

PMB Technology Berhad

Registration No. 200201016594 (584257-X)

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		UNAUDITED CURRENT YEAR QUARTER	UNAUDITED PRECEDING YEAR QUARTER	Changes %	UNAUDITED CURRENT YEAR TO DATE	UNAUDITED PRECEDING YEAR TO DATE	Changes %
		31 MAR 2022 RM'000	31 MAR 2021 RM'000		31 MAR 2022 RM'000	31 MAR 2021 RM'000	
Revenue	B1	301,971	161,827	87%	301,971	161,827	87%
Operating expenses		(228,785)	(149,100)	53%	(228,785)	(149,100)	53%
Other operating income		404	1,970	-79%	404	1,970	-79%
Profit from operations		73,590	14,697	401%	73,590	14,697	401%
Finance costs		(4,981)	(4,920)	1%	(4,981)	(4,920)	1%
Profit before tax		68,609	9,777	602%	68,609	9,777	602%
Taxation	B5	(13,743)	(3,150)	336%	(13,743)	(3,150)	336%
Profit for the period		54,866	6,627	728%	54,866	6,627	728%
Profit attributable to :							
Owners of the Company		54,866	6,627	728%	54,866	6,627	728%
Non-controlling interest		-	-		-	-	
Profit for the period		54,866	6,627	728%	54,866	6,627	728%
Basic earnings per share (sen)	B10 (a)	25.65	3.22	697%	25.65	3.22	697%
Diluted earnings per share (sen)	B10 (b)	22.62	2.73	728%	22.62	2.73	728%

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	UNAUDITED CURRENT YEAR QUARTER 31 MAR 2022 RM'000	UNAUDITED PRECEDING YEAR QUARTER 31 MAR 2021 RM'000	Changes %	UNAUDITED CURRENT YEAR TO DATE 31 MAR 2022 RM'000	UNAUDITED PRECEDING YEAR TO DATE 31 MAR 2021 RM'000	Changes %
Profit for the period	54,866	6,627	728%	54,866	6,627	728%
<i>Other comprehensive income, net of tax</i>						
Foreign currency translation differences for foreign operations	74	1,214	-94%	74	1,214	-94%
Cash flow hedge	2,096	(5,505)	-138%	2,096	(5,505)	-138%
Total comprehensive income for the period	<u>57,036</u>	<u>2,336</u>	<u>2342%</u>	<u>57,036</u>	<u>2,336</u>	<u>2342%</u>
Total comprehensive income attributable to :						
Owners of the Company	57,036	2,336	2342%	57,036	2,336	2342%
Non-controlling interest	-	-		-	-	
Total comprehensive income for the period	<u>57,036</u>	<u>2,336</u>	<u>2342%</u>	<u>57,036</u>	<u>2,336</u>	<u>2342%</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT FINANCIAL QUARTER END 31-MAR-22 RM'000 UNAUDITED	AS AT 31-DEC-21 RM'000 AUDITED
ASSETS		
Non-current assets		
Property, plant and equipment	712,198	712,247
Investment properties	4,448	4,474
Right-of-use assets	70,800	72,194
Land held for property development	33,498	32,961
Goodwill	792	792
Derivative financial assets	5,800	3,634
Deferred tax assets	2,331	2,923
Trade receivables	29,138	25,383
	<u>859,005</u>	<u>854,608</u>
Current assets		
Inventories and contract assets	390,382	330,221
Trade receivables	139,521	112,707
Other receivables, deposits and prepayments	71,367	62,674
Amount due from related companies	19,203	10,039
Tax recoverable	2,041	1,974
Derivative financial assets	2,235	2,142
Cash and bank balances	104,051	83,052
	<u>728,800</u>	<u>602,809</u>
TOTAL ASSETS	<u>1,587,805</u>	<u>1,457,417</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Company		
Share capital	305,936	230,096
Foreign currency translation reserve	4,514	4,440
ICULS equity	139,194	152,310
Warrant reserve	15,080	28,222
Hedging reserve	7,456	5,360
Retained profit	345,990	306,656
Treasury shares, at cost	(2,220)	(2,220)
	<u>815,950</u>	<u>724,864</u>
Non-controlling interest	-	-
Total equity	<u>815,950</u>	<u>724,864</u>
Non-current liabilities		
Loans and borrowings	205,564	220,774
Liability component of ICULS	7,778	11,392
Lease liabilities	10,671	11,206
Deferred taxation	52,219	41,211
	<u>276,232</u>	<u>284,583</u>
Current Liabilities		
Trade payables	92,603	127,845
Contract liabilities	10,826	2,905
Other payables and accruals	20,815	22,999
Loans and borrowings	343,605	278,240
Amount due to related companies	7,715	9,000
Dividend payable	11,690	-
Lease liabilities	6,410	6,085
Taxations	1,959	896
	<u>495,623</u>	<u>447,970</u>
Total liabilities	<u>771,855</u>	<u>732,553</u>
TOTAL EQUITY AND LIABILITIES	<u>1,587,805</u>	<u>1,457,417</u>
Net assets per share attributable to the owners of the company (RM) * (based on 213,921,168 ordinary shares as at 31 March 2022)	3.81	
(based on 208,462,186 ordinary shares as at 31 December 2021)		3.48

* Before the completion of bonus issue

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company						Distributable Retained Profits RM'000	Total Equity RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Foreign currency translation reserve RM'000	Non-distributable Equity Component of ICULS RM'000	Warrant Reserve RM'000	Hedging Reserve RM'000				
At 1 January 2022	230,096	(2,220)	4,440	152,310	28,222	5,360	306,656	724,864	-	724,864
Total comprehensive income for the period	-	-	74	-	-	2,096	54,866	57,036	-	57,036
Conversion of ICULS and Exercise of Warrants	75,840	-	-	(13,116)	(13,142)	-	(3,842)	45,740	-	45,740
Dividend - First interim dividend for the financial year ended 31 Dec 2021	-	-	-	-	-	-	(11,690)	(11,690)	-	(11,690)
At 31 March 2022	305,936	(2,220)	4,514	139,194	15,080	7,456	345,990	815,950	-	815,950
	-	-	-	-	-	-	-	-	-	-
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	-	-	1,214	-	-	(5,505)	6,627	2,336	-	2,336
Conversion of ICULS	485	-	-	(363)	-	-	(136)	(14)	-	(14)
Dividend - First interim dividend for the financial year ended 31 Dec 2020	-	-	-	-	-	-	(2,058)	(2,058)	-	(2,058)
At 31 March 2021	203,759	(2,220)	4,361	153,094	33,921	4,390	160,745	558,050	-	558,050

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED FOR THE 3 MONTHS ENDED 31-MAR-22 RM'000	UNAUDITED FOR THE 3 MONTHS ENDED 31-MAR-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	68,609	9,777
Adjustments for:		
Depreciation	8,697	9,406
Net gain on disposal of property, plant and equipment, right-of-use assets and investment properties	(2)	-
Unrealised foreign exchange gain	(181)	(966)
Interest income	(99)	(52)
Interest expenses	4,981	4,920
Operating profit before working capital changes	<u>82,005</u>	<u>23,085</u>
Changes in working capital:		
Inventories & contract assets	(60,161)	(31,910)
Trade and other receivables	(46,769)	(1,261)
Trade and other payables	(32,266)	(44,945)
Cash used in operations	<u>(57,191)</u>	<u>(55,031)</u>
Income taxes paid	(1,473)	(1,009)
Net cash used in operating activities	<u>(58,664)</u>	<u>(56,040)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, right-of-use assets, land held for property development and investment properties	(8,015)	(10,367)
Interest received	99	52
Proceeds from disposal of property, plant and equipment, investment properties and assets classified as held for sale	2	-
Net cash used in investing activities	<u>(7,914)</u>	<u>(10,315)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest expenses paid	(7,868)	(7,630)
Proceeds from bank borrowings	45,590	85,574
Proceeds of Lease Liabilities	40	-
Repayment of Lease Liabilities	-	(582)
Proceeds from loan	4,565	-
Repayment of loan	-	(7,571)
Proceeds from Warrants Exercise	45,176	-
Net cash from financing activities	<u>87,503</u>	<u>69,791</u>
Exchange differences on translation of the financial statements of foreign operations	<u>74</u>	<u>1,214</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	20,999	4,650
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	83,052	52,153
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>104,051</u>	<u>56,803</u>
The cash & cash equivalents comprise:		
Cash & bank balances	104,051	58,116
Bank overdraft	-	(1,313)
	<u>104,051</u>	<u>56,803</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021)

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

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 2021. 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 2021.

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 2021, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the 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 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)*

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
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

A2. Significant Accounting Policies (Cont'd)

Standards issued but not yet effective

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

-) MFRS 17, Insurance Contracts*
-) Amendments to MFRS 17, Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
-) Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
-) Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
-) Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

ii) 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.

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

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.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

A6. Debt and equity securities

As at 31 March 2022, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities except the following:

- (i) Issuance of 6,395,000 new ordinary shares pursuant to the conversion of the 5-years 3.00% Irredeemable Convertible Unsecured Loan Stocks (“ICULS”) on the basis of one (1) ICULS for every one (1) ordinary share;
- (ii) Issuance of 15,008,734 new ordinary shares pursuant to the exercise of Warrants; and
- (iii) 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.

The Group has on 29 April 2022, completed a bonus issue up to 1,296,774,800 new ordinary shares in the Company on the basis of four (4) bonus shares for every one (1) existing ordinary share with the relevant adjustments to the Warrants and the ICULS.

A7. Dividend paid

The first interim single tier dividend of 5 sen per share totaling RM11,690,030.15 for the financial year ended 31 December 2021 was paid to shareholders on 5 April 2022.

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 FIRST QUARTER ENDED 31 MARCH 2022**

A8. Segmental information (Cont'd)

	Manufacturing & trading RM'000	Construction & fabrication RM'000	Elimination RM'000	Total RM'000
<u>3 months ended 31 March 2022</u>				
Total revenue	242,133	65,844	(6,006)	301,971
Inter-segment revenue	(3,705)	(2,301)	6,006	-
Revenue from external customers	238,428	63,543		301,971
Segment result	71,616	1,974		73,590
Finance cost				(4,981)
Tax expense				(13,743)
Profit for the period				54,866
Segment assets	1,873,674	281,738	(567,607)	1,587,805
Segment liabilities	897,835	189,867	(315,847)	771,855

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.

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 that have not been reflected in the financial statements for the current financial year-to-date.

A11. Changes in the composition of the Group

On 15 March 2022, PMB Technology Berhad has entered into a Share Sale Agreement with Asia Cement Co., Ltd. for the acquisition of 40,000,000 ordinary shares, representing 100% of the total issued share capital in Asia Advanced Material Sdn. Bhd. ("AAM") for a total cash consideration of RM17,000,000.

The acquisition of AAM, which owns a piece of industrial land measuring approximately 124 acres in Samalaju Industrial Park, Bintulu, Sarawak will allow future expansion for the Group's metallic silicon related business. The acquisition was completed on 25 May 2022.

Save for the above, there were no changes in the composition of the Group for the current quarter under review.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**
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 March 2022, the Group has the following known capital commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	<u>58,420</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>7,191</u>
Sale of metallic silicon and fabricated aluminium products	<u>26,747</u>

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B1. Operating Segments Review

	Year 2022	Year 2021
	Q1/22	Q1/21
	RM'000	RM'000
<u>Revenue</u>		
Manufacturing & trading	238,428	115,095
Construction & fabrication	63,543	46,732
	<u>301,971</u>	<u>161,827</u>
<u>Segment result</u>		
Manufacturing & trading	71,616	12,817
Construction & fabrication	1,974	1,880
	<u>73,590</u>	<u>14,697</u>
Profit before tax	<u>68,609</u>	<u>9,777</u>

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

B1. Operating Segments Review (Cont'd)

(a) Q1/22 vs Q1/21

The Group recorded a revenue of RM302.0 million in current quarter which was 87% higher than RM161.8 million recorded in the preceding year's corresponding quarter. The increase was mainly due to higher revenue contribution from Manufacturing & Trading segment.

Higher revenue coupled with the improved contribution from metallic silicon plant, the profit before tax ("PBT") for the Group increased from RM9.8 million in the preceding year's corresponding quarter to RM68.6 million in current quarter.

Manufacturing and Trading segment

The revenue from the Manufacturing & Trading segment has doubled, registering a revenue of RM238.4 million in current quarter which was higher than RM115.1 million recorded in the preceding year's corresponding quarter.

The increase in segment profit was attributable to higher metallic silicon price after offsetting higher raw material and operating costs.

Construction and Fabrication segment

Construction & Fabrication segment's revenue increased by 36% from RM46.7 million to RM63.5 million mainly due to the acceleration of progress of certain on-going projects.

In line with higher revenue after offsetting higher raw material costs, the segment profit increased by 5% in the current quarter at RM2.0 million from RM1.9mil recorded in Q1/21.

B2. Material Change in Performance of Current Quarter compared with Preceding Quarter (Q1/22 vs Q4/21)

Revenue for the Group recorded RM302.0 million in the current quarter, representing a decrease by 18% as compared to RM370.4 million in the preceding quarter. The decrease was due to lower metallic silicon price and slower progress for certain on-going projects during the current quarter under review.

In tandem with lower revenue and higher operating cost, the PBT decreased by 49.1% from RM134.9 million to RM65.6 million.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

B3. Current year prospects

The impact of the continuing military conflict in Ukraine and the strict containment measures in China due to the recent surge in Covid-19 cases in the country have resulted in a sharp increase in inflationary pressures which affected the global supply chain, dampening global growth and financial market volatility.

Global automotive production continues to be suppressed by the unresolved semiconductor shortage and the ongoing supply chain disruptions. Aggravating the situation is the lockdowns in China's major car manufacturing hubs which are vital not only for the nationwide supply chains but also global supply chains.

Demand for silicon metal from the chemical and solar photovoltaic ("PV") sectors remains robust. Global PV markets are expected to remain on an upward growth trajectory in 2022 and beyond as global economies continue to pursue diversification and decarbonization of their energy systems. The EU's ambitious plans to reduce its dependency on fossil fuels by speeding up the transition to green energy should present opportunities for the industry.

Nevertheless, in view of the volatility in selling price, foreign currency exchanges, increasing raw materials cost and high logistics costs, the Group anticipates a challenging environment in coming quarters of 2022. However, the Group will continue to focus on strengthening its position and to improve its efficiency to stay competitive.

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Taxation

	<u>Quarter Ended 31/03/22</u>	<u>Current Year To-date</u>
	RM'000	RM'000
Current taxation	2,469	2,469
Deferred tax	11,274	11,274
Total tax charge	<u>13,743</u>	<u>13,743</u>

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

B6. Status of Corporate Proposals Announced but Pending Completion

There were no other Corporate Proposals announced but pending completion during the financial quarter.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**
B7. Group borrowings and debt securities

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
<u>As at 31 March 2022</u>			
(a) (i) Current			
Overdraft	-	-	-
Revolving credit	17,500	36,494	53,994
Trade facilities	-	228,726	228,726
Term loan	60,885	-	60,885
	<u>78,385</u>	<u>265,220</u>	<u>343,605</u>
(ii) Non-current			
Term loan and others	205,564	-	205,564
Total	<u><u>283,949</u></u>	<u><u>265,220</u></u>	<u><u>549,169</u></u>
	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
<u>As at 31 March 2021</u>			
(a) (i) Current			
Overdraft	-	1,313	1,313
Revolving credit	19,500	37,277	56,777
Trade facilities	-	159,916	159,916
Term loan	48,136	-	48,136
	<u>67,636</u>	<u>198,506</u>	<u>266,142</u>
(ii) Non-current			
Term loan	242,455	-	242,455
Total	<u><u>310,091</u></u>	<u><u>198,506</u></u>	<u><u>508,597</u></u>

(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 31/03/2022</u>		<u>As at 31/03/2021</u>	
	HK'000	RM'000 Equivalent	HK'000	RM'000 Equivalent
Overdraft	-	-	-	-
Revolving credit	66,096	35,494	67,807	36,277
Trade facilities	100,796	54,127	46,439	24,845
	<u>166,892</u>	<u>89,621</u>	<u>114,246</u>	<u>61,122</u>

The Group borrowings has increased by RM40.6 million from RM508.6 million to RM549.2 million mainly due to the utilization of short-term loan for working capital.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**
B8. Material Litigation

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

B9. Proposed Dividend

In view of the expansion plan for the metallic silicon plant, there was no dividend proposed during the current financial year-to-date.

B10. Earnings Per Share (before the completion of bonus issue)
(a) Basic earnings per share

	Current Quarter		Year-to-date	
	<u>31/03/22</u>	<u>31/03/21</u>	<u>31/03/22</u>	<u>31/03/21</u>
Profit attributable to Shareholders (RM'000)	54,866	6,627	54,866	6,627
Weighted average number of ordinary shares ('000)	213,921	205,611	213,921	205,611
Basic earnings per share (sen)	25.65	3.22	25.65	3.22

(b) Diluted earnings per share

	Current Quarter		Year-to-date	
	<u>31/03/22</u>	<u>31/03/21</u>	<u>31/03/22</u>	<u>31/03/21</u>
Profit attributable to Shareholders (RM'000)	54,866	6,627	54,866	6,627
Weighted average number of ordinary shares ('000)	242,588	242,823	242,588	242,823
Diluted earnings per share (sen)	22.62	2.73	22.62	2.73

B11. Auditors' report

The annual auditors' report of the audited financial statements for the year ended 31 December 2021 was not subject to any qualification.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**
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	(99)	(99)
b)	Other income including investment income	(125)	(125)
c)	Interest expense	4,981	4,981
d)	Depreciation and amortization	8,697	8,697
e)	(Reversal)/Provision for and write off of receivables	-	-
f)	Provision for and write off of inventories	-	-
g)	(Gain) and loss on disposal of quoted or unquoted Investments or properties	-	-
h)	Impairment of assets	-	-
i)	Foreign exchange (gain) or loss	1,194	1,194
j)	(Gain) or loss on derivatives	(2,096)	(2,096)
k)	Exceptional items	-	-

B13. Derivative Financial Instruments

As at 31 March 2022, 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	209,908	2,074
- 1 year to 3 years	287,691	5,140
- More than 3 years	45,203	242

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.

**EXPLANATORY NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

B13. Derivative Financial Instruments (Cont'd)

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 March 2022.

On behalf of the Board

Koon Poh Ming
Chief Executive Officer
27 May 2022