



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))**

**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2022**

---

Contents	Page No.
Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income	1 - 2
Unaudited Condensed Consolidated Statement of Financial Position	3
Unaudited Condensed Consolidated Statement of Changes in Equity	4
Unaudited Condensed Consolidated Statement of Cash Flows	5
Notes to the Interim Financial Report:-	
Part A - Explanatory Notes Pursuant to MFRS134	6 - 8
Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad	9 - 11

---



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME

FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2022

	3 months ended		6 months ended	
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
Revenue	77,105	65,362	158,641	136,563
Cost of sales	(41,266)	(36,867)	(90,558)	(81,905)
<b>Gross profit</b>	<b>35,839</b>	<b>28,495</b>	<b>68,083</b>	<b>54,658</b>
Other income	2,304	1,399	2,962	3,392
Selling & Distribution expenses	(17,276)	(16,825)	(34,459)	(34,413)
Administrative expenses	(6,069)	(6,207)	(11,672)	(12,306)
Other expenses	(8)	(493)	(180)	(201)
<b>Results from operating activities</b>	<b>14,790</b>	<b>6,369</b>	<b>24,734</b>	<b>11,130</b>
Finance income	324	200	596	371
Finance cost	(421)	(595)	(875)	(1,166)
Share of result of associate	(4)	2	(10)	4
<b>Profit before tax</b>	<b>14,689</b>	<b>5,976</b>	<b>24,445</b>	<b>10,339</b>
Income tax expense	(3,448)	(1,452)	(6,582)	(3,044)
<b>Profit for the period</b>	<b>11,241</b>	<b>4,524</b>	<b>17,863</b>	<b>7,295</b>
<b>Other comprehensive income, net of tax</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations	(204)	237	(287)	(218)
<b>Total other comprehensive income / (expenses) for the period</b>	<b>(204)</b>	<b>237</b>	<b>(287)</b>	<b>(218)</b>
<b>Total comprehensive income for the period</b>	<b>11,037</b>	<b>4,761</b>	<b>17,576</b>	<b>7,077</b>



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))  
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2022

	3 months ended		6 months ended	
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
<b>Attributable to:</b>				
Owners of the Company	11,076	4,460	17,590	7,252
Non-controlling interests	165	64	273	43
<b>Profit for the period</b>	<b>11,241</b>	<b>4,524</b>	<b>17,863</b>	<b>7,295</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	10,866	4,700	17,298	7,035
Non-controlling interests	171	61	278	42
<b>Total comprehensive income for the period</b>	<b>11,037</b>	<b>4,761</b>	<b>17,576</b>	<b>7,077</b>
Earnings per share (EPS) attributable to owners of the Company (sen):				
<b>Basic EPS</b>	<b>7.86</b>	<b>3.19</b>	<b>12.48</b>	<b>5.19</b>
<b>Diluted EPS</b>	<b>7.85</b>	<b>3.19</b>	<b>12.47</b>	<b>5.18</b>

Included in the profit for the period are:

	3 months ended		6 months ended	
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
interest income	(324)	(200)	(596)	(371)
other income including investment income	(19)	(20)	(39)	(39)
interest expenses	421	594	875	1,166
depreciation and amortisation	3,800	3,978	7,680	7,939
provision for and (write back) / write off of receivables	196	(134)	377	(39)
writedown and (write back) / write off of inventories	475	(305)	454	19
foreign exchange loss or (gain)	(2,388)	(536)	(3,621)	(2,540)

The above consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021.



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))  
(Incorporated in Malaysia)  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	As at 30/06/2022 RM'000 <i>Unaudited</i>	As at 31/12/2021 RM'000 <i>Audited</i>
<b>ASSETS</b>		
Property, plant and equipment	132,989	135,934
Intangible assets	4,869	4,908
Investment in associates	274	1,395
Deferred tax assets	128	124
<b>Non-current Assets</b>	<b>138,260</b>	<b>142,361</b>
Inventories	106,401	108,518
Trade receivables	64,340	58,394
Other receivables	23,132	14,835
Amount due from affiliated companies	458	183
Amount due from an associate	208	108
Current tax assets	390	2,951
Cash & cash equivalents	139,475	120,401
<b>Current Assets</b>	<b>334,404</b>	<b>305,390</b>
<b>TOTAL ASSETS</b>	<b>472,664</b>	<b>447,751</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	152,207	151,963
Other reserves	3,007	3,337
Retained earnings	197,515	191,202
<b>Equity Attributable to Owners of the Company</b>	<b>352,729</b>	<b>346,502</b>
Non-controlling interests	5,599	5,361
<b>Total Equity</b>	<b>358,328</b>	<b>351,863</b>
Deferred taxation	11,275	10,563
Loans and borrowings	15,880	22,607
Post-employment benefits	612	604
Lease liabilities	997	1,428
<b>Non-current Liabilities</b>	<b>28,764</b>	<b>35,202</b>
Trade payables	25,962	15,229
Other payables	33,097	17,094
Refund liability	1,557	1,543
Amount due to affiliated companies	4,466	2,445
Loans and borrowings	15,716	21,031
Current tax liabilities	2,158	453
Lease liabilities	2,616	2,891
<b>Current Liabilities</b>	<b>85,572</b>	<b>60,686</b>
<b>Total Liabilities</b>	<b>114,336</b>	<b>95,888</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>472,664</b>	<b>447,751</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>2.50</b>	<b>2.46</b>

*The above consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021.*



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))  
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2022

RM'000	Attributable to owners of the Company				Total	Non-controlling interest	Total equity
	Share capital	Exchange fluctuation reserve	Share option reserve	Retained earnings			
<b>At 1 January 2021</b>	<b>151,641</b>	<b>926</b>	<b>2,798</b>	<b>187,230</b>	<b>342,595</b>	<b>5,596</b>	<b>348,191</b>
Foreign currency translation differences for foreign operations	-	(217)	-	-	(217)	(1)	(218)
Total other comprehensive income for the period	-	(217)	-	-	(217)	(1)	(218)
Profit for the period	-	-	-	7,252	7,252	43	7,295
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(217)</b>	<b>-</b>	<b>7,252</b>	<b>7,035</b>	<b>42</b>	<b>7,077</b>
Dividends to owners of the Company	-	-	-	(11,267)	(11,267)	-	(11,267)
Dividends to non-controlling interest	-	-	-	-	-	(120)	(120)
Issuance of ordinary shares pursuant to ESOS	140	-	-	-	140	-	140
<b>Total transactions with owners of the Company</b>	<b>140</b>	<b>-</b>	<b>-</b>	<b>(11,267)</b>	<b>(11,127)</b>	<b>(120)</b>	<b>(11,247)</b>
Transfer to share capital for share options exercised	38	-	(38)	-	-	-	-
<b>At 30 June 2021</b>	<b>151,819</b>	<b>709</b>	<b>2,760</b>	<b>183,215</b>	<b>338,503</b>	<b>5,518</b>	<b>344,021</b>
<b>At 1 January 2022</b>	<b>151,963</b>	<b>662</b>	<b>2,675</b>	<b>191,202</b>	<b>346,502</b>	<b>5,361</b>	<b>351,863</b>
Foreign currency translation differences for foreign operations	-	(292)	-	-	(292)	5	(287)
Total other comprehensive income for the period	-	(292)	-	-	(292)	5	(287)
Profit for the period	-	-	-	17,590	17,590	273	17,863
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(292)</b>	<b>-</b>	<b>17,590</b>	<b>17,298</b>	<b>278</b>	<b>17,576</b>
Dividends to owners of the Company	-	-	-	(11,277)	(11,277)	-	(11,277)
Dividend to non-controlling interest	-	-	-	-	-	(40)	(40)
Issuance of ordinary shares pursuant to ESOS	206	-	-	-	206	-	206
<b>Total transactions with owners of the Company</b>	<b>206</b>	<b>-</b>	<b>-</b>	<b>(11,277)</b>	<b>(11,071)</b>	<b>(40)</b>	<b>(11,111)</b>
Transfer to share capital for share options exercised	38	-	(38)	-	-	-	-
<b>At 30 June 2022</b>	<b>152,207</b>	<b>370</b>	<b>2,637</b>	<b>197,515</b>	<b>352,729</b>	<b>5,599</b>	<b>358,328</b>

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021.



Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2022**

	6 months ended	
	30/06/2022	30/06/2021
	RM '000	RM '000
<b>Cash flows from operating activities</b>		
Profit before tax	24,445	10,339
Other adjustments	5,612	6,731
<b>Operating profit before changes in working capital</b>	<u>30,057</u>	<u>17,070</u>
Net change in current assets	(10,854)	17,911
Net change in current liabilities	17,237	1,483
<b>Cash generated from operations</b>	<u>36,440</u>	<u>36,464</u>
Tax paid	(1,623)	(4,645)
<b>Net cash generated from operating activities</b>	<u>34,817</u>	<u>31,819</u>
<b>Cash flows from investing activities</b>		
Interest received	596	371
Proceeds from disposal of property, plant and equipment	189	10
Purchase of property, plant and equipment	(2,304)	(1,358)
Purchase of intangible assets	(6)	-
<b>Net cash used in investing activities</b>	<u>(1,525)</u>	<u>(977)</u>
<b>Cash flows from financing activities</b>		
Interest paid	(875)	(1,166)
Dividend to non-controlling interest	(40)	(120)
Proceeds from issuance of ordinary shares-ESOS, net of expenses	206	140
Drawdown of term loans / revolving credit	-	10,265
Repayment of term loans / hire purchase creditors	(12,492)	(10,217)
Payment of lease liabilities	(1,842)	(1,815)
<b>Net cash (used in) / from financing activities</b>	<u>(15,043)</u>	<u>(2,913)</u>
Net increase in cash and cash equivalents	18,249	27,929
Effect on foreign exchange rate changes	825	852
Cash and cash equivalents at 1 January	120,401	86,889
<b>Cash and cash equivalents at 30 June</b>	<u>139,475</u>	<u>115,670</u>
	<b>30/06/2022</b>	<b>30/06/2021</b>
	<b>RM '000</b>	<b>RM '000</b>
<b>Composition of cash and cash equivalents</b>		
Cash and bank balances	70,863	56,366
Fixed deposits with licensed banks	68,612	59,304
	<u>139,475</u>	<u>115,670</u>



**Y.S.P. SOUTHEAST ASIA HOLDING BHD. (Company no : 200101017024 (552781-X))**  
**(Incorporated in Malaysia)**

**NOTES TO THE INTERIM FINANCIAL REPORT - 30 JUNE 2022**

**A1 Basis of Preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 and IAS 34 "Interim Financial Reporting" and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. The explanatory notes attached to the condensed 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 2021.

**A2 Changes in Accounting Policies**

The accounting policies and method of computation adopted for the condensed interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2021

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on 1 January 2022 are as follows:

- 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)\*

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on 1 January 2023 are as follows:

- 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

Standards, Amendments and Annual Improvements to Standards that are applicable and effective to the Group beginning on or after a date yet to be confirmed are as follows:

- 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:

- from the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022, except for amendments marked as ["\*"] which are not applicable to the Group.
- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Group.

The initial application of the amendments to standards does not have any material financial impact to the current period and prior period financial statements of the Group.

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

The auditors' report on the audited financial statements for the year ended 31 December 2021 was not qualified.

**A4 Seasonal or Cyclical Factors**

The Group's operations are not materially affected by any seasonal or cyclical factors.

**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and six months ended 30 June 2022.

**A6 Material Changes in Estimates**

There were no changes in estimates that have any material effect on the quarter and six months ended 30 June 2022.

**A7 Debt and Equity Securities**

During the quarter and six months ended 30 June 2022, the Company has issued 113,000 unit of ordinary shares pursuant to the exercise of Company's ESOS.

Exercise Price RM	No. of Shares Issued	Cash Proceeds RM
1.82	<u>113,000</u>	<u>205,660</u>

## A8 Dividends Paid

At the 21st Annual General Meeting held on 20 May 2022, the shareholders have approved the payment of a final single-tier ordinary dividend of 7.0 sen per ordinary share and a final single-tier special dividend of 1.0 sen per ordinary share in respect of financial year ended 31 December 2021, payable on 25 July 2022.

## A9 Segment Information

The Group is organised based on three major business segments as described below. The basis of segmentation was based on information reported internally to the Managing Director of the Group.

Performance is measured based on segment profit before tax and the total of segment assets are measured based on all assets (including goodwill) of a segment that are reviewed by the Group. Segment total asset is used to measure the return of assets of each segment.

There are no changes in the segment reported in the last audited financial statements.

Year-to-date ended 30 June 2022	Investment	Trading	Manufacturing	Inter-company	Total
	holding RM'000	RM'000	RM'000	Elimination RM'000	
Revenue from external customer	-	25,791	132,850	-	158,641
Inter-segment revenue	12,809	462	18,716	(31,987)	-
Total revenue	12,809	26,253	151,566	(31,987)	158,641
Segment profit before tax	15,182	2,288	22,484	(15,509)	24,445
Segment assets	211,980	64,414	418,611	(222,341)	472,664
Segment liabilities	14,641	38,176	212,238	(150,719)	114,336

Year-to-date ended 30 June 2021	Investment	Trading	Manufacturing	Inter-company	Total
	holding RM'000	RM'000	RM'000	Elimination RM'000	
Revenue from external customer	-	20,783	115,780	-	136,563
Inter-segment revenue	12,186	543	18,337	(31,066)	-
Total revenue	12,186	21,326	134,117	(31,066)	136,563
Segment profit / (loss) before tax	13,726	1,017	9,901	(14,305)	10,339
Segment assets	221,736	64,641	402,631	(227,242)	461,766
Segment liabilities	21,710	38,353	206,918	(149,237)	117,744

Geographical segments	Total revenue	
	30/06/2022 RM'000	30/06/2021 RM'000
Malaysia	118,440	100,725
Singapore	15,429	12,493
Vietnam	10,475	9,625
Philippines	940	997
Cambodia	3,757	2,254
Myanmar	162	131
Brunei	1,647	1,493
Indonesia	2,457	2,621
Thailand	466	637
Africa	1,977	2,179
Other countries	2,891	3,408
	158,641	136,563

### Investment holding 1H22 vs 1H21

Investment holding segment reported a slightly higher profit before tax at RM15.2 million in 1H22 compared to RM13.7 million in 1H21 mainly attributed to the marginal increase in dividend received from subsidiaries during the quarter under review.

### Trading 1H22 vs 1H21

Trading segment reported a higher profit before tax of RM2.3 million in 1H22 compared to a profit before tax of RM1.0 million in 1H21 due to improve sales at the pharmaceutical products during the quarter under review.

### Manufacturing 1H22 vs 1H21

Manufacturing segment recorded revenue of RM151.6 million in 1H22, 13.0% higher than the revenue of RM134.1 million recorded in 1H21. The profit before tax for 1H22 posted higher at RM22.5 million compared to RM9.9 million in 1H21. This was mainly due to increase in sales revenue from local market during the period under review.



**A10 Valuations of Property, Plant and Equipment**

Property, plant and equipment of the Group are stated at cost less accumulated depreciation and any accumulated impairment losses where applicable.

There is no revaluation of property, plant and equipment during the period under review.

**A11 Subsequent Events**

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

**A12 Changes in the Composition of the Group**

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

**A13 Contingent Liabilities**

There were no significant changes in contingent liabilities since 31 December 2021.

**A14 Capital Commitment**

Capital commitment expenditure not provided for in the condensed report as at the end of the financial period were as follows:

	<b>Contracted but not provided for RM'000</b>
Plant & machinery and other assets	<u>2,281</u>

**A15 Related Party Transactions**

Significant related party transactions are as follows:

	6 months ended	
	30/06/2022 RM'000	30/06/2021 RM'000
<u>Corporation related to substantial shareholder</u>		
Purchase of pharmaceutical products	5,292	4,736
Consultancy fees payable	<u>43</u>	<u>14</u>
<u>Companies in which certain Directors have interest</u>		
Purchase of raw materials	868	657
Sales of pharmaceutical products	<u>(881)</u>	<u>(708)</u>

**A16 Financial Instruments**

The carrying amounts of cash and cash equivalents, short term receivables and payables and short-term borrowings approximate their fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities not carried at fair value, together with the carrying amounts shown in the statements of financial position, are as follows:

	As at 30/06/2022		As at 31/12/2021	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Long term loans and borrowings	13,224	12,464	19,032	18,272
Long term hire purchase creditors	<u>2,656</u>	<u>2,552</u>	<u>3,688</u>	<u>3,475</u>

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**B1 Review of Performance**

	3 months ended		Variance		6 months ended		Variance	
	30/06/2022	30/06/2021	RM'000	%	30/06/2022	30/06/2021	RM'000	%
	RM'000	RM'000			RM'000	RM'000		
Revenue	77,105	65,362	11,743	18.0	158,641	136,563	22,078	16.2
Operating profit	14,790	6,369	8,421	132.2	24,734	11,130	13,604	122.2
Profit before interest and tax	14,786	6,371	8,415	132.1	24,724	11,134	13,590	122.1
Profit before tax	14,689	5,976	8,713	145.8	24,445	10,339	14,106	136.4
Profit after tax	11,241	4,524	6,717	148.5	17,863	7,295	10,568	144.9
Profit attributable to owners of the Company	11,076	4,460	6,616	148.3	17,590	7,252	10,338	142.6

The Group's revenue grew by 16.2% to RM158.6 million from RM136.6 million when compared to the same period last year due to increase in demand from local market.

For the six months ended 30 June 2022, the Group recorded a higher profit before tax of RM24.4million compared to RM10.3 million in the same period last year which was attributed to increase in demand from local market.

**B2 Comparison with the Preceding Quarter's Results**

	Qtr 2	Qtr 1	Variance	
	(30/06/2022)	(31/03/2022)	RM'000	%
Revenue	77,105	81,536	(4,431)	(5.4)
Operating profit	14,790	9,944	4,846	48.7
Profit before interest and tax	14,786	9,938	4,848	48.8
Profit before tax	14,689	9,756	4,933	50.6
Profit after tax	11,241	6,622	4,619	69.7
Profit attributable to owners of the Company	11,076	6,514	4,562	70.0

The Group's revenue decreased 5.4% to RM77.1 million for the current quarter as compared to RM81.5 million for the immediate preceding quarter ("1Q22") which was mainly attributed to decrease in demand from local market.

The Group's profit before tax reported higher at RM14.7 million as compared to RM9.8 million for the immediate preceding quarter due to improvement in productivity and strengthening of US Dollar against Ringgit during the quarter under review.

**B3 Prospects of the Group**

The resumption of economic activities and high demand for pharmaceutical products from the post-Covid-19 pandemic resulted in a shortage of supplies of medicines and raw materials early this year. The pharmaceutical industry is ramping up production to ease the current shortage. Buoyed by growth in local demand and overseas market, the Group is expected of a positive growth in FY2022 for pharmaceutical products. .

The Group's reported revenue growth of 16.2% to RM158.6 million from RM136.6 million in the same period last year. The Group's profit before tax increased 136.4% to RM24.4 million from RM10.3 million in 1H22 which was mainly attributed to increase in demand from local market.

The Group is optimistic that its will continue to record growth in FY2022 despite the challenges arising from the Covid-19 pandemic and will take cautious approaches in reviewing and monitoring market conditions to be in line with changing market trends.

**B4 Profit Forecast or Profit Guarantee**

There were no profit forecast or profit guarantee issued by the Group.

**B5 Taxation**

Details of taxation are as follows :-

	3 months ended		6 months ended	
	30/06/2022 RM'000	30/06/2021 RM'000	30/06/2022 RM'000	30/06/2021 RM'000
Current tax	3,092	1,409	5,872	2,940
Deferred tax	356	43	710	104
	<u>3,448</u>	<u>1,452</u>	<u>6,582</u>	<u>3,044</u>

Income tax is calculated at the Malaysian statutory tax rate of 24%. (2021: 24%)

The Group's effective tax rate for the current quarter was higher than the statutory tax rate principally due to certain expenses which were not deductible for tax purposes.

**B6 Corporate Proposals**

There were no corporate proposals announced by the Company as at the reporting date.

**B7 Borrowings and Debt Securities**

The details of the Group borrowings as at 30 June 2022 are as follows :

30 June 2022	Denominated in Foreign Currency		RM Equivalent
	USD'000	SGD'000	RM'000
<b>Current</b>			
Secured revolving credit	-	-	9,800
<u>Secured bank loans:</u>			
- Domestic	-	-	3,048
- Foreign	-	18	58
<u>Hire purchase creditor:</u>			
- Domestic	-	-	2,762
- Foreign	-	15	48
	<u>-</u>	<u>33</u>	<u>15,716</u>
<b>Non-current</b>			
<u>Secured bank loans:</u>			
- Domestic	-	-	13,047
- Foreign	-	56	177
<u>Hire purchase creditor:</u>			
- Domestic	-	-	2,560
- Foreign	-	30	96
	<u>-</u>	<u>86</u>	<u>15,880</u>
<b>Total borrowings</b>	<u>-</u>	<u>119</u>	<u>31,596</u>

31 December 2021

	Denominated in Foreign Currency		RM Equivalent
	USD'000	SGD'000	RM'000
<b>Current</b>			
Secured revolving credit	-	-	14,300
<u>Secured bank loans:</u>			
- Domestic	-	-	3,029
- Foreign	2	-	7
<u>Hire purchase creditor:</u>			
- Domestic	-	-	3,582
- Foreign	-	37	113
	<u>2</u>	<u>37</u>	<u>21,031</u>
<b>Non-current</b>			
<u>Secured bank loans:</u>			
- Domestic	-	-	14,574
- Foreign	1,000	56	4,345
<u>Hire purchase creditor:</u>			
- Domestic	-	-	3,688
- Foreign	-	-	-
	<u>1,000</u>	<u>56</u>	<u>22,607</u>
<b>Total borrowings</b>	<u>1,002</u>	<u>93</u>	<u>43,638</u>

As at the reporting date, the Group had not issued any debt securities.

**B8 Material Litigation**

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

**B9 Proposed Dividend**

No dividend was proposed during the quarter under review.

**B10 Earnings Per Share**

	3 months ended		6 months ended	
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
<b>i) Basic Earnings Per Share</b>				
Profit attributable to owners of the Company (RM'000)	11,076	4,460	17,590	7,252
Weighted average number of ordinary shares in issue ('000)	<u>140,928</u>	<u>139,638</u>	<u>140,914</u>	<u>139,614</u>
	<u>7.86</u>	<u>3.19</u>	<u>12.48</u>	<u>5.19</u>
<b>ii) Diluted Earnings Per Share</b>				
Profit attributable to owners of the Company (RM'000)	11,076	4,460	17,590	7,252
Weighted average number of ordinary shares in issue ('000)	140,928	139,638	140,914	139,614
Effect of dilution-Share options ('000)	123	275	103	279
Adjusted weighted average number of ordinary shares in issue ('000)	<u>141,051</u>	<u>139,913</u>	<u>141,017</u>	<u>139,893</u>
<b>Diluted Earnings Per Share (sen)</b>	<u>7.85</u>	<u>3.19</u>	<u>12.47</u>	<u>5.18</u>

The basic and diluted earnings per share are calculated by dividing profit for the period attributable to owners of the Company over the weighted average number of ordinary shares in issue.