

## HARN LEN CORPORATION BHD (502606-H)

Financial Year End : 31 December 2021  
 Quarter : Fourth Quarter

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31-12-21	31-12-20	31-12-21	31-12-20
	RM	RM	RM	RM
Revenue	58,688,553	39,111,114	219,415,412	121,923,620
Cost of sales	(46,705,877)	(27,143,682)	(181,634,868)	(90,825,851)
<b>Gross profit</b>	<b>11,982,676</b>	<b>11,967,432</b>	<b>37,780,544</b>	<b>31,097,769</b>
Other income	196,232	493,285	2,439,707	120,024,280
Distribution expenses	(4,365,323)	(2,862,881)	(16,298,539)	(9,590,332)
Administrative expenses	(7,774,898)	(5,103,750)	(27,429,282)	(31,252,667)
Other expenses	(14,039,743)	(2,286,523)	(14,871,761)	(2,994,850)
<b>Results from operating activities</b>	<b>(14,001,056)</b>	<b>2,207,563</b>	<b>(18,379,331)</b>	<b>107,284,200</b>
Finance costs	(1,153,139)	(2,401,388)	(5,238,228)	(8,678,356)
Interest income	247,312	267,810	436,962	505,152
(Loss) profit before tax	(14,906,883)	73,985	(23,180,597)	99,110,996
Income tax credit (expense)	482,081	130,555	200,982	(1,007,089)
<b>Net (loss) profit for the financial year</b>	<b>(14,424,802)</b>	<b>204,540</b>	<b>(22,979,615)</b>	<b>98,103,907</b>
<b>Other comprehensive loss, net of tax: - Items that will not be reclassified subsequently to profit or loss</b>				
Net change in fair value of equity investments designated at fair value through other comprehensive income	(850,255)	-	(850,255)	-
<b>Total comprehensive (loss) income for the financial year</b>	<b>(15,275,057)</b>	<b>204,540</b>	<b>(23,829,870)</b>	<b>98,103,907</b>
<b>(Loss) profit attributable to ;</b>				
Owners of the Company	(14,260,350)	(80,006)	(22,190,222)	98,763,589
Non-controlling interests	(164,452)	284,546	(789,393)	(659,682)
(Loss) profit for the period	(14,424,802)	204,540	(22,979,615)	98,103,907
<b>Total comprehensive (loss) income attributable to:-</b>				
Owners of the company	(15,110,605)	(80,006)	(23,040,477)	98,763,589
Non controlling interest	(164,452)	284,546	(789,393)	(659,682)
Total comprehensive (loss) income for the period	(15,275,057)	204,540	(23,829,870)	98,103,907
<b>(Loss) profit per share</b>				
Basic (sen)	(6.89)	(0.04)	(11.10)	52.24
Diluted (sen)	(6.89)	(0.04)	(11.10)	52.24
Weighted average number of shares	207,117,728	190,207,546	199,935,358	189,056,047

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

Note: The Minority shareholders have a binding obligation to absorb the loss and have the ability to make good or absorb the losses incurred as provided in the Joint Venture Agreement.

## HARN LEN CORPORATION BHD (502606-H)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<u>As at 31-12-2021</u> RM	<u>As at 31-12-2020</u> RM (AUDITED)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	192,311,487	207,586,923
Right-of-use assets	82,783,735	87,697,253
Investment properties	101,632,343	102,940,931
Other investments	2,349,745	2,500,000
Goodwill on consolidation	5,794,799	5,794,799
<b>Total non-current assets</b>	<u>384,872,109</u>	<u>406,519,906</u>
<b>Current assets</b>		
Biological assets	4,838,216	3,945,801
Inventories	4,988,196	5,240,307
Trade receivables	5,206,145	3,156,256
Other receivables	3,214,386	18,794,352
Other investments	5,013,009	3,892,023
Tax recoverable	3,397,917	164,108
Cash and bank balances	25,055,374	37,939,207
	<u>51,713,243</u>	<u>73,132,054</u>
Assets classified as held for sale	-	3,321,000
<b>Total current assets</b>	<u>51,713,243</u>	<u>76,453,054</u>
<b>Total assets</b>	<u><b>436,585,352</b></u>	<u><b>482,972,960</b></u>
<b><u>Equity and liabilities</u></b>		
<b>Capital and reserves</b>		
Share capital	212,750,515	202,224,013
Reserves	99,611,553	122,667,160
<b>Equity attributable to owners of the Company</b>	<u>312,362,068</u>	<u>324,891,173</u>
Non-controlling interests	(14,112,338)	(13,322,945)
<b>Total equity</b>	<u>298,249,730</u>	<u>311,568,228</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	16,302,313	17,829,034
Loans and borrowings	25,617,914	38,248,789
Lease liabilities	18,515,117	23,083,970
<b>Total non-current liabilities</b>	<u>60,435,344</u>	<u>79,161,793</u>
<b>Current liabilities</b>		
Trade payables	19,310,580	23,052,712
Other payables	22,063,097	36,155,516
Loans and borrowings	36,132,348	29,519,338
Tax payables	13,043	2,698,619
Lease liabilities	381,210	816,754
<b>Total current liabilities</b>	<u>77,900,278</u>	<u>92,242,939</u>
<b>Total liabilities</b>	<u>138,335,622</u>	<u>171,404,732</u>
<b>Total equity and liabilities</b>	<u><b>436,585,352</b></u>	<u><b>482,972,960</b></u>
Net assets per share (sen)	149.17	164.80

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

	Share Capital RM	Treasury Shares RM	Share Option Reserve RM	Fair Value Reserve of Financial Assets at FVOCI RM	Retained Profit (loss) RM	Total RM	Non-controlling Interests RM	Total Equity RM
<b>At 1 January 2021</b>	202,224,013	(5,892,395)	1,009,800	-	127,549,755	324,891,173	(13,322,945)	311,568,228
Total comprehensive loss for the period	-	-	-	-	(22,190,222)	(22,190,222)	(789,393)	(22,979,615)
Other comprehensive loss for the period	-	-	-	(850,255)	-	(850,255)	-	(850,255)
Issuance of shares	10,147,422	-	-	-	-	10,147,422	-	10,147,422
Purchase of treasury shares	-	-	-	-	-	-	-	-
Share option granted under ESS	-	-	96,000	-	-	96,000	-	96,000
Share option lapsed	-	-	(4,050)	-	-	(4,050)	-	(4,050)
Share granted under ESS	-	363,446	-	-	(91,446)	272,000	-	272,000
Transfer from share option reserve	379,080	-	(379,080)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
<b>Balance at 31 December 2021</b>	<b>212,750,515</b>	<b>(5,528,949)</b>	<b>722,670</b>	<b>(850,255)</b>	<b>105,268,087</b>	<b>312,362,068</b>	<b>(14,112,338)</b>	<b>298,249,730</b>
<b>At 1 January 2020</b>	198,380,013	(9,871,127)	-	-	48,697,795	237,206,681	(12,663,263)	224,543,418
Total comprehensive income for the period	-	-	-	-	98,763,589	98,763,589	(659,682)	98,103,907
Issuance of shares	3,520,000	-	-	-	-	3,520,000	-	3,520,000
Purchase of treasury shares	-	(241,390)	-	-	-	(241,390)	-	(241,390)
Share option granted under ESS	-	-	1,333,800	-	-	1,333,800	-	1,333,800
Share granted under ESS	-	4,220,122	-	-	(1,347,663)	2,872,459	-	2,872,459
Transfer from share option reserve	324,000	-	(324,000)	-	-	-	-	-
Dividends	-	-	-	-	(18,563,966)	(18,563,966)	-	(18,563,966)
<b>Balance at 31 December 2020</b>	<b>202,224,013</b>	<b>(5,892,395)</b>	<b>1,009,800</b>	<b>-</b>	<b>127,549,755</b>	<b>324,891,173</b>	<b>(13,322,945)</b>	<b>311,568,228</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying notes attached to the interim financial statements.

## HARN LEN CORPORATION BHD (502606-H)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2021

	<u>31-12-21</u>	<u>31-12-20</u>
	RM	RM
<b><u>Cash flows from operating activities</u></b>		
(Loss) Profit before tax	(23,180,597)	99,110,996
<b>Adjustments for:</b>		
Depreciation and amortisation	20,148,139	20,117,517
Finance costs	5,238,228	8,678,356
Property, plant & equipment written off	1,057,874	13,722
Inventories written off	5,505	-
Impairment of property, plant & equipment	-	212,294
Impairment of inventories	637,322	-
Impairment of other receivables	13,600,000	1,925,175
Bad debts written off	-	14,704
Interest received	(436,962)	(505,152)
Gain on fair value of biological assets	(892,415)	(1,781,899)
Provision of severance pay	-	153,283
Dividend income	(437,665)	(92,833)
Changes in fair value of quoted shares	818,522	50,350
Reversal of allowance for expected credit losses on trade receivable	(4,587)	-
Allowance for expected credit losses	557,653	386,624
Gain on sale of asset classified as held for sales	-	(119,120,074)
Gain on disposal of property, plant & equipment	(42,998)	(245,498)
Waiver of debts	923,765	-
Impairment loss on fair value of assets held for sale	-	405,703
Share granted under ESS	272,000	2,872,460
Share option granted under ESS	96,000	984,100
Share option lapsed	(4,050)	-
Gain from termination of lease liabilities	(1,269,060)	-
Operating profit before changes in working capital	<u>17,086,674</u>	<u>13,179,828</u>
<b><u>(Decrease) Increase in working capital:-</u></b>		
Change in inventories	(390,716)	(45,021)
Change in trade debtors and other receivables	(1,546,754)	6,629,454
Change in trade creditors and other payables	<u>(17,576,463)</u>	<u>(100,618,141)</u>
<b>Cash generated used in operations</b>	<u>(2,427,259)</u>	<u>(80,853,880)</u>
Income tax paid	(7,347,860)	(3,666,609)
Income tax refunded	102,736	-
<b>Net cash used in operating activities</b>	<u>(9,672,383)</u>	<u>(84,520,489)</u>
<b><u>Cash flows (used in) from investing activities</u></b>		
Acquisition of property, plant and equipment	(3,409,355)	(2,327,618)
Investment in unquoted share	(700,000)	(2,500,000)
Proceed from disposal of property, plant and equipment	43,000	215,502
Proceed from disposal of asset classified as held for sale	3,321,000	182,562,927
Net investments of quoted shares	(1,639,508)	(3,942,373)
Dividend received	137,665	92,833
Interest received	436,962	505,152
Changes in pledged deposits	(656,934)	(2,007,607)
<b>Net cash (used in) from investing activities</b>	<u>(2,467,170)</u>	<u>172,598,816</u>
<b><u>Cash flows (used in) from financing activities</u></b>		
Finance expenses paid	(4,753,416)	(8,665,874)
Issuance of shares	10,147,422	3,520,000
Purchase of treasury shares	-	(241,390)
Dividend paid	-	(18,563,966)
Repayment of loans and borrowings	(9,192,868)	(9,624,410)
Repayment to a director	-	(960,288)
Net movements of share margin account	1,679,179	3,133,250
Net movement of bank overdrafts	718,469	(22,365,538)
<b>Net cash used in financing activities</b>	<u>(1,401,214)</u>	<u>(53,768,216)</u>
Net (decrease) increase in cash and bank balances	(13,540,767)	34,310,111
Cash and bank balances at beginning of period	35,542,583	1,232,472
Cash and bank balances at end of period	<u>22,001,816</u>	<u>35,542,583</u>
Cash and cash equivalents consist of the following:		
Cash and bank balances	25,055,374	37,939,207
Less: Deposits with licensed banks	<u>(3,053,558)</u>	<u>(2,396,624)</u>
	<u>22,001,816</u>	<u>35,542,583</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

Part A2-SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER  <u>31-12-21</u> RM '000 (UNAUDITED)	PRECEDING YEAR CORRESPONDING QUARTER  <u>31-12-20</u> RM '000	CURRENT YEAR TO DATE  <u>31-12-21</u> RM '000 (UNAUDITED)	PRECEDING YEAR CORRESPONDING PERIOD  <u>31-12-20</u> RM '000
1 Revenue	58,688	39,111	219,415	121,924
2 Profit (loss) before taxation	(14,907)	74	(23,181)	99,111
3 Profit (loss) for the period	(14,425)	205	(22,980)	98,104
4 Profit (loss) attributable to ordinary equity holders of the parent	(14,260)	(80)	(22,190)	98,764
5 EPS-Basic (sen)	(6.89)	(0.04)	(11.10)	52.24
6 EPS-Diluted (sen)	(6.89)	(0.04)	(11.10)	52.24
7 Proposed/ Declared Dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER <u>31-12-21</u> RM (UNAUDITED)	AS AT END OF PRECEDING FINANCIAL YEAR END 31/12/2020 RM (AUDITED)
8 Net assets per share attributable to ordinary shareholders of the parent	1.49	1.65

Part A3-ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER  <u>31-12-21</u> RM '000	PRECEDING YEAR CORRESPONDING QUARTER  <u>31-12-20</u> RM '000	CURRENT YEAR TO DATE  <u>31-12-21</u> RM '000	PRECEDING YEAR CORRESPONDING PERIOD  <u>31-12-20</u> RM '000
1 Gross interest income	247	268	437	505
2 Gross interest expenses	(1,153)	(2,401)	(5,238)	(8,678)

Note: The summary of key financial information should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying notes to the interim financial statements.