

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		UNAUDITED CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	Changes %	UNAUDITED CURRENT YEAR TO DATE	AUDITED PRECEDING YEAR TO DATE	Changes %
		31 DECEMBER 2021 RM'000	31 DECEMBER 2020 RM'000		31 DECEMBER 2021 RM'000	31 DECEMBER 2020 RM'000	
Revenue	B1	370,391	195,745	89%	913,195	604,811	51%
Operating expenses		(231,053)	(183,975)	26%	(703,352)	(574,085)	23%
Other operating income		1,151	2,543	-55%	3,989	5,284	-25%
Profit from operations		140,489	14,313	882%	213,832	36,010	494%
Finance costs		(5,541)	(5,978)	-7%	(20,239)	(11,366)	78%
Profit before tax		134,948	8,335	1519%	193,593	24,644	686%
Taxation	B5	(27,714)	2,565	-1180%	(40,818)	(1,933)	2012%
Profit for the period		107,234	10,900	884%	152,775	22,711	573%
Profit attributable to :							
Owners of the Company		107,234	10,900	884%	152,775	22,711	573%
Non-controlling interest		-	-		-	-	
Profit for the period		107,234	10,900	884%	152,775	22,711	573%
Basic earnings per share (sen)	B10 (a)	51.44	5.31	869%	73.29	11.06	563%
Diluted earnings per share (sen)	B10 (b)	34.92	3.71	840%	49.76	7.74	543%

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2020)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	UNAUDITED CURRENT YEAR QUARTER 31 DECEMBER 2021 RM'000	PRECEDING YEAR QUARTER 31 DECEMBER 2020 RM'000	Changes %	UNAUDITED CURRENT YEAR TO DATE 31 DECEMBER 2021 RM'000	AUDITED PRECEDING YEAR TO DATE 31 DECEMBER 2020 RM'000	Changes %
Profit for the period	107,234	10,900	884%	152,775	22,711	573%
<i>Other comprehensive income, net of tax</i>						
Foreign currency translation differences for foreign operations	(96)	(1,380)	-93%	1,293	(664)	-295%
Cash flow hedge	2,057	5,492	-63%	(4,535)	3,735	-221%
Total comprehensive income for the period	<u>109,195</u>	<u>15,012</u>	<u>627%</u>	<u>149,533</u>	<u>25,782</u>	<u>480%</u>
Total comprehensive income attributable to :						
Owners of the Company	109,195	15,012	627%	149,533	25,782	480%
Non-controlling interest	-	-		-	-	
Total comprehensive income for the period	<u>109,195</u>	<u>15,012</u>	<u>627%</u>	<u>149,533</u>	<u>25,782</u>	<u>480%</u>

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31-DEC-21 RM'000 UNAUDITED	AS AT 31-DEC-20 RM'000 AUDITED
ASSETS		
Non-current assets		
Property, plant and equipment	712,247	702,067
Investment properties	4,473	4,574
Right-of-use assets	72,194	67,181
Land held for property development	32,961	-
Goodwill	792	792
Derivative financial assets	3,634	7,581
Deferred tax assets	2,923	4,044
	<u>829,224</u>	<u>786,239</u>
Current assets		
Inventories and contract assets	330,221	140,627
Trade receivables	138,395	137,166
Other receivables, deposits and prepayments	62,675	32,417
Amount due from related companies	10,039	9,969
Tax recoverable	1,974	1,879
Derivative financial assets	2,142	3,082
Cash and bank balances	83,052	52,558
	<u>628,498</u>	<u>377,698</u>
TOTAL ASSETS	<u>1,457,722</u>	<u>1,163,937</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	230,096	203,274
Foreign currency translation reserve	4,440	3,147
ICULS equity	152,310	153,457
Warrant reserve	28,222	33,921
Hedging reserve	5,360	9,895
Retained profit	306,656	156,312
Treasury shares, at cost	(2,220)	(2,220)
	<u>724,864</u>	<u>557,786</u>
Non-controlling interest	-	-
Total equity	<u>724,864</u>	<u>557,786</u>
Non-current liabilities		
Loans and borrowings	220,774	261,636
Liability component of ICULS	11,392	16,408
Lease liabilities	11,213	4,650
Deferred taxation	41,211	6,435
	<u>284,590</u>	<u>289,129</u>
Current Liabilities		
Trade payables	128,859	73,692
Contract liabilities	2,039	4,105
Other payables and accruals	23,156	56,495
Loans and borrowings	278,240	168,050
Amount due to related companies	9,000	9,743
Lease liabilities	6,078	4,874
Taxations	896	63
	<u>448,268</u>	<u>317,022</u>
Total liabilities	<u>732,858</u>	<u>606,151</u>
TOTAL EQUITY AND LIABILITIES	<u>1,457,722</u>	<u>1,163,937</u>
Net assets per share attributable to the owners of the company (RM)		
(based on 208,462,186 ordinary shares)	3.48	
(based on 205,347,406 ordinary shares)		2.72

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company							Total Equity RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Non-distributable				Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Foreign currency translation reserve RM'000	Equity Component of ICULS RM'000	Warrant Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000			
At 1 January 2021	203,274	(2,220)	3,147	153,457	33,921	9,895	156,312	557,786	-	557,786
Total comprehensive income for the period	-	-	1,293	-	-	(4,535)	152,775	149,533	-	149,533
Conversion of ICULS and Exercise of Warrants	26,822	-	-	(1,147)	(5,699)	-	(373)	19,603	-	19,603
Dividend										
- First interim dividend for the financial year ended 31 Dec 2020	-	-	-	-	-	-	(2,058)	(2,058)	-	(2,058)
At 31 December 2021	230,096	(2,220)	4,440	152,310	28,222	5,360	306,656	724,864	-	724,864
	-	-	-	-	-	-	-			
At 1 January 2020	200,633	(2,220)	3,811	155,434	33,921	6,160	137,094	534,833	-	534,833
Total comprehensive income for the period	-	-	(664)	-	-	3,735	22,711	25,782	-	25,782
Conversion of ICULS	2,641	-	-	(1,977)	-	-	(422)	242	-	242
Dividend										
- Special dividend for the financial year ended 31 Dec 2019	-	-	-	-	-	-	(3,071)	(3,071)	-	(3,071)
At 31 December 2020	203,274	(2,220)	3,147	153,457	33,921	9,895	156,312	557,786	-	557,786

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

PMB Technology Berhad

Registration No. 200201016594 (584257-X)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED FOR THE YEAR 31-DECEMBER-21 RM'000	AUDITED FOR THE YEAR 31-DECEMBER-20 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	193,593	24,644
Adjustments for:		
Depreciation	34,777	29,411
Net gain on disposal of property, plant and equipment, right-of-use assets and investment properties	(26)	(50)
Unrealised foreign exchange gain	(831)	(569)
Interest income	(228)	(236)
Interest expenses	20,239	11,366
Operating profit before working capital changes	247,524	64,566
Changes in working capital:		
Inventories & contract assets	(189,594)	36,126
Trade and other receivables	(30,509)	(17,842)
Trade and other payables	18,802	(12,096)
Cash from operations	46,223	70,754
Income taxes paid	(3,860)	(5,232)
Net cash from operating activities	42,363	65,522
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, right-of-use assets, land held for property development and investment properties	(73,578)	(81,141)
Interest received	228	236
Proceeds from disposal of property, plant and equipment, investment properties and assets classified as held for sale	26	38
Net cash used in investing activities	(73,324)	(80,867)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(2,058)	(5,117)
Interest expenses paid	(25,220)	(25,809)
Proceeds from bank borrowings	106,011	-
Repayment of bank borrowings	-	(12,266)
Repayment of Lease Liabilities	(1,485)	(8,922)
Proceeds from loan	-	40,655
Repayment of loan	(36,278)	-
Proceeds from Warrants Exercise	19,597	-
Net cash from/(used in) financing activities	60,567	(11,459)
Exchange differences on translation of the financial statements of foreign operations	1,293	(598)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	30,899	(27,402)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	52,153	79,555
CASH AND CASH EQUIVALENTS AT END OF PERIOD	83,052	52,153
The cash & cash equivalents comprise:		
Cash & bank balances	83,052	52,558
Bank overdraft	-	(405)
	83,052	52,153

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

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

PART A :EXPLANATORY NOTES

A1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of the Companies Act 2016 in Malaysia.

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

A2. Significant Accounting Policies

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those adopted for the financial year ended 31 December 2020, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the annual periods beginning on or after 1 January 2021.

-) Amendments to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement* and MFRS 7 *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*
-) Amendments to MFRS 16 *Leases - Covid-19 - Related Rent Concessions beyond 30 June 2021*

The adoption of the above standards, amendments and annual improvement did not have any material financial impacts to the Group.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
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Standards issued but not yet effective

i) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022

-) Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
-) Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework*
-) Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
-) Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)*
-) Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use*
-) Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
-) Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

ii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023

-) MFRS 17, Insurance Contracts*
-) Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
-) Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*

iii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

-) Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments when effective. The adoption of the applicable accounting standards are not expected to have any material impacts to the financial statements of the Group upon the initial adoption.

A3. Seasonal or cyclical of operations

The business of the Group was not significantly affected by any seasonal or cyclical factors.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

A4. Unusual items due to their nature, size and incidence

The surge in the metallic silicon price during the current quarter under review was primarily caused by the initiative of the Chinese Government to cut back on the power supply to the silicon industries as well as tightening of environmental control in China. However, the price of the metallic silicon has stabilized, after subsequent correction.

Save for the above, there were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter under review.

A5. Changes in estimates

There were no material changes in estimated amount reported in prior period which have a material effect on the current financial year-to-date.

A6. Debt and equity securities

As at 31 December 2021, a total of 5,040,400 shares were held as treasury shares at cost in accordance with the requirements of Section 127 of the Companies Act, 2016. None of the treasury shares repurchased has been sold or cancelled.

A7. Dividend paid

The first interim single tier dividend of 1 sen per share totaling RM2,057,612.50 for the financial year ended 31 December 2020 was paid to shareholders on 13 April 2021.

A8. Segmental information

Segmental information is presented in respect of the Group's business segments.

The Group comprises the following main business segments:

Manufacturing & trading : Manufacture of metallic silicon, aluminium access equipment, marketing and trading of other related products.

Construction & fabrication : Contracting, designing and fabrication of aluminium curtain wall, cladding system and system formwork.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**
A8. Segmental information (Cont'd)

	Manufacturing & trading RM'000	Construction & fabrication RM'000	Elimination RM'000	Total RM'000
<u>3 months ended 31 December 2021</u>				
Total revenue	291,588	88,004	(9,201)	370,391
Inter-segment revenue	(4,431)	(4,770)	9,201	-
Revenue from external customers	287,157	83,234		370,391
Segment result	138,274	2,215		140,489
Finance cost				(5,541)
Tax expense				(27,714)
Profit for the period				107,234

	Manufacturing & trading RM'000	Construction & fabrication RM'000	Elimination RM'000	Total RM'000
<u>12 months ended 31 December 2021</u>				
Total revenue	678,357	273,674	(38,836)	913,195
Inter-segment revenue	(21,450)	(17,386)	38,836	-
Revenue from external customers	656,907	256,288		913,195
Segment result	205,019	8,813		213,832
Finance cost				(20,239)
Tax expense				(40,818)
Profit for the period				152,775

Segment assets	1,691,361	283,657	(517,296)	1,457,722
Segment liabilities	805,508	192,856	(265,506)	732,858

A9. Valuation of property, plant and equipment

Property, plant and equipment of the Group were not revalued during the current quarter under review. All the property, plant and equipment were stated at costs less accumulated depreciation.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

A10. Material events subsequent to the balance sheet date

There were no material subsequent events since the end of the current quarter to the date of issue of this report.

A11. Changes in the composition of the Group

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

A12. Contingent liabilities

There were no material changes in contingent liability as at the date of this quarterly report.

A13. Capital commitments

As at 31 December 2021, the Group has the following known capital commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	<u>6,560</u>

A14. Related Party Transactions

The Group

With the affiliated companies - Press Metal Aluminium Holdings Berhad Group

	<u>Current year-to-date</u>
	RM'000
Purchase of aluminium products	<u>19,156</u>
Sale of metallic silicon and fabricated aluminium products	<u>13,178</u>

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**
PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B1. Operating Segments Review

	Year 2021		Year 2020	
	Q4/21	12M/2021	Q4/20	12M/2020
	RM'000	RM'000	RM'000	RM'000
Revenue				
Manufacturing & trading	287,157	656,907	131,441	370,448
Construction & fabrication	83,234	256,288	64,304	234,363
	<u>370,391</u>	<u>913,195</u>	<u>195,745</u>	<u>604,811</u>
Segment result				
Manufacturing & trading	138,274	205,019	13,012	27,101
Construction & fabrication	2,215	8,813	1,301	8,909
	<u>140,489</u>	<u>213,832</u>	<u>14,313</u>	<u>36,010</u>
Profit before tax	<u>134,948</u>	<u>193,593</u>	<u>8,335</u>	<u>24,644</u>

(a) Q4/21 vs Q4/20

The Group's revenue was higher at RM370.4 million, representing an increase of RM174.6 million or 89% from RM195.7 million recorded in Q4/20. The increase was mainly due to higher revenue contribution from Manufacturing & Trading segment.

In tandem with higher revenue and the improved contribution from the metallic silicon plant, the Group's profit before tax ("PBT") surged from RM8.3 million to RM134.9 million.

Manufacturing and Trading segment

The revenue from Manufacturing and Trading segment increased by 118% from RM131.4 million to RM287.2 million, mainly due to higher metallic silicon price during the current quarter under review.

With higher metallic silicon price after offsetting higher raw materials cost, logistics costs and operating expenses, the segment profit surged from RM13.0 million to RM138.3 million.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

B1. Operating Segments Review (Cont'd)

(a) Q4/21 vs Q4/20 (Cont'd)

Construction and Fabrication segment

Revenue from Construction and Fabrication segment increased by 29% from RM64.3 million to RM83.2 million mainly due to the acceleration of progress of certain on-going projects during the current quarter under review.

In line with higher revenue, segment profit increased from RM1.3 million to RM2.2 million during the current quarter under review.

(b) 12M/2021 vs 12M/2020

The Group recorded a revenue of RM913.2 million for the year ended 31 December 2021 ("12M/2021"), representing an increase of 51% from RM604.8 million recorded for the year ended 31 December 2020 ("12M/2020").

Higher revenue arising from higher selling price coupled with the improved contribution from the metallic silicon plant, the Group's PBT surged from RM24.6 million to RM193.6 million recorded in 12M/2021.

Manufacturing and Trading segment

Revenue for Manufacturing and Trading segment surged by 77% from RM370.4 million to RM656.9 million, mainly contributed by higher selling price of metallic silicon.

Segment profit also surged by RM177.9 million from RM27.1 million to RM205.0 million on the back of higher metallic silicon price after offsetting higher raw materials cost, logistics costs and operating expenses during 12M/2021.

Construction and Fabrication segment

Construction and Fabrication segment recorded a revenue of RM256.3 million for 12M/2021, representing an increase of 9% from RM234.4 million recorded for 12M/2020.

Despite the increase in revenue, segment profit decreased slightly by RM0.1 million from RM8.9 million for 12M/2020, mainly due to higher raw materials cost which was not fully passed on to the customers.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

B2. Material Change in Performance of Current Quarter compared with Preceding Quarter (Q4/21 vs Q3/21)

The Group's revenue increased by 83% from RM202.7 million to RM370.4 million. The increase was mainly attributable to higher metallic sales and the acceleration of progress of certain on-going projects during the current quarter under review.

The Group's PBT surged from RM34.3 million to RM134.9 million, mainly due to higher metallic silicon price after offsetting higher raw materials cost and operating expenses.

B3. Current year prospects

Despite the recent resurgence in Covid-19 cases, the global economic recovery is expected to continue with the intensifying inflationary pressure due to supply chain disruptions and rising energy costs amid the recent tensions involving Russia and Ukraine.

The metallic silicon industry outlook for the immediate future hinges on the outcome of two main factors - the semiconductor shortage affecting the automotive industry and China's dual control policy to reduce energy intensity and to limit total energy consumption.

Automakers are unable to cope with the strong recovery in demand for vehicles as the ongoing shortage of computer chips continue to hamper their production. A gradual easing of the shortage is expected in 2022 which should improve the demand for metallic silicon.

Beyond the current uncertainties, irreversible global megatrends of a more sustainable and greener future augurs well for the metallic silicon industry as it is an essential raw material in the value chain of the production of electric vehicles, solar panels and other resource and energy saving end products.

The volatility in selling price, raw materials cost, logistics costs and foreign currency exchanges are still the key challenges to the Group. Nevertheless, the Group will continue to focus on strengthening its position and to improve its efficiency to stay competitive in order to achieve a satisfactory result for the Group.

B4. Profit forecast

Not applicable as no profit forecast was published.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**
B5. Taxation

	<u>Quarter Ended 31/12/21</u>	<u>Current Year To-date</u>
	RM'000	RM'000
Current taxation	2,682	4,573
Deferred tax	25,032	36,245
Total tax charge	<u>27,714</u>	<u>40,818</u>

The Group's effective tax rate for the financial year-to-date under review was 21.1% which is slightly lower than the prima facie tax rate.

B6. Status of Corporate Proposals Announced

Save for the proposed bonus issue announced on even date, there were no other Corporate Proposals announced but pending implementation during the financial quarter.

B7. Group borrowings and debt securities

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
	(RM'000)	(RM'000)	(RM'000)
<u>As at 31 December 2021</u>			
(a) (i) Current			
Overdraft	-	-	-
Revolving credit	17,500	42,615	60,115
Trade facilities	-	156,015	156,015
Term loan	62,110	-	62,110
	<u>79,610</u>	<u>198,630</u>	<u>278,240</u>
(ii) Non-current			
Term loan and others	220,774	-	220,774
Total	<u>300,384</u>	<u>198,630</u>	<u>499,014</u>
	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
	(RM'000)	(RM'000)	(RM'000)
<u>As at 31 December 2020</u>			
(a) (i) Current			
Overdraft	-	405	405
Revolving credit	-	36,349	36,349
Trade facilities	-	94,770	94,770
Term loan	34,026	-	34,026
	<u>34,026</u>	<u>131,524</u>	<u>165,550</u>
(ii) Non-current			
Term loan	264,136	-	264,136
Total	<u>298,162</u>	<u>131,524</u>	<u>429,686</u>

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**
B7. Group borrowings and debt securities (Cont'd)
(b) Foreign currency bank borrowings

Foreign currency bank borrowings that denominated in Hong Kong Dollar ("HKD") included in the above borrowings are as follows:

	<u>As at 31/12/2021</u>		<u>As at 31/12/2020</u>	
	HK'000	RM'000 Equivalent	HK'000	RM'000 Equivalent
Overdraft	-	-	781	405
Revolving credit	77,639	41,615	48,937	25,349
Trade facilities	88,729	47,317	36,893	19,110
	<u>165,918</u>	<u>88,932</u>	<u>86,611</u>	<u>44,864</u>

The Group borrowings has increased by RM69.3 million from RM429.7 million to RM499.0 million mainly due to the utilization of short-term loan for working capital.

B8. Material Litigation

There was no material litigation against the Group as at the reporting date.

B9. Proposed Dividend

The Directors declared a First interim single tier dividend of 5 sen per share for the financial year ended 31 December 2021 and will be payable to shareholders on 5 April 2022. The entitlement date for the said dividend shall be 22 March 2022.

A Depositor shall qualify for entitlement to the Dividend only in respect of:-

- Shares transferred to the Depositor's securities account before 4.30 p.m. on 22 March 2022 in respect of transfers.
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to Rules of Bursa Malaysia Securities Berhad.

B10. Earnings Per Share
(a) Basic earnings per share

	Current Quarter		Year-to-date	
	<u>31/12/21</u>	<u>31/12/20</u>	<u>31/12/21</u>	<u>31/12/20</u>
Profit attributable to Shareholders (RM'000)	107,234	10,900	152,775	22,711
Weighted average number of ordinary shares ('000)	208,462	205,347	208,462	205,347
Basic earnings per share (sen)	51.44	5.31	73.29	11.06

EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

B10. Earnings Per Share (Cont'd)

(b) Diluted earnings per share

	Current Quarter		Year-to-date	
	<u>31/12/21</u>	<u>31/12/20</u>	<u>31/12/21</u>	<u>31/12/20</u>
Profit attributable to Shareholders (RM'000)	107,234	10,900	152,775	22,711
Weighted average number of ordinary shares ('000)	307,053	293,446	307,053	293,446
Diluted earnings per share (sen)	34.92	3.71	49.76	7.74

B11. Auditors' report

The annual auditors' report of the audited financial statements for the year ended 31 December 2020 was not subject to any qualification.

B12. Notes to the Condensed Consolidated Income Statement

PBT and other comprehensive income are arrived at after charging and (crediting) the following items:

		Current Quarter RM'000	Current Financial To-date RM'000
a)	Interest income	(88)	(228)
b)	Other income including investment income	129	(611)
c)	Interest expense	5,541	20,239
d)	Depreciation and amortization	8,601	34,777
e)	(Reversal)/Provision for and write off of receivables	-	-
f)	Provision for and write off of inventories	5,569	5,569
g)	(Gain) and loss on disposal of quoted or unquoted Investments or properties	-	-
h)	Impairment of assets	-	-
i)	Foreign exchange (gain) or loss	(1,067)	(3,076)
j)	(Gain) or loss on derivatives	(2,057)	4,535
k)	Exceptional items	-	-

EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

B13. Derivative Financial Instruments

As at 31 December 2021, the Group has the following outstanding derivative financial instrument:

Type of Derivative	Contract/Notional value RM'000	Fair value assets/(liabilities) RM'000
Foreign Exchange Forward Contract		
- Less than 1 year	82,782	1,988
- 1 year to 3 years	175,950	3,330
- More than 3 years	21,059	42

The Group entered into the forward exchange contracts to hedge its highly probable forecast transactions denominated in foreign currency expected to occur in the future. Such contracts have maturity dates that match the expected occurrence of these transactions. These financial instruments are stated at fair value based on the financial institution's quote.

All the derivatives were contracted with creditworthy financial institutions to mitigate the credit risk, market risk and liquidity risk associated with the derivatives.

There is no cash requirement for these derivatives other than the repayment obligation for the bank borrowings.

There have been no changes made to the accounting policies associated with those derivatives since the end of the previous financial year ended 31 December 2020.

B14. Fair Value Changes of Financial Liabilities

There were no fair value changes of financial liabilities during the current quarter ended 31 December 2021.

On behalf of the Board

Koon Poh Ming
Chief Executive Officer
 24 February 2022