661	(32,456)	-121%
Non-operating income	14,158	16,320	-13%
Loss before tax	(41,709)	(80,314)	-48%
Loss after tax	(43,525)	(82,123)	-47%
Loss attributable to owners of the parent	(43,527)	(82,123)	-47%

For the current year to-date under review, the Group recorded revenue of RM67.7 million, which is 91% higher compared to the corresponding period ended 31 December 2020. The Group also recorded a loss before tax of RM42 million, which is 48% lower compared to a loss before tax of RM80.3 million in the corresponding period ended 31 December 2020.

The company's profit has gradually increased over the period since operation resume after the first quarter of 2021. Although for 18 months the Group is still making loss before tax at RM42 million, it is performing 48% better compared to the corresponding period.

### B2. Comparison with Immediate Preceding Quarter's Results

	Current year quarter 31.12.2021 RM'000	preceding quarter 30.09.2021 RM'000	Changes %
Revenue	29,168	19,405	50%
Operating Profit/(Loss)	7,807	8,962	-13%
Non-operating income	2,915	1,153	153%
Profit/(Loss) before tax	(17,765)	348	-5205%
Profit/(Loss) after tax	(19,580)	348	-5726%
Profit/(Loss) attributable to owners of the parent	(19,580)	348	-5726%

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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For the current quarter under review, the Group posted revenue of RM29 million compared to RM19.4 million in the immediate preceding quarter. The loss before tax was RM17.8 million compared to a profit before tax of RM348,000 in the immediate preceding quarter.

### B3. Commentary on prospects

The global timber market is expected to be positive for the financial year. The Covid-19 pandemic had impacted the global economy significantly, even there are signs of recovery but it is still uncertain for the time being. The Group's operations were affected by the pandemic since the implementation of Movement Control Order ("MCO") by the government on 18 March 2020 and subsequently various CMCO and enhanced MCO. These had largely affected the Group operation during the year. Due to the impact of the imposition of MCO and its numerous variations on the Group's businesses, the Group's operation has been severely impacted.

The Management had also implemented cost cutting measures in order to mitigate the impact of stop operation during the MCO period and the weak global economy. The Board is cautiously optimistic on the outlook of the Group as the Group's plywood operation has recommenced in June 2021 with the world's demand for timber products post recovery of the Covid-19 pandemic improving.

### B4. Profit Forecast or Profit Guarantee

This is not applicable as there is no profit forecast nor profit guarantee were given.

### B5. Income Tax Expense

Taxation comprises the following:-

	Current Quarter Year To Date 31.12.2021 RM'000	Cumulative Quarters Current Year To Date 31.12.2021 RM'000
Current taxation	1,878	1,878
Deferred taxation	(3,694)	(3,694)
	(1,816)	(1,816)

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### **B6. Status of Corporate Proposals**

#### (1) Proposed Share Consolidation

The Company had on 30 April 2021 announced to undertake the proposed consolidation of every 10 ordinary shares in PWI into 1 PWI Share. The proposal had been completed and with effect from 06<sup>th</sup> September 2021, the company's existing numbers of 4,995,804,724 Shares were consolidated into 499,580,386 Consolidated Shares.

#### (2) Proposed Notes Issues

The Company had on 30 April 2021 announced to undertake the proposed issuance of redeemable convertible notes ("**Notes**") with an aggregate principal amount of up to RM100 million, which will mature on the date falling 36 months from the closing date of the first sub-tranche of the Tranche 1 Notes.

The proposal had been approved by the shareholders of the company during the Extra ordinary General meeting held on 19 August 2021. On 5 November 2021, all conditions precedent for the availability of the Programme as set out in Schedule A1 of the Facility Agreement have been fulfilled. As such, pursuant to Clause 3.1 of the Facility Agreement, the Programme is now available for issuance. Subsequently, on 11 November 2021, the Company had commenced the notes issuance with the issuance of sub-tranche 1 or Tranche 1 notes amounted to RM500,000.00

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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### B7. Status of Utilisation of Proceeds Raised From Corporate Proposal

#### (a) Utilisation of Proceeds from Notes Issues

The fund utilization of the Notes Issues as at the reporting date is stated as below:

Description	Actual proceeds raised RM'000	Actual utilisation of proceeds RM'000	Balance unutilised RM'000	Timeframe for utilisation (from the date of listing of shares being 9 June 2021)
Repayment of bank borrowings	200	200	-	Within 6 months
Working capital	115	115	-	Within 24 months
Estimated expenses relating to the Notes Issuance	185	185	-	Within 3 years
<b>Total</b>	<b>500</b>	<b>500</b>	<b>-</b>	<b>-</b>

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

### B8. Borrowings

Long Term borrowings as at 31 December 2021:

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
1) Term Finance	12,008	-	12,008
2) Hire Purchase Creditors	-	-	-
<b>Total</b>	<b>12,008</b>	<b>-</b>	<b>12,008</b>

Short Term borrowings as at 31 December 2021:

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
1) Term Finance	27,111	-	27,111
2) Hire Purchase Creditors	-	-	-
<b>Total</b>	<b>27,111</b>	<b>-</b>	<b>27,111</b>

Total group borrowings as at 31 December 2021:

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
1) Term Finance	39,119	-	39,119
2) Hire Purchase Creditors	-	-	-
<b>Total</b>	<b>39,119</b>	<b>-</b>	<b>39,119</b>

The Term Finance of the Company is secured by way of a debenture over all fixed and floating assets of the Group, and of a third party. Included in Term Finance is also a soft loan under Maxland Sdn Bhd secured by a first party deed of assignment assigning to the lender all its harvesting rights of the planted timber in favor of the lender.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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### **B9. Material Litigation**

As at the date of this report, save as disclosed below, there was no material litigation for the financial quarter under review.

#### **(a) In the High Court in Sabah and Sarawak at Kota Kinabalu**

**Suit No: BKI-22NCV-9/1-2020**

**Sepangar Chemical Industry Sdn Bhd (“Sepangar”) v Sinora Sdn Bhd (“Sinora”)**

On 31 January 2020, Sepangar brought an action against Sinora in relation to, amongst other, the failure on the part of Sinora to pay the outstanding sum of RM2,344,655.41 as at 22.10.2019 for the purchase and supply of formaldehyde adhesive resins and related goods which were supplied by Sepangar to Sinora either on 7 days or 30 days credit basis.

The judgment has been entered against Sinora for the amount of RM2,344,655.41 summarily under Order 14 rule 1 Rules of Court 2012. Sinora’s solicitors have since filed a Notice of Appeal to the Court of Appeal under Civil Appeal No. S-02(IM)(NCVC)-1715-11/2020. The appeal is pending in the Court of Appeal. Sinora’s solicitors are of the opinion that the contentious issues will be based on whether the defence has raised a triable issue. The triable issue which Sinora’s solicitors relied on was based on time limitation ordinance of Sabah. However, the contrary argument against the issue of time limitation raised by Sinora’s solicitors is based on the fact that Sinora had communicated with the Sepangar on various occasions regarding settlement and instalment payment proposal. On 18 June 2021, Sinora has agreed with the settlement plan proposed by Sepangar whereby the outstanding sum shall be paid by way of 24 monthly instalments from June 2021 and PWI is to provide a corporate guarantee to Sepangar to guarantee the repayment of the outstanding sum and costs awarded by the Court.

#### **(b) In the matter of an arbitration between GSR Pte Ltd (“GSR”) and Transkripsi Pintar Sdn Bhd (“Transkripsi”)**

**Sinora Sdn Bhd (“Sinora”) and Anika Desiran Sdn Bhd (“Anika”)**

**(GSR and Sinora collectively referred to as the Claimants, Transkripsi and Anika collectively referred to as the Respondents.)**

Pursuant to the Sale and Purchase of Shares Agreement dated 19 October 2016 (“SPA”), Transkripsi agreed to sell and GSR, a wholly owned subsidiary of PIB, agreed to purchase the entire ordinary shares of Rumpun Capaian Sdn Bhd (“Rumpun”) in accordance with the terms and conditions in the SPA and/or subsequent amendments or modifications thereto. Simultaneously, pursuant to the Log Extraction and Timber Sale Agreement dated 19 October 2016 (“Timber Agreement”), Anika, who is in turn substantially owned by Rumpun, agreed to sell and Sinora, a wholly owned subsidiary of PIB, agreed to purchase all the Extracted Logs from a forest reserve area in Sabah (“FMU5 Area”). The SPA and Timber Agreement were entered into and executed as part of the same transaction. At all material times, amongst others, it was understood and agreed that the source of GSR’s funds for payment under the SPA was wholly or substantially from the exploitation of the forest reserve, including timber logging and sale activities, under the Timber Agreement. The Sabah Government’s logging

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suspension or restriction had materially affected Sinora's exploitation under the Timber Agreement.

The dispute arises, amongst others, when the Claimants and the Respondents has fundamentally dissipated and been obliterated by the Sabah Government's suspension of all logging activities in FMU 5 Area resulting in the FMU 5 Licence owned by Anika being effectively annulled making it impossible and or illegal for the Respondents to perform and deliver upon their fundamental obligation under the composite agreements, rendering the contract void, and GSR is accordingly entitled under Malaysian Law to a full refund of all payments made to Transkripsi and both GSR and Sinora are entitled to loss and damages. The Claimants' solicitors stated that the outstanding debt due and owing to the Claimants is RM23.2 million. The hearing of the arbitration is expected to be fixed in February 2022.

### B10. Earnings / (Loss) Per Share

#### (a) Basic

Basic earnings per share amounts are calculated by dividing the net profit / (loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Individual Quarter		Cumulative Quarter	
	3 months ended		18 months ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
<b>Basic profit/(loss) per share</b>				
Net Profit/(Loss) (RM'000)	(19,580)	(7,413)	(43,525)	(82,123)
Weighted average number of ordinary shares in issue ('000)	540,530	4,504,415	3,733,161	4,444,499
Basic Profit/(Loss) per share (sen)	(3.62)	(0.16)	(1.17)	(1.85)
Diluted earning per share (sen)	N/A	N/A	N/A	N/A

### B11. Derivative Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.



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### B12. (Loss) / Profit before Tax

	<b>Current Quarter Year To Date 31.12.2021 RM'000</b>	<b>Cumulative Quarters Current Year To Date 31.12.2021 RM'000</b>
Loss before tax is		
Arrived at after charging/(crediting)		
Other income	2,915	14,158
Interest expense	5,425	9,041
Amortization and depreciation	6,812	31,159

The taxation is computed after taking into consideration the utilisation of unutilised tax losses and unabsorbed capital allowance from subsidiary companies.