

HARN LEN CORPORATION BHD (502606-H)

Financial Year End : 31 March 2022
Quarter : First Quarter

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter	Preceding year	Current year	Preceding year
	31/3/2022	corresponding quarter 31/3/2021	to date 31/3/2022	corresponding period 31/3/2021
	RM	RM	RM	RM
Revenue	38,126,552	35,486,166	38,126,552	35,486,166
Cost of sales	(29,181,279)	(31,804,318)	(29,181,279)	(31,804,318)
Gross profit	8,945,273	3,681,848	8,945,273	3,681,848
Other income	425,847	530,580	425,847	530,580
Distribution expenses	(3,316,480)	(2,538,499)	(3,316,480)	(2,538,499)
Administrative expenses	(6,023,834)	(5,796,698)	(6,023,834)	(5,796,698)
Other expenses	(309,580)	-	(309,580)	-
Results from operating activities	(278,774)	(4,122,769)	(278,774)	(4,122,769)
Finance costs	(1,131,091)	(1,492,483)	(1,131,091)	(1,492,483)
Interest income	41,233	100,708	41,233	100,708
Loss before tax	(1,368,632)	(5,514,544)	(1,368,632)	(5,514,544)
Income tax credit	442,532	294,995	442,532	294,995
Total comprehensive loss for the period	(926,100)	(5,219,549)	(926,100)	(5,219,549)
Loss attributable to ;				
Owners of the Company	(828,983)	(4,793,748)	(828,983)	(4,793,748)
Non-controlling interests	(97,117)	(425,801)	(97,117)	(425,801)
Loss for the period	(926,100)	(5,219,549)	(926,100)	(5,219,549)
Total comprehensive loss attributable to:-				
Owners of the Company	(828,983)	(4,793,748)	(828,983)	(4,793,748)
Non-controlling interests	(97,117)	(425,801)	(97,117)	(425,801)
Total comprehensive loss for the period	(926,100)	(5,219,549)	(926,100)	(5,219,549)
Loss per share				
Basic (sen)	(0.40)	(2.52)	(0.40)	(2.52)
Diluted (sen)	(0.40)	(2.52)	(0.40)	(2.52)
Weighted average number of shares	207,117,728	190,205,359	207,117,728	190,205,359

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 2021 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 MARCH 2022

	<u>As at 31/3/2022</u>	<u>As at 31/12/2021</u>
	RM	RM (AUDITED)
Assets		
Non-current assets		
Property, plant and equipment	188,599,460	192,311,487
Right-of-use assets	82,283,541	82,783,735
Investment properties	101,305,196	101,632,343
Other investments	2,349,745	2,349,745
Goodwill on consolidation	5,794,799	5,794,799
Total non-current assets	<u>380,332,741</u>	<u>384,872,109</u>
Current assets		
Biological assets	5,322,755	4,838,216
Inventories	6,336,466	4,988,196
Trade receivables	5,561,294	5,206,145
Other receivables	3,244,883	3,214,386
Other investments	5,714,543	5,013,009
Tax recoverable	4,419,969	3,397,917
Cash and bank balances	22,280,644	25,055,374
Total current assets	<u>52,880,554</u>	<u>51,713,243</u>
Total assets	<u>433,213,295</u>	<u>436,585,352</u>
<u>Equity and liabilities</u>		
Capital and reserves		
Share capital	212,750,515	212,750,515
Reserves	98,782,570	99,611,553
Equity attributable to owners of the Company	<u>311,533,085</u>	<u>312,362,068</u>
Non-controlling interests	(14,209,455)	(14,112,338)
Total equity	<u>297,323,630</u>	<u>298,249,730</u>
Liabilities		
Non-current liabilities		
Deferred tax liabilities	15,832,320	16,302,313
Loans and borrowings	24,440,873	25,659,581
Lease liabilities	18,700,821	18,515,117
Total non-current liabilities	<u>58,974,014</u>	<u>60,477,011</u>
Current liabilities		
Trade payables	20,417,767	19,310,580
Other payables	20,365,555	22,063,097
Loans and borrowings	35,789,428	36,090,681
Tax payables	13,180	13,043
Lease liabilities	329,721	381,210
Total current liabilities	<u>76,915,651</u>	<u>77,858,611</u>
Total liabilities	<u>135,889,665</u>	<u>138,335,622</u>
Total equity and liabilities	<u>433,213,295</u>	<u>436,585,352</u>
Net assets per share (sen)	143.55	152.86

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2022

	<u>Share Capital RM</u>	<u>Treasury Shares RM</u>	<u>Share Option Reserve RM</u>	<u>Fair Value Reserve of Financial Assets at FVOCI RM</u>	<u>Retained Earnings RM</u>	<u>Total RM</u>	<u>Non-controlling Interests RM</u>	<u>Total Equity RM</u>
Balance at 1 January 2022	212,750,515	(5,528,949)	722,670	(850,255)	105,268,087	312,362,068	(14,112,338)	298,249,730
Loss for the period	-	-	-	-	(828,983)	(828,983)	(97,117)	(926,100)
Balance at 31 March 2022	<u>212,750,515</u>	<u>(5,528,949)</u>	<u>722,670</u>	<u>(850,255)</u>	<u>104,439,104</u>	<u>311,533,085</u>	<u>(14,209,455)</u>	<u>297,323,630</u>
Balance at 1 January 2021	202,224,013	(5,892,395)	1,009,800	-	127,549,755	324,891,173	(13,322,945)	311,568,228
Loss for the period	-	-	-	-	(4,793,748)	(4,793,748)	(425,801)	(5,219,549)
Balance at 31 March 2021	<u>202,224,013</u>	<u>(5,892,395)</u>	<u>1,009,800</u>	<u>-</u>	<u>122,756,007</u>	<u>320,097,425</u>	<u>(13,748,746)</u>	<u>306,348,679</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 FIRST QUARTER ENDED 31 MARCH 2022

	<u>31/3/2022</u>	<u>31/3/2021</u>
	RM	RM
<u>Cash flows from operating activities</u>		
Loss before tax	(1,368,632)	(5,514,544)
Adjustments for:		
Depreciation and amortisation	4,968,119	5,108,937
Finance costs	1,131,091	1,492,483
Property, plant & equipment written off	30,047	6,325
Reversal of impairment loss on inventories	(100,657)	-
Interest income	(41,233)	(100,708)
(Gain) loss on fair value of biological assets	(484,539)	930,206
Dividend income	(10,000)	(29,125)
Changes in fair value of quoted shares	(158,240)	(89,251)
Allowance for expected credit losses on trade receivables	150,000	-
Gain on disposal of property, plant & equipment	-	(12,998)
Operating profit before changes in working capital	<u>4,115,956</u>	<u>1,791,325</u>
<u>(Decrease) Increase in working capital:-</u>		
Change in inventories	(1,247,613)	(127,546)
Change in trade and other receivables	(535,646)	(629,736)
Change in trade and other payables	<u>(614,304)</u>	<u>(13,786,541)</u>
Cash generated from (used in) operations	<u>1,718,393</u>	<u>(12,752,498)</u>
Income tax paid	<u>(1,049,376)</u>	<u>(223,406)</u>
Net cash generated from (used in) operating activities	<u>669,017</u>	<u>(12,975,904)</u>
<u>Cash flows (used in) from investing activities</u>		
Acquisition of property, plant and equipment	(458,798)	(549,205)
Proceed from disposal of property, plant and equipment	-	13,000
Net investments of quoted shares	(543,294)	(1,066,494)
Dividend received	10,000	29,125
Interest received	41,233	100,708
Changes in pledged deposits	<u>(1,341)</u>	<u>(1,441)</u>
Net cash used in investing activities	<u>(952,200)</u>	<u>(1,474,307)</u>
<u>Cash flows (used in) from financing activities</u>		
Finance expenses paid	(852,566)	(965,169)
Repayment of loans and borrowings	(2,093,492)	(2,028,764)
Repayment of principal portion of lease liabilities	(123,227)	(225,120)
Net movements of share margin account	913,926	1,165,932
Net movements of bank overdrafts	<u>(337,529)</u>	<u>1,383,254</u>
Net cash used in financing activities	<u>(2,492,888)</u>	<u>(669,867)</u>
Net decrease in cash and bank balances	(2,776,071)	(15,120,078)
Cash and bank balances at beginning of period	22,001,816	35,542,583
Cash and bank balances at end of period	<u><u>19,225,745</u></u>	<u><u>20,422,505</u></u>
Cash and cash equivalents consist of the following:		
Cash and bank balances	22,280,644	22,820,570
Less: Deposits with licensed banks	<u>(3,054,899)</u>	<u>(2,398,065)</u>
	<u><u>19,225,745</u></u>	<u><u>20,422,505</u></u>

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

Part A2-SUMMARY OF KEY FINANCIAL INFORMATION

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	CURRENT YEAR QUARTER <u>31/3/2022</u> RM '000 (UNAUDITED)	PRECEDING YEAR CORRESPONDING QUARTER <u>31/3/2021</u> RM '000	CURRENT YEAR TO DATE <u>31/3/2022</u> RM '000 (UNAUDITED)	PRECEDING YEAR CORRESPONDING PERIOD <u>31/3/2021</u> RM '000
1 Revenue	38,127	35,486	38,127	35,486
2 Loss before taxation	(1,369)	(5,515)	(1,369)	(5,515)
3 Loss for the period	(926)	(5,220)	(926)	(5,220)
4 Loss attributable to ordinary equity holders of the parent	(829)	(4,794)	(829)	(4,794)
5 EPS-Basic (sen)	(0.40)	(2.52)	(0.40)	(2.52)
6 EPS-Diluted (sen)	(0.40)	(2.52)	(0.40)	(2.52)
7 Proposed/ Declared Dividend per share (sen)	-	-	-	-

	<u>AS AT END OF CURRENT QUARTER 31/3/2022 RM (UNAUDITED)</u>	<u>AS AT END OF PRECEDING FINANCIAL YEAR END 31/12/2021 RM (AUDITED)</u>
8 Net assets per share attributable to ordinary shareholders of the parent	1.44	1.53

Part A3-ADDITIONAL INFORMATION

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	CURRENT YEAR QUARTER <u>31/3/2022</u> RM '000	PRECEDING YEAR CORRESPONDING QUARTER <u>31/3/2021</u> RM '000	CURRENT YEAR TO DATE <u>31/3/2022</u> RM '000	PRECEDING YEAR CORRESPONDING PERIOD <u>31/3/2021</u> RM '000
1 Gross interest income	41	101	41	101
2 Gross interest expenses	(1,131)	(1,492)	(1,131)	(1,492)

Note: The summary of key financial information should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes to the interim financial statements.