

EONMETALL GROUP BERHAD

(Company No. 631617 D)

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2022

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

	Three Months Ended		Period Ended	
	31-Mar-22 RM'000	31-Mar-21 RM'000	31-Mar-22 RM'000	31-Mar-21 RM'000
Continuing Operations				
Revenue	70,615	56,539	70,615	56,539
Operating profit/(loss)	13,591	9,747	13,591	9,747
Interest expense	(1,852)	(1,581)	(1,852)	(1,581)
Interest income	2	-	2	-
Share of profit/(loss) of associates	-	-	-	-
Profit/(Loss) before tax	11,741	8,166	11,741	8,166
Tax expense	(529)	(1,906)	(529)	(1,906)
Profit/(Loss) after tax from continuing operations	11,212	6,260	11,212	6,260
Other comprehensive income/(loss)	19	(205)	19	(205)
Total comprehensive income/(loss)	11,231	6,055	11,231	6,055
Profit/(Loss) after tax attributable to:				
Owners of parent	11,205	6,346	11,205	6,346
Non-controlling interests	7	(86)	7	(86)
	11,212	6,260	11,212	6,260
Total comprehensive income/(loss) attributable to:				
Owners of parent	11,223	6,153	11,223	6,153
Non-controlling interests	8	(98)	8	(98)
	11,231	6,055	11,231	6,055
Earnings/(Loss) per share attributable to owners of the Company				
Basic earnings/(loss) per share (sen)	5.50	3.12	5.50	3.12
Diluted earnings/(loss) per share (sen)	5.50	3.12	5.50	3.12

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

EONMETALL GROUP BERHAD

(Company No. 631617 D)

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2022**(The figures have not been audited)****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022**

	Unaudited 31-Mar-22 RM'000	Audited 31-Dec-21 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	180,666	180,305
Right of use assets	699	783
Investment in associates / joint venture	10,407	10,383
Deferred tax assets	-	-
Trade and other receivables	-	65
	<u>191,772</u>	<u>191,536</u>
Current assets		
Trade and other receivables	122,651	117,728
Inventories	198,122	186,250
Current tax assets	447	446
Cash and cash equivalents	22,240	14,491
Derivative assets	-	-
	<u>343,460</u>	<u>318,915</u>
Assets classified as held for sale	1,281	1,281
TOTAL ASSETS	<u>536,513</u>	<u>511,732</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	106,097	106,097
Treasury share, at cost	(1,761)	(1,761)
Property revaluation reserve	46,905	46,905
Translation reserve	(991)	(1,009)
Retained earnings	135,115	123,910
	<u>285,365</u>	<u>274,142</u>
Non-controlling interests	1,061	1,053
TOTAL EQUITY	<u>286,426</u>	<u>275,195</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	29,669	31,313
Lease creditors	393	488
Deferred tax liabilities	8,514	8,514
	<u>38,576</u>	<u>40,315</u>
Current liabilities		
Trade and other payables	31,324	33,922
Loans and borrowings	178,201	160,223
Lease creditors	346	334
Current tax liabilities	1,640	1,640
Derivative liabilities	-	103
	<u>211,511</u>	<u>196,222</u>
TOTAL LIABILITIES	<u>250,087</u>	<u>236,537</u>
TOTAL EQUITY AND LIABILITIES	<u>536,513</u>	<u>511,732</u>
Net assets per share (RM)	<u>1.40</u>	<u>1.35</u>

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

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2022

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2022

	← <i>Non-distributable</i> →				<i>Distributable</i>	Total Total attributable to owner of the parent	Non- controlling interest	Total equity
	Share capital	Treasury shares	Property revaluation reserve	Exchange translation reserve	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2021	106,097	(1,761)	66,871	(1,359)	82,835	252,683	587	253,270
Profit for the year	-	-	-	-	6,346	6,346	(86)	6,260
Foreign currency translations	-	-	-	(193)	-	(193)	(12)	(205)
Total comprehensive loss for the period	-	-	-	(193)	6,346	6,153	(98)	6,055
Disposal of Subsidiary	-	-	-	-	-	-	(272)	(272)
Balance as at 31 March 2021	106,097	(1,761)	66,871	(1,552)	89,181	258,836	217	259,053
Balance as at 1 January 2022	106,097	(1,761)	46,905	(1,009)	123,910	274,142	1,053	275,195
Profit for the year	-	-	-	-	11,205	11,205	7	11,212
Foreign currency translations	-	-	-	18	-	18	1	19
Total comprehensive income for the year	-	-	-	18	11,205	11,223	8	11,231
Balance as at 31 March 2022	106,097	(1,761)	46,905	(991)	135,115	285,365	1,061	286,426

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

EONMETALL GROUP BERHAD**(Company No. 631617 D)
(Incorporated in Malaysia)****QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2022**
(The figures have not been audited)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022**

	Period Ended	
	31-Mar-22 RM'000	31-Mar-21 RM'000
Cash flows from operating activities		
Profit before tax from continuing operations	11,741	8,166
Adjustments for:		
Depreciation of property, plant and equipment	2,290	2,243
Depreciation of right-of-use-assets	84	205
Interest expense	1,852	1,581
Interest income	(2)	-
Gain on disposal of a subsidiary	-	(141)
(Gain)/loss on disposal of plant and equipment	(42)	(3)
Unrealised (gain)/loss on foreign exchange	33	(961)
Operating profit before changes in working capital	15,956	11,090
Changes in working capital:		
Inventories	(11,872)	992
Trade and other receivables	(4,928)	(2,283)
Trade and other payables	(2,363)	(193)
Cash (used in)/generated from operations	(3,207)	9,606
Tax paid	(428)	(142)
Tax refund	-	-
RPGT paid	(427)	(1,764)
Net cash (used in)/generated from operating activities	(4,062)	7,700
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,810)	(3,031)
Investment in associates	-	(8,289)
Interest received	2	-
Proceeds from disposal of subsidiary	-	4,131
Proceeds from disposal of plant and equipment	201	3
Net cash used in investing activities	(2,607)	(7,186)
Cash flows from financing activities		
Drawdown of short term borrowings	109,930	86,571
Proceeds from term loans	2,288	-
Repayment of short term borrowings	(89,871)	(76,028)
Repayment of term loans	(3,932)	(3,932)
Repayment of right-of-use assets	(93)	(49)
Proceeds from issuance of shares	-	-
Dividend paid to shareholders of the Company	-	-
Interest paid	(1,841)	(1,573)
Net cash (used in)/generated from financing activities	16,481	4,989
Net (decrease)/increase in cash and cash equivalents	9,812	5,503
Effect of exchange rate changes	19	(477)
Cash and cash equivalents at beginning of year	3,406	3,333
Cash and cash equivalents at end of financial year	13,237	8,359

Notes:

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise :

Cash & bank balances	22,240	18,351
Bank overdrafts	(9,003)	(9,992)
	13,237	8,359

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

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SELECTED EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2022

A. DISCLOSURE REQUIREMENTS PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134 INTERIM FINANCIAL REPORTING

1. Basis of preparation

The condensed consolidated interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). These condensed consolidated interim financial statements also complied with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2021. These explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

2. Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited condensed financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31 December 2021 except for the adoption of the following MFRSs and Amendment to MFRSs and Interpretation:-

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 JANUARY 2022

Amendments to References to the Conceptual Framework in MFRS Standards

Amendments to MFRS 3 Definition of a Business

Amendments to MFRS 101 and MFRS 108 Definition of Material

Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform

Amendments to MFRS 16 Covid-19-Related Rent Concessions

Amendments to MFRS 4 Insurance Contract - Extension of the Temporary Exemption from Applying MFRS 9

The Group had adopted the above Amendments to Standards, at a date of initial application of 1 January 2022. The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

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**SELECTED EXPLANATORY NOTES
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2. Significant Accounting Policies (cont'd)

New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 JANUARY 2022

The following are accounting standards, amendments and interpretations of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been early adopted by the Group and the Company.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2 1 January 2021
Amendment to MFRS 16 Leases	COVID-19-Related Rent Concessions beyond 30 June 2021 1 April 2021
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3	Reference to the Conceptual Framework 1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use 1 January 2022
Amendments to MFRS 137 Onerous Contracts	Cost of Fulfilling a Contract 1 January 2022
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current 1 January 2023
MFRS 17	Insurance Contracts 1 January 2023
Amendments to MFRS 17	Insurance Contracts 1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies – Presentation of Financial Statements 1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates – Accounting Policies, Changes in Accounting Estimates and Errors 1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Deferred

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**SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2022**

3. Auditors' report on preceding annual financial statements

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

4. Seasonality of operations

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

5. 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 current financial year-to-date.

6. Material changes in estimates

There were no changes in estimates that have a material effect during the current financial year-to-date.

7. Issuances and repayment of debt and equity securities

There were no issuance, resale, repayment of debt and equity securities and share cancellations for the current financial period ended 31 March 2022.

8. Dividends paid

No dividend was paid by the Company during the current quarter under review.

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**SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2022****9. Segment revenue and results**

Segmental reporting for the financial year-to-date is as below:-

Year-to-date ended 31 March 2022	Machinery and equipment RM'000	Steel product and trading activity RM'000	Property investment holding and others RM'000	Total RM'000
Total revenue	5,378	183,001	397	188,776
Inter-segment revenue	(3,021)	(114,763)	(377)	(118,161)
External revenue	<u>2,357</u>	<u>68,238</u>	<u>20</u>	<u>70,615</u>
Interest income	-	2	-	2
Interest expense	524	1,036	292	1,852
Depreciation and amortisation	160	1,754	460	2,374
Share of profit of an associate and a joint venture, net of tax	-	-	-	-
Segment profit/(loss)	<u>542</u>	<u>12,671</u>	<u>(1,472)</u>	<u>11,741</u>
Year-to-date ended 31 March 2021				
Total revenue	10,081	99,259	408	109,748
Inter-segment revenue	(1,828)	(50,998)	(383)	(53,209)
External revenue	<u>8,253</u>	<u>48,261</u>	<u>25</u>	<u>56,539</u>
Interest income	-	-	-	-
Interest expense	418	699	464	1,581
Depreciation and amortisation	188	1,623	637	2,448
Share of loss of an associate and a joint venture, net of tax	-	-	-	-
Segment profit/(loss)	<u>521</u>	<u>9,087</u>	<u>(1,442)</u>	<u>8,166</u>

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**SELECTED EXPLANATORY NOTES
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10. Material events subsequent to the end of the reporting period

Save as disclosed in Note 21 on the status of corporate proposals announced, there were no other material events subsequent to the end of the current quarter and financial year under review that have not been reflected in the interim financial report.

11. Changes in the composition of the Group

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

12. Changes in contingent liabilities or contingent assets

	As at 31.03.2022 RM'000	As at 31.12.2021 RM'000
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	<u>366,200</u>	<u>311,900</u>

13. Capital commitments

Capital commitments authorized but not provided for in the financial statements are as follows:

	As at 31.03.2022 RM'000	As at 31.12.2021 RM'000
Purchase of property, plant and equipment		
- Contracted but not provided for	<u>18,643</u>	<u>18,643</u>

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**SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
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14. Related Party Transactions

Below are transactions with companies in which a Director/his spouse and persons connected to them having controlling interests during the financial period ended 31 March 2022.

	Period ended 31.03.2022 RM'000
Sales of Goods	558
Purchase of goods	740
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SELECTED EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2022

B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

15. Review of performance

The Group's revenue for the first quarter ended 31 March 2022 increased by RM14.1 million from RM56.5 million to RM70.6 million as compared to the preceding year corresponding quarter. The increase was mainly attributed to the increase in sales from steel product and trading activity.

The Group's profit before tax ("PBT") was RM11.7 million, as compared to PBT of RM8.2 million recorded in preceding year corresponding quarter. The performance of each business segment for the first quarter as compared to the preceding year corresponding quarter is presented as follows:-

(a) Machinery and equipment segment

This segment recorded a revenue of RM2.4 million for the current quarter as compared to RM8.3 million achieved in the previous year corresponding quarter, representing a decrease of RM5.9 million equivalent to 0.71 times. PBT was maintained at RM0.5 million, attributed by higher gross profit margin achieved.

(b) Steel product and trading activity segment

The revenue for the current quarter was RM68.2 million, representing an increase of RM19.9 million equivalent to 0.41 times as reported in the preceding year corresponding quarter. PBT was registered at RM12.7 million, an increase of RM3.6 million equivalent to 0.40 times as compared to PBT of RM9.1 million recorded in the previous year corresponding quarter. The higher PBT is mainly attributed by higher revenue generated, lower production cost and higher gross profit margin.

(c) Property, investment holding and other segment

This segment represents trading of non-steel products, other manufacturing and services income derived from the Group's properties offset against operating expenses from all other segments. This segment recorded loss before tax ("LBT") of RM1.5 million, an increase of RM0.1 million or 0.07 times as compared to LBT of RM1.4 million in the corresponding quarter in preceding year. The increase in LBT is due to lower forex gained.

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SELECTED EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2022

16. Variation of results against preceding quarter

	Current quarter ended 31.03.2022 RM'000	Immediate preceding quarter ended 31.12.2021 RM'000
Revenue	70,615	72,292
Profit before tax	<u>11,741</u>	<u>9,408</u>

The Group recorded a current quarter PBT of RM11.7 million, representing an increase of RM2.3 million from PBT of RM9.4 million in the preceding quarter. The increase was mainly attributed by lower production cost from machinery and equipment segment and lower impairment loss on receivable.

17. Commentary of prospects

The Group at this juncture does not anticipate any major impact from the Covid-19 pandemic to the operations and market demands due to our diversification of product ranges and markets. Besides, the group is also anticipating higher orders for its steel and machinery segments. However, the Group shall be cautious in our business approach for the foreseeable future.

18. Profit forecast

The Group did not publish any profit forecast in a public documents in the current financial quarter.

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**SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2022****19. Notes to the Condensed Consolidated Statement of Comprehensive Income**

Save as disclosed below and included in the consolidated income statements, there were no other items applicable to be disclosed pursuant to item 16 of Appendix 9B of the Main Market Listing Requirements of Bursa Securities:

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2022 RM'000	Corresponding preceding quarter ended 31.03.2021 RM'000	Cumulative period ended 31.03.2022 RM'000	Corresponding preceding period ended 31.03.2021 RM'000
Depreciation of property, plant and equipment	2,290	2,243	2,290	2,243
Depreciation of right-of- use asset	84	205	84	205
(Gain)/Loss on disposal of subsidiary	-	(141)	-	(141)
(Gain)/Loss on disposal of property, plant and equipment	(42)	(3)	(42)	(3)
(Gain)/Loss on lease modification	-	-	-	-
Fair value adjustment on derivative financial instrument	-	-	-	-
Other income	(46)	(484)	(46)	(484)
Plant and equipment written off	-	-	-	-
Impairment loss on trade and other receivables	-	-	-	-
Interest income	(2)	-	(2)	-
Interest expense	1,852	1,581	1,852	1,581
Inventories written down	-	-	-	-
Inventories written off	-	-	-	-
Realised (gain)/loss on foreign exchange	(76)	(416)	(76)	(416)
Rental income	(46)	(703)	(46)	(703)
Reversal of impairment loss on trade receivables	-	-	-	-
Share of (profit)/loss of associates	-	-	-	-
Unrealised (gain)/loss on foreign exchange	33	(961)	33	(961)

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**SELECTED EXPLANATORY NOTES
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20. Taxation

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2022 RM'000	Corresponding preceding quarter ended 31.03.2021 RM'000	Cumulative period ended 31.03.2022 RM'000	Corresponding preceding period ended 31.03.2021 RM'000
Current tax expense	(529)	(1,906)	(529)	(1,906)
	<u>(529)</u>	<u>(1,906)</u>	<u>(529)</u>	<u>(1,906)</u>

The decrease in taxation was contributed to lower payment of Real Property Gains Tax of RM1.8 million during the corresponding preceding quarter for the disposal of a parcel of land together with the building erected thereon.

21. Status of corporate proposal announced

On 25 November 2020, the Company announced the Memorandum of Understanding entered into by the Company with all the shareholders of Lienteh Technology Sdn. Bhd. (“LTSB”) in relation to the Proposed Acquisition by the Company of 51% equity interest in LTSB. Additional announcement were made on the 30 November 2020, 3 December 2020, 17 December 2020 and 25 January 2021 to provide additional information.

On 8 January 2021, the Company announced on the Proposed Disposal of land measuring approximately 62,886.52 square meters together with the building erected thereon for a total cash consideration of RM58,800,000 which was completed on April 2021.

On 9 February 2021, the Company announced Multiple Proposals which include:

- i. Proposed Acquisition for the Share Sale Agreement entered into by the Company with all shareholders of LTSB in relation to the Proposed Acquisition by the Company of 51% equity interest in LTSB
- ii. Proposed Diversification
- iii. Proposed Employees’ Share Option Scheme (“ESOS”); and
- iv. Proposed Amendments to Company’s Constitution

Additional announcement were made on the 12 April 2021, 7 May 2021, 6 August 2021, 8 September 2021, 4 October 2021, 8 October 2021, 20 October 2021, 23 November 2021, 9 December 2021, 21 January 2022, 8 February 2022, 7 March 2022, 23 March 2022, 24 March 2022 and 8 April 2022 to provide additional information.

The proposed acquisition of LTSB was completed on 12 May 2022.

Save for the above, there was no other corporate proposals announced as at the date of this interim financial report.

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**SELECTED EXPLANATORY NOTES
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The Group's borrowings for the financial period ended 31 March 2022 are as follows:-

	Payable within 12 months RM'000	Payable after 12 months RM'000
RM denominated borrowings		
<u>Secured</u>		
Term loans	14,587	29,669
Hire purchases	-	-
	14,587	29,669
<u>Unsecured</u>		
Bank overdrafts	9,003	-
Bankers' acceptances	89,462	-
Revolving credit	28,150	-
Trust Receipt	36,999	-
	163,614	-
Total borrowings	178,201	29,669

The Group's borrowings for the financial period ended 31 December 2021 are as follows:-

	Payable within 12 months RM'000	Payable after 12 months RM'000
RM denominated borrowings		
<u>Secured</u>		
Term loans	14,587	31,313
Hire purchases	-	-
	14,587	31,313
<u>Unsecured</u>		
Bank overdrafts	11,085	-
Bankers' acceptances	91,055	-
Revolving credit	18,200	-
Trust Receipt	25,296	-
	145,636	-
Total borrowings	160,223	31,313

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22. Group borrowings (Con't)

Eonmetall Industries Sdn. Bhd. (“EMI”) has breached the covenant of Trade Facilities as the Company has not fulfilled the requirements of two banks to maintain an amount owing to related parties of not exceeding RM3.0 million and RM14.9 million respectively. As at 31 December 2021, the balance of the said amount owing to the Company is at RM18.9 million. Banks have the absolute discretion to revise or recall banking facilities in the event of breach of covenant.

In mitigation, the subsidiary has made partial settlements of the advances and has secured the necessary indulgence from one of the banks pending another bank.

23. Changes in material litigation

There was no material litigation as at the date of the interim financial statements.

24. Dividend

The Board of Directors does not recommend any dividend for the current financial period.

25. Property, plant and equipment (“PPE”)

Acquisitions

During the financial period ended 31 March 2022, the group acquired asset with a cost of RM2.7 million (Financial period ended 31 March 2021: RM2.7 million).

EONMETALL GROUP BERHAD**(Company No. 631617-D)****(Incorporated in Malaysia)****SELECTED EXPLANATORY NOTES
TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 MARCH 2022****26. Earnings per share**

The earnings per share was computed based on the net profit divided by the weighted average number of shares in issue net of treasury shares:

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2022	Corresponding preceding quarter ended 31.03.2021	Cumulative period ended 31.03.2022	Corresponding preceding period ended 31.03.2021
Profit/(loss) after tax attributable to owners of the Company (RM'000)	11,205	6,346	11,205	6,346
Basic: Weighted average number of shares in issue ('000)	203,711	203,711	203,711	203,711
Basic earnings per share (sen)	<u>5.50</u>	<u>3.12</u>	<u>5.50</u>	<u>3.12</u>
Diluted: Diluted earnings per share (sen)	<u>5.50</u>	<u>3.12</u>	<u>5.50</u>	<u>3.12</u>

The Group does not have any dilutive potential ordinary shares as the market price of the shares was lower than the exercise price. As a result, these share options are anti-dilutive in nature and have not been considered in the computation of diluted earnings per share.

By order of the Board

Yeoh Cheng Chye
Managing Director & Chief Executive Officer
30th May 2022