



**PWF CORPORATION BHD.**

**Condensed Consolidated Statement of Financial Position  
As At 31 December 2021**

|   | <b>31 Dec 2021</b><br>(RM'000) | <b>31 Dec 2020</b><br>(RM'000) |
|---|--------------------------------|--------------------------------|
| <b>ASSETS</b>   |                                |                                |
| <b>Non-current assets</b>   |                                |                                |
| Property, plant and equipment   | 348,881                        | 350,537                        |
| Right-of-use assets   | 55                             | -                              |
| Investment properties   | 44,330                         | 46,330                         |
| Investment in associates  | 2,522                          | -                              |
| Deferred tax assets   | 1,472                          | -                              |
| Goodwill  | 5,241                          | 7,612                          |
|   | <u>402,501</u>                 | <u>404,479</u>                 |
| <b>Current assets</b>   |                                |                                |
| Inventories   | 25,028                         | 21,185                         |
| Biological assets   | 48,367                         | 46,287                         |
| Trade receivables   | 19,182                         | 16,351                         |
| Other receivables, deposits and prepayments                           | 9,517                          | 13,750                         |
| Investment securities   | 1,359                          | 2,194                          |
| Current tax assets  | 3,484                          | 3,311                          |
| Short term placement with a financial institution                     | 10,579                         | 13,021                         |
| Cash and bank balances  | 13,363                         | 11,800                         |
|   | <u>130,879</u>                 | <u>127,899</u>                 |
| <b>TOTAL ASSETS</b>   | <u><u>533,380</u></u>          | <u><u>532,378</u></u>          |
| <b>EQUITY AND LIABILITIES</b>   |                                |                                |
| <b>Equity</b>   |                                |                                |
| Share capital   | 97,122                         | 88,858                         |
| Treasury shares   | (1,622)                        | (1,622)                        |
| ESS reserve   | 1,568                          | 1,747                          |
| Retained profits  | 217,173                        | 222,966                        |
|   | <u>314,241</u>                 | <u>311,949</u>                 |
| <b>Non-controlling interests</b>                                      | <u>(5,289)</u>                 | <u>(4,294)</u>                 |
| <b>Total equity</b>   | <u>308,952</u>                 | <u>307,655</u>                 |
| <b>Non-current liabilities</b>  |                                |                                |
| Lease liabilities   | 44                             | -                              |
| Borrowings  | 44,000                         | 42,989                         |
| Deferred tax liabilities  | 20,563                         | 19,494                         |
|   | <u>64,607</u>                  | <u>62,483</u>                  |
| <b>Current liabilities</b>  |                                |                                |
| Trade payables  | 36,446                         | 28,996                         |
| Other payables and accruals   | 10,740                         | 8,227                          |
| Lease liabilities   | 13                             | -                              |
| Borrowings  | 105,011                        | 124,757                        |
| Dividend payable  | 7,430                          | -                              |
| Current tax liabilities   | 181                            | 260                            |
|   | <u>159,821</u>                 | <u>162,240</u>                 |
| <b>Total liabilities</b>  | <u>224,428</u>                 | <u>224,723</u>                 |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                   | <u><u>533,380</u></u>          | <u><u>532,378</u></u>          |
| Net assets per share attributable to shareholders of the company (RM) | 1.69                           | 1.81                           |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.



**PWF CORPORATION BHD.**

**Condensed Consolidated Statement of Comprehensive Income  
For The Financial Year Ended 31 December 2021**

|  | <u>2021</u><br>Current<br>qtr ended<br>31-Dec<br>(RM'000) | <u>2020</u><br>Current<br>qtr ended<br>31-Dec<br>(RM'000) | <u>2021</u><br>12 months<br>cumulative<br>To-date<br>(RM'000) | <u>2020</u><br>12 months<br>cumulative<br>To-date<br>(RM'000) |
|--|---|---|---|---|
| <b>Revenue</b>   | 111,949   | 82,233  | 393,552   | 315,973   |
| Operating expenses   | (103,660)   | (80,735)  | (388,373)   | (316,182)   |
| Other income   | <u>729</u>  | <u>6,474</u>  | <u>1,950</u>  | <u>8,149</u>  |
| <b>Profit from operations</b>  | 9,018   | 7,972   | 7,129   | 7,940   |
| Finance income   | 79  | 54  | 211   | 108   |
| Finance costs  | <u>(1,228)</u>  | <u>(1,853)</u>  | <u>(4,805)</u>  | <u>(6,338)</u>  |
| <b>Profit before taxation</b>  | 7,869   | 6,173   | 2,535   | 1,710   |
| Taxation   | <u>(1,211)</u>  | <u>(111)</u>  | <u>(1,897)</u>  | <u>(321)</u>  |
| <b>Profit for the period</b>   | 6,658   | 6,062   | 638   | 1,389   |
| Other comprehensive income   | <u>-</u>  | <u>-</u>  | <u>-</u>  | <u>-</u>  |
| <b>Total comprehensive income for the period</b>                       | <u><u>6,658</u></u>                                       | <u><u>6,062</u></u>                                       | <u><u>638</u></u>   | <u><u>1,389</u></u>   |
| <b>Attributable to:</b>  |   |   |   |   |
| <b>Owners of the Company</b>   | 6,902   | 6,131   | 1,633   | 1,418   |
| <b>Non-controlling interests</b>                                       | (244)   | (69)  | (995)   | (29)  |
| <b>Profit for the period</b>   | <u><u>6,658</u></u>                                       | <u><u>6,062</u></u>                                       | <u><u>638</u></u>   | <u><u>1,389</u></u>   |
| <b>Attributable to:</b>  |   |   |   |   |
| <b>Owners of the Company</b>   | 6,902   | 6,131   | 1,633   | 1,418   |
| <b>Non-controlling interests</b>                                       | (244)   | (69)  | (995)   | (29)  |
| <b>Comprehensive income for the period</b>                             | <u><u>6,658</u></u>                                       | <u><u>6,062</u></u>                                       | <u><u>638</u></u>   | <u><u>1,389</u></u>   |
| <b>Earnings per share attributable to equity holders of the parent</b> |   |   |   |   |
| - Basic (sen)  | <u><u>3.72</u></u>  | <u><u>3.56</u></u>  | <u><u>0.91</u></u>  | <u><u>0.82</u></u>  |
| - Diluted (sen)  | <u><u>3.61</u></u>  | <u><u>3.50</u></u>  | <u><u>0.88</u></u>  | <u><u>0.81</u></u>  |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.



## PWF CORPORATION BHD

### Condensed Consolidated Statement of Changes in Equity For The Financial Year Ended 31 December 2021

← Attributable to Equity Holders of the Parent →

|   | Share<br>Capital<br>(RM'000) | Treasury<br>Shares<br>(RM'000) | ESS<br>Reserve<br>(RM'000) | Retained<br>Profits<br>(RM'000) | Total<br>(RM'000) | Non-controlling<br>Interest<br>(RM'000) | Total<br>Equity<br>(RM'000) |
|---|------------------------------|--------------------------------|----------------------------|---------------------------------|-------------------|---|-----------------------------|
| Balance at beginning                                    | 88,858                       | (1,622)                        | 1,747                      | 222,966                         | 311,949           | (4,294)                                 | 307,655                     |
| <b>Total comprehensive income/(loss) for the period</b> | -                            | -                              | -                          | 1,633                           | 1,633             | (995)                                   | 638                         |
| <b>Transactions with owners:</b>                        |                              |                                |                            |                                 |                   |   |                             |
| Share based payment transactions:                       |                              |                                |                            |                                 |                   |   |                             |
| -ESS shares awarded                                     | 3,520                        | -                              | -                          | -                               | 3,520             | -                                       | 3,520                       |
| -ESS option exercised                                   | 797                          | -                              | (175)                      | -                               | 622               | -                                       | 622                         |
| -Lapsed due to resignation                              | -                            | -                              | (4)                        | 4                               | -                 | -                                       | -                           |
| Warrants exercised                                      | 3,947                        | -                              | -                          | -                               | 3,947             | -                                       | 3,947                       |
| Dividend  | -                            | -                              | -                          | (7,430)                         | (7,430)           | -                                       | (7,430)                     |
| Balance at end  | <u>97,122</u>                | <u>(1,622)</u>                 | <u>1,568</u>               | <u>217,173</u>                  | <u>314,241</u>    | <u>(5,289)</u>                          | <u>308,952</u>              |

### Condensed Consolidated Statement of Changes in Equity For The Financial Year Ended 31 December 2020

← Attributable to Equity Holders of the Parent →

|   | Share<br>Capital<br>(RM'000) | Treasury<br>Shares<br>(RM'000) | ESOS<br>Reserve<br>(RM'000) | Retained<br>Profits<br>(RM'000) | Total<br>(RM'000) | Non-controlling<br>Interest<br>(RM'000) | Total<br>Equity<br>(RM'000) |
|---|------------------------------|--------------------------------|-----------------------------|---------------------------------|-------------------|---|-----------------------------|
| Balance at beginning                                    | 88,858                       | (1,622)                        | 1,334                       | 220,211                         | 308,781           | (4,265)                                 | 304,516                     |
| <b>Total comprehensive income/(loss) for the period</b> | -                            | -                              | -                           | 1,418                           | 1,418             | (29)                                    | 1,389                       |
| <b>Transactions with owners:</b>                        |                              |                                |                             |                                 |                   |   |                             |
| Share based payment transactions:                       |                              |                                |                             |                                 |                   |   |                             |
| -Recognition of equity-settled share-based payment      | -                            | -                              | 1,750                       | -                               | 1,750             | -                                       | 1,750                       |
| -Lapsed due to resignation                              | -                            | -                              | (3)                         | 3                               | -                 | -                                       | -                           |
| -Expiry of existing ESOS                                | -                            | -                              | (1,334)                     | 1,334                           | -                 | -                                       | -                           |
| Balance at end  | <u>88,858</u>                | <u>(1,622)</u>                 | <u>1,747</u>                | <u>222,966</u>                  | <u>311,949</u>    | <u>(4,294)</u>                          | <u>307,655</u>              |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.



**PWF CORPORATION BHD.**

**Condensed Consolidated Statement of Cash Flows  
For The Financial Year Ended 31 December 2021**

|   | <b>31 Dec 2021</b><br>(RM'000) | <b>31 Dec 2020</b><br>(RM'000) |
|---|--------------------------------|--------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                                |                                |
| Profit before tax   | 2,535                          | 1,710                          |
| Adjustments for :   |                                |                                |
| Non-cash items  | 25,693                         | 9,932                          |
| Non-operating items   | 3,537                          | 9,615                          |
| Operating profit before changes in working capital          | 31,765                         | 21,257                         |
| Net changes in current assets                               | (7,342)                        | 8,244                          |
| Net changes in current liabilities                          | 10,018                         | (3,366)                        |
| Cash from operations  | 34,441                         | 26,135                         |
| Income tax paid   | (2,552)                        | (2,479)                        |
| Finance cost paid   | (4,805)                        | (6,338)                        |
| Finance income received                                     | 211                            | 108                            |
| Net cash from operating activities                          | 27,295                         | 17,426                         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |                                |                                |
| Acquisition of investment securities                        | (2,311)                        | (50,808)                       |
| Acquisition of property, plant and equipment                | (14,873)                       | (13,652)                       |
| Acquisition of associates                                   | (2,523)                        | -                              |
| Dividend received   | 19                             | 86                             |
| Proceeds from disposal of investment securities             | 2,977                          | 51,199                         |
| Proceeds from disposal of property, plant and equipment     | 2,702                          | 49                             |
| Net cash used in investing activities                       | (14,009)                       | (13,126)                       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |                                |                                |
| Dividend paid   | -                              | (1,724)                        |
| Proceeds from issuance of shares                            | 4,570                          | -                              |
| Bank borrowings   | (18,473)                       | 2,918                          |
| Net cash (used in)/from financing activities                | (13,903)                       | 1,194                          |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b> | (617)                          | 5,494                          |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>               | 24,433                         | 18,939                         |
| <b>CASH AND CASH EQUIVALENTS AT END</b>                     | 23,816                         | 24,433                         |
| <b>Represented by:</b>                                      |                                |                                |
| Cash and cash equivalents                                   | 23,942                         | 24,821                         |
| Bank overdrafts   | (126)                          | (388)                          |
|   | 23,816                         | 24,433                         |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.

**PWF CORPORATION BHD.** (199701004553) (420049-H)  
(Incorporated in Malaysia)

**Interim Report For The Financial Year Ended 31 December 2021**

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2020. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2020 except for adoption of new and revised MFRSs, Amendments to MFRSs and IC Interpretations effective for annual period on or after 1 January 2021. The adoption of these MFRSs and Amendments do not have any material impact to the interim financial report.

**2. Auditors’ Report of the Preceding Annual Financial Statements**

There was no qualification on the Group’s preceding annual financial statements.

**3. Seasonal or Cyclical Factors**

The business of the Group was not affected by any significant seasonal or cyclical factors in this quarter.

**4. Unusual Items**

There were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their size or incidence.

**5. Material Changes in Estimates**

There was no material changes in estimates that had any material effect on the quarter and financial year ended 31 December 2021.

## **6. Debt and Equity Securities**

There was no other issuance, cancellations, repurchases, resale and repayments of debts and equity security up to the date of this report other than:

- I. Exercise of 1,532,400 ESS options at RM0.406 per share;
- II. Exercise of 6,367,192 warrants at RM0.62 per share;
- III. Award of 5,500,000 ESS shares at RM0.64 per share; and
- IV. Issuance of 11,626,115 shares at RM0.465 per share pursuant to dividend reinvestment plan.

The Company's warrants had expired on 19 July 2021 and accordingly the unexercised warrants had been removed from the official list of Bursa Malaysia Securities Berhad with effect from 21 July 2021.

## **7. Dividend Paid**

The Company has on 19 January 2022 paid RM2,024,304 cash dividend pursuant to the 4 sen first interim dividend (with dividend reinvestment plan) for the financial year ended 31 December 2021.

## **8. Segmental Reporting**

Segmental information has not been prepared due to the integrated nature of the Group's poultry business and that it operates wholly in Malaysia.

## **9. Subsequent Events**

There were no material events subsequent to 31 December 2021 that have not been reflected in the financial statements.

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

There have been no changes to the composition of the Group during the financial year ended 31 December 2021 other than the members' voluntary winding-up of PWF Capital Land Sdn Bhd, an inactive subsidiary.

## **11. Contingent Assets and Contingent Liabilities**

There were no material changes to the contingent assets and contingent liabilities during the reporting period.

## 12. Capital Commitments

Capital commitments of the Group as at end of the financial year were as follows:-

|                               | Approved but not<br>contracted for | Approved and<br>contracted for |
|-------------------------------|------------------------------------|--------------------------------|
|                               | RM'000                             | RM'000                         |
| Property, plant and equipment | 36,988                             | 3,058                          |

## B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS

### 1. Review of Performance

Group revenue for the quarter and year ended 31 December 2021 rose 36.13% and 24.55% from RM82.23 million and RM315.97 million recorded in corresponding period of preceding year to RM111.95 million and RM393.55 million respectively driven by higher sales quantity and selling price of broiler and eggs.

Pre-tax profit improved by RM1.70 million from RM6.17 million recorded in corresponding period of preceding year to RM7.87 million for the quarter under review. For year ended 31 December, pre-tax profit rose from RM1.71 million in the preceding year to RM2.54 million. The improved result was mainly attributable to higher sales volume and improved margin of broiler.

### 2. Variation of Results for the Quarter Compared with the Preceding Quarter

Group revenue for quarter to 31 December 2021 increased 17.28% from RM95.45 million recorded in the immediate preceding quarter to RM111.95 million as a result of increase in selling price of broiler.

Pre-tax profit improved by RM11.47 million to RM7.87 million mainly attributable to higher selling price of broiler.

### 3. Commentary on Prospects

The Company is cautiously optimistic of the performance of the Group for financial year 2022. Continuing high cost of imported raw material used in the manufacturing of feed in addition to inflationary pressure on the overall economy is expected to have an impact on the Group's performance going forward. The Group will strive to achieve better farm yield and productivity to safeguard its bottom line.

### 4. Profit Forecast

Not applicable as the Company has not issued profit forecast or profit guarantee in a public document.

## 5. Profit for the Period

Profit for the period is arrived at after crediting/ (charging):-

|  | <b>Current<br/>Year<br/>Quarter<br/>31-12-2021<br/>RM'000</b> | <b>Current<br/>Year<br/>To Date<br/>31-12-2021<br/>RM'000</b> |
|--|---|---|
| Interest income  | 79  | 211   |
| Other income (including investment income)                       | 248   | 790   |
| Interest expense   | (1,228)   | (4,805)   |
| Depreciation and amortization                                    | (3,267)   | (14,101)  |
| Provision for and write off of receivables                       | (2,235)   | (2,235)   |
| Provision for and write off of inventories                       | -   | -   |
| Gain on disposal of quoted or unquoted investments or properties | 454   | 1,049   |
| Gain on foreign exchange   | 27  | 111   |
| Fair value loss on derivative instruments                        | -   | -   |
| Fair value loss on investment properties                         | (2,000)   | (2,000)   |

## 6. Taxation

|              | <b>Individual Quarter</b>                                 |   | <b>Cumulative Quarters</b>                                |  |
|--------------|---|---|---|--|
|              | <b>Current Year<br/>Quarter<br/>31-12-2021<br/>RM'000</b> | <b>Preceding Year<br/>Corresponding<br/>Quarter<br/>31-12-2020<br/>RM'000</b> | <b>Current Year<br/>To Date<br/>31-12-2021<br/>RM'000</b> | <b>Preceding Year<br/>Corresponding<br/>Period<br/>31-12-2020<br/>RM'000</b> |
| Current tax  | (1,104)   | (547)   | (2,299)   | (2,242)  |
| Deferred tax | (107)   | 436   | 402   | 1,921  |
| Total        | (1,211)   | (111)   | (1,897)   | (321)  |

The Group's effective tax rate for the current quarter ended 31 December 2021 is inconsistent with the statutory tax rate mainly due to certain income not subject to tax, disallowable expenses for tax purpose and losses of certain subsidiaries which cannot be set off against taxable profit made by other subsidiaries.

## 7. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced during the financial year to date.



## 8. Borrowings

Group borrowings as at 31 December 2021 are as follows: -

|                                    | 31-12-2021<br>RM'000 | 31-12-2020<br>RM'000 |
|------------------------------------|----------------------|----------------------|
| <i>Current liabilities</i>         |                      |                      |
| Secured                            | 10,327               | 9,367                |
| Unsecured                          | 94,684               | 115,390              |
|                                    | <u>105,011</u>       | <u>124,757</u>       |
| <br><i>Non-current liabilities</i> |                      |                      |
| Secured                            | 42,965               | 41,414               |
| Unsecured                          | 1,035                | 1,575                |
|                                    | <u>44,000</u>        | <u>42,989</u>        |
|                                    | <u>149,011</u>       | <u>167,746</u>       |

All borrowings are in Ringgit Malaysia.

## 9. Material Litigation

There has been no major development in the outstanding material litigation.

## 10. Proposed Dividends

The Company did not propose any dividend payment for the financial year ended 31 December 2021 other than the 1<sup>st</sup> interim dividend of 4 sen paid on 19 January 2022.

## 11. Earnings Per Share

The earnings per share is computed by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the financial period excluding treasury shares.

The diluted earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue excluding treasury shares after adjustment for all dilutive potential ordinary shares.

|  | <b>Current<br/>Year<br/>Quarter<br/>31-12-2021</b> | <b>Preceding<br/>Year<br/>Quarter<br/>31-12-2020</b> | <b>Current<br/>Year To<br/>Date<br/>31-12-2021</b> | <b>Preceding<br/>Year To<br/>Date<br/>31-12-2020</b> |
|--|--|--|--|--|
| <b>Basic earnings per share</b>  |  |  |  |  |
| Profit for the period (RM'000)   | 6,902  | 6,131  | 1,633  | 1,418  |
| Weighted average number of ordinary shares in issue (in thousands)         | 185,761  | 172,362  | 180,027  | 172,362  |
| Basic earnings per share (Sen)   | 3.72   | 3.56   | 0.91   | 0.82   |
| <b>Diluted earnings per share</b>  |  |  |  |  |
| Profit for the period (RM'000)   | 6,902  | 6,131  | 1,633  | 1,418  |
| Weighted average number of ordinary shares in issue (basic) (in thousands) | 185,761  | 172,362  | 180,027  | 172,362  |
| Effect of share options (in thousands)                                     | 5,174  | 2,916  | 5,782  | 2,916  |
| Weighted average number of ordinary shares in issue (in thousands)         | 190,935  | 175,278  | 185,809  | 175,278  |
| Diluted earnings per share (Sen)   | 3.61   | 3.50   | 0.88   | 0.81   |

By Order of the Board

Ch'ng Lay Hoon  
Company Secretary

Dated this 28<sup>th</sup> day of February 2022