



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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 September 2022**

**Statements of comprehensive income**

For the financial period ended 30 September 2022

	INDIVIDUAL QUARTERS		CUMULATIVE PERIOD
	3 MONTHS ENDED 30 September 2022 RM'000	3 MONTHS ENDED 30 September 2021 RM'000	9 MONTHS ENDED 30 September 2022 RM'000
<b>Revenue</b>	31,259	19,405	113,912
Cost of sales	(26,393)	(16,042)	(86,624)
<b>Gross Profit / (Loss)</b>	<b>4,866</b>	<b>3,363</b>	<b>27,288</b>
<b>Other items of income</b>	4,605	1,153	14,306
<b>Other items of expenses</b>			
Administration expenses	(1,904)	(1,339)	(8,154)
Selling expenses	(2,703)	(2,107)	(10,014)
Finance costs	(99)	(722)	(298)
<b>Profit / (Loss) before tax</b>	<b>4,764</b>	<b>348</b>	<b>23,129</b>
Income tax expenses	(45)	-	(448)
<b>Profit / (Loss) after tax</b>	<b>4,719</b>	<b>348</b>	<b>22,681</b>
Other comprehensive income / (loss)	-	-	-
<b>Total comprehensive income / (loss)</b>	<b>4,719</b>	<b>348</b>	<b>22,681</b>
<b>Profit / (Loss) attributable to:</b>			
Owners of the parent	4,695	348	22,657
Non-controlling interests	24	-	24
	<b>4,719</b>	<b>348</b>	<b>22,681</b>
<b>Total comprehensive income/(loss) attributable to:</b>			
Owners of the parent	4,695	348	22,657
Non-controlling interests	24	-	24
	<b>4,719</b>	<b>348</b>	<b>22,681</b>
<b>Earnings / (Loss) per share attributable to owners of the parent (sen per share):</b>			
Basic	0.33	0.01	2.02

**Notes:**

(i) The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the period ended 31 December 2021 and the accompanying notes to the quarterly report.

\*\* In view of the change in financial year end from June 2021 to December 2021, there were no comparative financial information available for the cumulative 9 months financial period ended to 30 September 2021.



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

**CONDENSED CONSOLIDATED BALANCE SHEETS**

**Statements of financial position**

**As at 30 September 2022**

	Note	AS AT END OF CURRENT QUARTER (UNAUDITED) 30 September 2022 RM'000	AS AT END OF PRECEDING FINANCIAL YEAR (AUDITED) 31 December 2021 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		119,213	121,268
Biological assets		154,500	154,500
Intangible assets		11,054	9,594
Land use rights		12,204	12,366
		<u>296,971</u>	<u>297,728</u>
<b>Current assets</b>			
Inventories		53,787	19,384
Trade and other receivables		18,851	9,657
Cash and bank balances		19,284	2,275
		<u>91,923</u>	<u>31,316</u>
<b>Total assets</b>		<b>388,894</b>	<b>329,044</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings		13,663	40,635
Trade and other payables		70,338	64,886
Income tax payable		5,340	5,244
		<u>89,341</u>	<u>110,765</u>
<b>Net current assets / (liabilities)</b>		<b>2,582</b>	<b>(79,449)</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		25,187	25,624
		<u>25,187</u>	<u>25,624</u>
<b>Total liabilities</b>		<b>114,528</b>	<b>136,389</b>
<b>Net assets</b>		<b>274,366</b>	<b>192,655</b>
<b>Equity attributable to owners of the parent</b>			
Share capital		443,522	383,917
Other reserves		1,498	1,498
Accumulated Losses		(170,226)	(192,882)
		<u>274,795</u>	<u>192,533</u>
<b>Non-controlling interests</b>		<b>(430)</b>	<b>(378)</b>
<b>Total equity</b>		<b>274,365</b>	<b>192,155</b>
<b>Redeemable Convertible Note</b>		<b>-</b>	<b>500</b>
<b>Total equity and liabilities</b>		<b>388,894</b>	<b>329,044</b>
<b>Net assets per share (RM)</b>		<b>0.20</b>	<b>0.36</b>

**Notes:**

(i) The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the period ended 31 December 2021 and the accompanying notes to the quarterly report.



PRICEWORTH INTERNATIONAL BERHAD [199601026940 (399292-V)]

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 September 2022

	Attributable to Equity Holders of the Parent										Non-controlling Interest	Total Equity
	Share Capital	Share Premium	< Non - Distributable >			Other Reserve, Total	Treasury Shares	Distributable Retained Earnings / (Accumulated Losses)	Total	Total		
			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 Jan 2022	383,916	-	-	1,498	-	1,498	-	(192,882)	192,533	(378)	192,155	
Total comprehensive income/(loss)								22,657	22,657	(52)	22,605	
RCN converted into shares	51,000								51,000	-	51,000	
Expenses on Private Placement & RCN	(492)								(492)	-	(492)	
Proceed from issuance of Private Placement	9,098								9,098	-	9,098	
At 30 September 2022	443,522	-	-	1,498	-	1,498	-	(170,225)	274,796	(430)	274,366	
At 1 July 2020, as restated	367,978	-	-	1,469	-	1,469	-	(153,308)	216,140	(384)	215,756	
Total comprehensive income/(loss)	-	-	-	29	-	29	-	(39,574)	(39,545)	6	(39,539)	
Proceed from issuance of Private Placement	16,029	-	-	-	-	-	-	-	16,029	-	16,029	
Expenses on Private Placement & RCN	(91)	-	-	-	-	-	-	-	(91)	-	(91)	
At 31 December 2021	383,916	-	-	1,498	-	1,498	-	(192,882)	192,533	(378)	192,155	



PRICEWORTH INTERNATIONAL BERHAD [199601026940 (399292-V)]

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE YEAR PERIOD 30 September 2022

	9 months ended 30.09.2022 RM'000	AUDITED 18 months ended 31.12.2021 RM'000
Net profit / (loss) before tax	23,129	(36,299)
Adjustments for:-		
Amortisation of land used right	162	-
Amortisation of timber rights	1,460	366
Deposit written off	-	140
Depreciation of property, plant and equipment	10,482	30,831
Fair value loss on biological assets	-	(6,000)
Impairment Loss on inventories	-	676
Inventories written off	-	143
(Gain) / Loss on disposal of property, plant and equipment	(717)	(3,453)
Unrealised loss on foreign exchange	-	(653)
Impairment (reversal)/charge on trade and non-trade receivables	-	(1,811)
Liabilities no longer in existence written back	(104)	(709)
Reversal impairment of Property, plant and equipment	(839)	3,140
Bank interest waived due to settlement	(6,611)	-
Interest expense	298	13,895
Operating profit / (loss) before changes in working capital	27,260	266
Changes in working capital:		
(Increase)/Decrease in inventories	(34,403)	(12,822)
(Increase)/Decrease in receivables	(9,195)	2,067
Increase/(Decrease) in payables	5,556	2,714
Net cash from / (used in) operation	(10,782)	(7,775)
Tax paid/ refunded	(789)	(111)
Net cash generated from / (used in) operating activities	(11,571)	(7,886)
Investing activities		
Purchase of logging rights	(3,000)	-
Purchase of plant and equipment	(9,042)	(5,113)
Proceeds from disposal of plant and equipment	2,252	4,238
Deposit paid for acquisition of timber concession company	-	-
Investment in subsidiary	(76)	-
Net cash from / (used in) investing activities	(9,867)	(875)
Financing activities		
Proceeds from issuance of shares/RCN	59,106	15,938
Additional / (Repayment) of Bank Borrowings	(20,659)	(3,487)
Interest paid	-	(5,516)
Net cash from / (used in) financing activities	38,447	6,935
Net increase/(decrease) in cash and cash equivalents	17,010	(1,826)
Effect of exchange rate changes on cash and cash equivalents	-	29
Cash and cash equivalents at beginning of the year	2,275	4,072
Cash and cash equivalents at end of year	19,285	2,275
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	19,285	2,275
	19,285	2,275

Notes:

(i) The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the period ended 31 December 2021 and the accompanying notes to the quarterly report.

# PRICEWORTH INTERNATIONAL BERHAD

[Company No : 199601026940 (399292-V)]

## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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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 period ended 31 December 2021. 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 period ended 31 December 2021. 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 period ended 31 December 2021 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 period ended 31 December 2021 reported material uncertainty related to going concern. However, the auditors' 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 30 SEPTEMBER 2022

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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

In August 2022, there was also another private placement listed.

Listed below the number of ordinary shares issued pursuant to the conversion of RCN & issuance of private placement for the period ended 30 September 2022:

	<b>No. of ordinary shares</b>
Opening Balance as at 01 Jul 2022	1,359,156,196
Private placement	94,966,325
Closing Balance as at 30 September 2022	1,454,122,521

### 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 30.09.2021: Nil).

### A9. Segmental Information

No segmental report was prepared as the Group is primarily engaged in replanting and harvesting of timber logs on several Sustainable Forest Management Licence Areas, manufacturing and marketing of various timber downstream products such as plywood, veneer, sawn timber, moulded timber, fire door 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.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### **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. The balance of these facilities outstanding at 30.09.2022 amounted to RM440,000.

### **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.

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

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



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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### 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 period ended		Balance Outstanding as at	
		30.09.2022 RM	30.09.2021 RM	30.09.2022 RM	30.09.2021 RM
Green Edible Oil Sdn Bhd	Rental Income	46,272	22,500	53,772	7,500
Suria Century Resources Sdn Bhd	Sales of Goods & Services	39,416	96,039	19,275	-
Suria Century Resources Sdn Bhd	Purchase of Goods	8,000	50,055	8,000	-

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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 30.09.2022 RM'000	Preceding year corresponding quarter 30.09.2021 RM'000	Changes %
Revenue	31,259	19,405	61%
Operating Profit	4,866	8,962	-46%
Non-operating income	4,605	1,153	299%
Profit/(Loss) before tax	4,764	348	1269%
Profit/(Loss) after tax	4,719	348	1256%
Profit/(Loss) attributable to owners of the parent	4,695	348	1249%

For the current quarter under review, the Group recorded revenue of RM31.3 million. The revenue has substantially increased compared to the corresponding quarter in 2021 of RM19.4 million. The Group also recorded a profit before tax of RM4.8 million for the quarter, compared to a profit of RM0.35 million in the corresponding quarter in 2021.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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

	quarter 30.09.2022 RM'000	quarter 30.06.2022 RM'000	Changes %
Revenue	31,259	47,403	-34%
Operating Profit/(Loss)	4,866	13,414	-64%
Non-operating income	4,605	1,627	183%
Profit/(Loss) before tax	4,764	7,207	-34%
Profit/(Loss) after tax	4,719	7,094	-33%
Profit/(Loss) attributable to owners of the parent	4,695	7,094	-34%

For the current quarter under review, the Group posted revenue of RM31.3 million compared to RM47.4 million in the immediate preceding quarter. The profit before tax of RM4.8 million has decreased by 34% compared to the preceding quarter.

The decrease in revenue is explained in the following section.

### B3. Commentary on prospects

PWI has seized the opportunity to grow its core plywood manufacturing industry since the resumption of the operations in March 2021 due to the demand globally in general and the Japanese market in particular. In this financial quarter ended 30 September 2022, the Group's export sales amounted to RM27.4Million.

However, as a result of the Yen depreciation since 2022 and the aggressive buying of plywood by the Japanese trading houses for the past nine months to June 2022 and the slow economic growth in Japan, the Japanese orders have slowed down since June. Currently, the Group is focusing on other markets in Korea and Taiwan while continuously monitoring the rebound of the Japanese market.

The Group is actively exploring for new related business venture and is in the midst of sourcing for new sustainable forest management area. This is to ensure the consistency and sustainability of raw materials supply to the down-stream wood processing.

The management is monitoring the plywood demand globally during this testing time and recognized the headwind on the demand as the Japanese demand has slowed down while exploring the international market on wood products, the prospect for the Group is both challenging and promising.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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### 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:-

	<b>Current Quarter Year To Date 30.09.2022 RM'000</b>	<b>Cumulative Quarters Current Year To Date 30.09.2022 RM'000</b>
Current taxation	(45)	(884)
Deferred taxation	179	436
	<u>134</u>	<u>(448)</u>

### B6. Status of Corporate Proposals

#### (1) 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. As at the date of this report, the Group has issued total notes amounted to RM51.0 million. All the notes have been converted to ordinary shares subsequently.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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

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

As of the date of this statement, the Company has issued redeemable convertible notes with an aggregate principal amount of RM51.0 million. There will be no further RCN to be issued as the number of shares issued had reached the maximum quantity of shares to be issued approved by Bursa. The status utilisation of proceeds is set out below:

Description	As per Announcement	Actual proceeds raised	Actual utilisation of proceeds	Balance unutilised	Timeframe for utilisation
	RM'000	RM'000	RM'000	RM'000	
Repayment of bank borrowings	30,000	19,028	19,028	0	Within 6 months
Timber logging and reforestation operation	32,000	14,599	12,849	1,750	Within 24 months
Timber downstream processing	30,600	14,600	13,331	1,269	Within 24 months
Estimated expenses relating to the Notes Issuance	7,400	2,774	2,774	-	Within 3 years
<b>Total</b>	<b>100,000</b>	<b>51,000</b>	<b>47,982</b>	<b>3,019</b>	-

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

### (b) Utilisation of Proceeds from Issuance of Private Placement

As of the date of this statement, the fund utilisation of the Private Placement is set out below:

Description		As per	Actual	Actual	Balance	Timeframe for utilisation
		Announcement	proceeds raised	utilisation of proceeds	unutilised	
		RM'000	RM'000	RM'000	RM'000	
(1) Timber logging and reforestation operation	(i) Reforestation & maintenance of timber land	3,332	2,260	0	2,260	Within 6 months
	(ii) Timber camp infrastructure cost	3,332	2,259	0	2,259	Within 6 months
(2) Working capital	(i) Refurbishment of plywood making machine	1,999	1,356	1,250	106	Within 6 months
	(ii) General working capital for plywood processing	4,665	3,163	2,784	379	Within 6 months
(3) Estimated expenses relating to the Private placement		60	60	60	-	Upon completion of the private placement
<b>Total</b>		<b>13,388</b>	<b>9,098</b>	<b>4,094</b>	<b>5,004</b>	

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### B8. Borrowings

Long Term borrowings as at 30 September 2022:

	<b>Secured</b> <b>RM'000</b>	<b>Unsecured</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
1) Term Finance	13,672	-	13,672
2) Hire Purchase Creditors	-	-	-
<b>Total</b>	<b>13,672</b>	<b>-</b>	<b>13,672</b>

Total group borrowings as at 30 September 2022:

	<b>Secured</b> <b>RM'000</b>	<b>Unsecured</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
1) Term Finance	13,672	-	13,672
2) Hire Purchase Creditors	-	-	-
<b>Total</b>	<b>13,672</b>	<b>-</b>	<b>13,672</b>

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 on part of the sustainable forest management area of approximately 1,650 hectares in favor of the lender.

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## INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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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, a wholly owned subsidiary of the Group, 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 under Order 14 rule 1 Rules of Court 2012. 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 the Company is to provide a corporate guarantee to Sepangar to guarantee the repayment of the outstanding sum and costs awarded by the Court. Sinora currently is repaying the debts in accordance to the settlement plan.

#### **(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 which will enable GSR to raise the necessary funds by listing in Singapore Stock Exchange or by Bank borrowings. The Sabah Government’s logging suspension or restriction had materially affected Sinora’s exploitation under the Timber Agreement.



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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 hearing of the arbitration has been carried out in November 2022 and pending decision from the arbitrator.

### B10. Earnings Per Share

#### (a) Basic

Basic earnings per share amounts are calculated by dividing the net profit 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	3 months	9 months	9 months
30.09.2022	30.09.2021	30.09.2022	30.09.2021
RM'000	RM'000	RM'000	RM'000

#### Basic profit per share

Net Profit (RM'000)	4,719	348	22,681	
Weighted average number of ordinary shares in issue ('000)	1,422,467	3,796,812	1,121,127	-
Basic Earning per share (sen)	0.33	0.01	2.02	-
Diluted earning per share (sen)	N/A	N/A	N/A	N/A

In view of the change in financial year end from June 2021 to December 2021, there were no comparative financial information available for the 6 months cumulative financial period ended to 30 September 2021.

### B11. Derivative Financial Instruments

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

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### B12. Profit before Tax

	<b>Current Quarter Year To Date 30.09.2022 RM'000</b>	<b>Cumulative Quarters Current Year To Date 30.09.2022 RM'000</b>
fit before tax is		
Arrived at after charging/(crediting)		
Other income	4,605	14,306
Interest expense	99	298
Amortization and depreciation	3,517	12,184

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