



LAY HONG BERHAD (Registration no. 198301011738 (107129-H))
Incorporated in Malaysia

Condensed Consolidated Statement of Comprehensive Income

	3 months ended		9 months ended	
	31 Dec 2021 Unaudited RM'000	31 Dec 2020 Unaudited RM'000	31 Dec 2021 Unaudited RM'000	31 Dec 2020 Unaudited RM'000
Revenue	236,535	219,886	708,019	686,684
Cost of sales	(204,909)	(181,391)	(624,334)	(562,983)
Gross profit	31,626	38,495	83,685	123,701
Other income	1,670	1,911	4,925	3,350
Selling and distribution expenses	(21,670)	(23,098)	(70,077)	(71,952)
Administrative expenses	(7,659)	(7,681)	(28,168)	(25,286)
(Loss)/Profit from operations	3,967	9,627	(9,635)	29,813
Finance costs	(2,790)	(2,806)	(8,483)	(9,287)
(Loss)/Profit before tax and share from an associate	1,177	6,821	(18,118)	20,526
Share of losses from an associate	-	(809)	-	(2,590)
(Loss)/Profit before tax	1,177	6,012	(18,118)	17,936
Taxation	(414)	(981)	(3,368)	(5,044)
Net (loss)/profit after tax	763	5,031	(21,486)	12,892
Items that are or may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(161)	(147)	1,241	262
Total comprehensive (loss)/income	602	4,884	(20,245)	13,154
(Loss)/Profit attributable to:				
Owners of the parent	(8)	4,292	(23,008)	10,642
Non-controlling interest	771	739	1,522	2,250
	763	5,031	(21,486)	12,892
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(169)	4,145	(21,767)	10,904
Non-controlling interest	771	739	1,522	2,250
	602	4,884	(20,245)	13,154
(Loss)/Earnings per share (sen) :				
Basic	(0.001)	0.180	(3.441)	1.612
Diluted	*	*	*	*

* No diluted earnings per share is presented as there are no potential dilutive shares as at the end of the financial period.

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



LAY HONG BERHAD (Registration no. 198301011738 (107129-H))
Incorporated in Malaysia

Condensed Consolidated Statement of Financial Position

	31 Dec 2021 Unaudited RM'000	31 Mar 2021 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	601,644	606,124
Investment properties	6,270	6,270
Other investments	1,006	1,282
Intangible assets	7,141	7,944
	616,061	621,620
Current assets		
Biological assets	73,942	70,487
Inventories	98,534	105,884
Trade receivables	83,828	90,377
Other receivables	23,685	17,578
Current tax assets	2,786	486
Deposit with a licensed bank	546	547
Cash and bank balances	10,926	9,699
	294,247	295,058
Non-current assets held for sale	27,600	27,600
	321,847	322,658
TOTAL ASSETS	937,908	944,278
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	173,633	145,621
Reserves	250,869	259,716
	424,502	405,337
Non-controlling interest	11,770	51,164
Total equity	436,272	456,501
Non-current liabilities		
Borrowings	69,595	88,397
Other payables	1,110	1,111
Deferred tax liabilities	63,897	62,579
	134,602	152,087
Current liabilities		
Trade payables	83,952	78,010
Other payables	62,449	53,602
Due to an associate	3,810	2,416
Borrowings	216,823	201,662
	367,034	335,690
Total liabilities	501,636	487,777
TOTAL EQUITY AND LIABILITIES	937,908	944,278

Net assets per share attributable to ordinary equity holders of the parent (RM)

0.57

0.61

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



LAY HONG BERHAD (Registration no. 198301011738 (107129-H))
Incorporated in Malaysia

Condensed Consolidated Statement of Changes in Equity

	Attributable to Owners of the Parent						Non-controlling interest	Total	
	Share reserve	Revaluation reserve	SIS option reserve	Foreign currency translation reserve	Retained earnings	Total			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 April 2021	145,621	141,665	-	-	286	117,765	405,337	51,164	456,501
Other transfers	-	4	-	-	-	-	4	-	4
Transfer (to) / from distributable reserve on realisation of revaluation reserve	-	(1,169)	-	-	-	1,443	274	(274)	-
Net loss for the financial period	-	-	-	-	-	(23,008)	(23,008)	1,522	(21,486)
Revaluation surplus of land and buildings	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	1,241	-	1,241	-	1,241
Arising from conversion of warrants	12	-	-	-	-	-	12	-	12
Acquisition of additional interest in subsidiaries company	28,000	13,262	-	-	-	620	40,642	(40,642)	(0)
31 Dec 2021	173,633	153,762	-	1,527	-	95,580	424,502	11,770	436,272
At 1 April 2020	145,621	62,893	4,111	(103)	-	121,686	334,208	37,479	371,687
Transfer (to) / from distributable reserve on realisation of revaluation reserve	-	(774)	-	-	-	774	-	-	-
Net profit for the financial period	-	-	-	-	-	10,642	10,642	2,250	12,892
Other comprehensive income	-	-	-	-	262	-	262	-	262
Dividends	-	-	-	-	-	(4,952)	(4,952)	-	(4,952)
Reversal of revaluation surplus arising from disposal of property	-	(77)	-	-	-	-	(77)	-	(77)
31 Dec 2020	145,621	62,042	4,111	159	-	128,150	340,083	39,729	379,812

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



Condensed Consolidated Statement of Cash Flows

	9 months ended 31 Dec 2021 Unaudited RM'000	9 months ended 31 Dec 2020 Unaudited RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(18,118)	17,936
Adjustments for:-		
Depreciation and amortisation	34,278	27,694
Net gain on disposal of property, plant and equipment	23	(70)
Loss on disposal of other investment		24
Property, plant and equipment written off	94	58
Net Impairment loss of inventories	(289)	(158)
Interest expenses	8,483	9,287
Dividend income	(126)	(3)
Interest income	(50)	(54)
Changes in fair value on quoted investment	276	71
Share of losses on an associated company	-	2,590
Net unrealised foreign exchange loss/(gain)	2,209	(11)
Operating profit before changes in working capital	21,033	57,364
Net change in current assets	11,533	(11,716)
Net change in current liabilities	14,852	632
Cash flows from operations	47,418	46,280
Tax paid	(4,346)	(465)
Net cash generated from operating activities	43,072	45,815
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(29,902)	(27,314)
Additions to intangible asset	(4)	(3,152)
Proceeds from disposal of property, plant and equipment	-	257
Proceeds from disposal of investment		146
Purchase of other investments		(792)
Interest received	50	54
Dividend received	126	3
Net cash used in investing activities	(29,730)	(30,798)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of borrowings	(3,125)	(9,611)
Interest paid	(8,483)	(9,287)
Dividend paid	-	(4,952)
Proceeds from Issue of ordinary shares	12	-
Net cash used in financing activities	(11,596)	(23,850)
Net increase/(decrease) in cash and cash equivalents	1,746	(8,833)
Effect of foreign exchange changes	(8)	712
Cash and cash equivalents at beginning of the financial year	3,289	10,289
Cash and cash equivalents at end of the financial year	5,027	2,168
Cash and cash equivalents at the end of the year comprises :		
Deposit with a licensed bank	-	529
Cash and bank balances	11,472	11,085
Bank overdrafts	(5,899)	(8,917)
Deposit pledged to licensed bank	(546)	(529)
	5,027	2,168

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

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") NO. 134 - INTERIM FINANCIAL REPORTING

A1 BASIS OF PREPARATION

The Group has prepared its financial statements using the Malaysian Financial Reporting Standards ("MFRS") for the financial year ended 31 March 2021.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2021. These explanatory notes attached to the interim financial statements 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 year ended 31 March 2021.

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the audited consolidated financial statements of the Group for the financial year ended 31 March 2021.

In the current period, the Group applied a number of new or revised standards, amendments and interpretations that become effective mandatorily for the financial periods beginning on or after 1 April 2021.

The adoption of these new and revised standards, amendments and/or interpretation does not have any material financial impact on the financial statements of the Group.

Standards and Amendments in issue but not yet effective

At the date of authorisation for issue of this interim financial report, the new and revised Standards and Amendments, which were in issue but not yet effective and not early adopted by the Group are as follow:

Standards	<u>Effective date</u>
Amendments of MFRS 1, MFRS 9, MFRS 16 and MFRS 141 : 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 – Costs of Fulfilling a Contract	1 January 2022
MFRS 17 : Insurance Contracts	1 January 2023

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Standards	<u>Effective date</u>
Amendments to MFRS 101 : Classifications of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 : Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 : Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by MASB

The Directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and Amendments are not expected to have any material impact on the financial statements of the Group in the period of initial application.

A3 SEASONAL AND CYCLICAL FACTORS

The Group's business operations were not affected by any seasonal and cyclical factors.

A4 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE AND INCIDENCE

There were no material unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review.

A5 ESTIMATES

There were no material changes in estimates that had a material effect on the current quarter under review.

A6 DEBTS AND EQUITIES SECURITIES

There were issuance of 80,000,000 new ordinary shares at RM0.35 per share to Mackan Holdings Sdn Bhd for the acquisition of the remaining 50% equity interest in Sri Tawau Farming Sdn Bhd.

A7 DIVIDEND PAID

There was no dividend paid during the current quarter under review.

A8 SEGMENTAL REPORTING

Analysis of revenue by segments

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Integrated livestock farming ("ILF")	180,364	180,663	527,602	523,783
Food manufacturing ("FM")	98,808	104,860	302,879	314,135
Retail business ("RB")	59,148	49,874	179,841	173,714
Subtotal	338,320	335,397	1,010,322	1,011,632
Intercompany elimination	(101,785)	(115,511)	(302,303)	(324,948)
Total revenue	236,535	219,886	708,019	686,684

The revenue was predominantly derived in Malaysia.

Analysis of segment results, assets and liabilities

	<u>ILF</u>	<u>FM</u>	<u>RB</u>	<u>Elimination</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Cumulative quarter at 31.12.2021					
Segment results	(11,744)	(1,042)	3,159	(8)	(9,635)
Finance costs	(6,821)	(1,438)	(639)	415	(8,483)
(Loss)/Profit before taxation ("LBT)/PBT")	(18,565)	(2,480)	2,520	407	(18,118)
Taxation	(1,626)	(949)	(724)	(69)	(3,368)
(Loss)/Profit after taxation	(20,191)	(3,429)	1,796	338	(21,486)
Segment assets	987,491	194,940	78,183	(322,706)	937,908
Segment liabilities	498,049	168,236	39,318	(203,967)	501,636
Cumulative quarter at 31.12.2020					
Segment results	26,123	3,961	3,311	(3,582)	29,813
Finance costs	(7,941)	(1,436)	(550)	640	(9,287)
Share of results of an associated company	-	(2,590)	-	-	(2,590)
PBT	18,182	(65)	2,761	(2,942)	17,936
Taxation	(4,673)	45	(387)	(29)	(5,044)
Profit after taxation	13,509	(20)	2,374	(2,971)	12,892
Segment assets	934,954	190,265	71,441	(341,728)	854,932
Segment liabilities	529,046	160,546	33,674	(248,146)	475,120

A9 VALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

There were no revaluation of property, plant and equipment for the quarter under review.

The Group adopts the fair value model for its investment properties. There is no significant and indicative change in value of the said investment properties since the last balance sheet date.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT QUARTER

There were no material events subsequent to the end of the current financial quarter and up to the date of this report.

A11. COMPOSITION OF THE GROUP

On completion of the acquisition on 6 December 2021 stipulated in note A6 above, Sri Tawau Farming Sdn Bhd has become a wholly-owned subsidiary of the Group.

A12 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no contingent assets as at the end of the current financial quarter and up to the date of this report.

The contingent liabilities of the group arise from bank guarantees given to third parties amounted to RM7.69 million.

A13 CAPITAL COMMITMENTS

Commitments for the capital expenditure not provided for acquisition of property, plant and equipment in the financial statements amounted to RM6.38 million.

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

B1 REVIEW OF PERFORMANCE

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Quarter ended		Variance	Period ended		Variance
	31.12.2021	31.12.2020		31.12.2021	31.12.2020	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue						
Integrated livestock farming ("ILF")	180,364	180,663	(0.17)	527,602	523,783	0.73
Food manufacturing ("FM")	98,808	104,860	(5.77)	302,879	314,135	(3.58)
Retail business ("RB")	59,148	49,874	18.59	179,841	173,714	3.53
Subtotal	338,320	335,397	0.87	1,010,322	1,011,632	(0.13)
Intercompany elimination	(101,785)	(115,511)	11.88	(302,303)	(324,948)	6.97
Total	236,535	219,886	7.57	708,019	686,684	3.11
(LBT)/PBT	1,177	6,012	(80.42)	(18,118)	17,936	(201.01)

Individual quarter FY22-Q3 vs FY21-Q3

Revenue for the integrated livestock farming (ILF) segment decreased marginally by 0.17% or RM0.30 million from RM180.66 million to RM180.36 million due to the flattish average selling price (ASP) and lower quantity of eggs sold. The rising trend in the price of raw materials, namely corn and soybean meal continue to compress the ILF's margin.

Revenue for the food manufacturing (FM) segment recorded a decrease of 5.77% or RM6.05 million from RM104.86 million to RM98.81 million due to lower production output which stemmed from shortage of raw material in particular mechanised deboned meat (MDM). In addition to that, the shortage of manpower remains a factor of concern.

Retail business (RB) segment recorded an increase in revenue of 18.59% or RM9.27 million from 49.87 million to 59.15 million. The increase in sales was due to higher consumption during festive season.

Overall, the Group recorded a profit before tax (PBT) of RM1.18 million, a decrease of 80.42% as compared to the previous corresponding quarter which recorded a profit before tax of RM6.01 million. The decrease was due to the reasons stated above.

B1 REVIEW OF PERFORMANCE (cont'd)**Cumulative quarter FY22-Q3 vs FY21-Q3**

The ILF segment recorded a marginal increase of 0.73% or RM3.82 million from RM523.78 million in FY21-Q3 to RM 527.60 million in FY22-Q3 mainly due to higher quantity of table eggs sold while the ASP remain flat.

The FM segment recorded a decrease in revenue by 3.58% or RM 11.26 million from RM314.14 million to RM 302.88 million due to the reasons stated earlier.

RB segment recorded an increment in revenue of 3.53% or RM6.13 million compared to the last corresponding preceding period. The increase in sales was due the reason stated earlier.

The Group recorded a loss before tax of RM18.12 million as compared to the previous corresponding preceding period which recorded a profit before tax of RM17.95 million. The loss was due to the lower production of processed chicken products resulting from the reasons stated above coupled with the ASP of table eggs remain flat. The high price for raw materials that are affecting the industry continues to compress the Group's margins.

B2 COMPARATIVE WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	INDIVIDUAL QUARTER		
	Period ended		
	31.12.2021	30.09.2021	Variance
	RM'000	RM'000	%
Revenue			
- Integrated livestock farming ("ILF")	180,364	175,810	2.59
- Food manufacturing ("FM")	98,808	102,685	(3.78)
- Retail business("RB")	59,148	58,963	0.31
Subtotal	338,320	337,458	0.26
Intercompany elimination	(101,785)	(95,406)	6.69
Total	236,535	242,052	(2.28)
(LBT)/PBT	1,177	(6,860)	117.16

For the current quarter under review, ILF segment recorded an increase of 2.59% or RM4.55 million from RM175.81 million to RM 180.36 million. The increase in revenue was due to the higher ASP of livestock and quantity being sold.

The FM segment revenue registered a decrease of 3.78% or RM3.88 million from RM102.69 million to RM98.81 million. The decrease in revenue was due to the reasons stated earlier.

RB segment recorded a slight increase of 0.31% or RM0.19 million to RM59.15 million. The increase in sales was due to the reason stated earlier.

B3 PROSPECTS

The Group has rebounded into profitability during the quarter under review due to the cost containment and mitigative actions implemented to date plus the improvement in ASP of eggs and livestock.

With commodities' price still on the rising trend, the Management will continue to monitor and evaluate the market conditions.

The government has on 9 February 2022 agreed to provide subsidies for farmers to lighten the continued losses. With these subsidies in place during the implementation of the Keluarga Malaysia Maximum Price Control Scheme (SHMKM) from 5 February 2022 to 4 June 2022, the Group will be able to temporarily ease rising costs and to meet consumers' demand.

B4 PROFIT FORECAST AND PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee during the current year under review.

B5 TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	<u>31.12.2021</u>	<u>31.12.2020</u>	<u>31.12.2021</u>	<u>31.12.2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current tax	808	1,666	2,019	3,751
Deferred tax	(394)	(685)	1,349	1,293
	<u>414</u>	<u>981</u>	<u>3,368</u>	<u>5,044</u>

B7 BORROWINGS

	<u>As at</u> <u>31.12.2021</u> <u>RM'000</u>	<u>As at</u> <u>31.3.2021</u> <u>RM'000</u>
<u>Current</u>		
<u>Secured</u>		
Bank overdrafts	2,983	4,179
Bill payables	72,948	63,225
Lease liabilities	13,854	13,234
Term loans	20,039	20,686
	109,824	101,324
<u>Unsecured</u>		
Bank overdrafts	2,916	2,230
Bill payables	104,083	98,108
	106,999	100,338
<i>Total current</i>	<u>216,823</u>	<u>201,662</u>
<u>Non-current</u>		
<u>Secured</u>		
Lease liabilities	23,389	27,237
Term loans	46,206	61,160
<i>Total non-current</i>	<u>69,595</u>	<u>88,397</u>
<i>Total borrowings</i>	<u>286,418</u>	<u>290,059</u>

The currency profile of borrowings other than the functional currency was: -

	<u>As at</u> <u>31.12.2021</u> <u>RM'000</u>	<u>As at</u> <u>31.03.2021</u> <u>RM'000</u>
Thai Baht (THB)	86	135

B8 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group did not enter any contracts involving off balance sheet financial instruments during the current quarter under review.

B9 MATERIAL LITIGATION

Except for the below mentioned claim, there is no material pending litigation.

On 2 July 2018, Lay Hong Berhad ("Plaintiff") had filed a claim against Loke Chee Min ("1st defendant"), Beh Yong Hock ("2nd defendant"), Leong Sze Seng ("3rd defendant") and The Roof Realty Sdn Bhd ("4th Defendant") for a special damage of RM3,256,904.84 with interest and costs.

Pursuant to the claim, the Plaintiff is seeking the special damages upon the recommendation/misrepresentation of the 3rd defendant (a real estate negotiator employed by the 4th defendant, a registered real estate agent) wherein 3rd defendant represented inter alia to the plaintiff that the owners of the land held under Grant Mukim 6469 for Lot 31982 and Grant Mukim 6470 for Lot 31983 both in the Mukim of Kapar, District of Klang, Selangor (the said lands) wishes to sell the lands and that the 1st defendant is the solicitor representing the land owner. The 2nd defendant is the solicitor appointed by the plaintiff to handle the sale and purchase transaction on its behalf while the 1st defendant purportedly acted for the owners of the said lands. The plaintiff paid the monies to the 1st defendant as stakeholder based on the sale and purchase agreement terms executed between the parties.

Subsequently, the plaintiff found out that the owners of the said lands did not appoint the first defendant as their solicitors neither did they sell their said lands.

The plaintiff claims against the defendants inter alia for the loss and damage suffered by it:-

- 1) against the 1st defendant for breach of fiduciary duty and/or trust as the stakeholder of the purchase price of the said lands and wrongfully deprived the plaintiff the said payments;
- 2) against the 2nd defendant for breach of contract and negligence;
- 3) against the 3rd defendant for fraudulent and/or negligent misrepresentation; and
- 4) against the 4th defendant as the principal and/or employer of the 3rd defendant for vicarious liability in respect of the act and/or omission of the 3rd defendant

The court proceeded with the trial on 12/11/2019, 13/11/2019, 14/11/2019, 21/11/2019, 31/1/2020, 9/9/2020, 10/9/2020 and on 19/9/2020, the Court delivered its decision as follows

- 1) the plaintiff's claim against the 1st defendant was allowed in totality;
- 2) the plaintiff claim against the 2nd defendant was allowed in the sum of approximately RM600k, being 20% of total damage;
- 3) the plaintiff claim against the 3rd defendant was allowed in the sum of approximately 75k, being commission received;
- 4) the plaintiff claim against 4th defendant was dismissed;
- 5) In view of (4) above, no order was made in respect of 4th defendant's third party claim against the 1st and 3rd defendants.

The defendant has filed an appeal to the Court of Appeal on 4/3/2021 against part of the decision of the High Court in respect of (2),(3) and (4) above and case management on 18/5/2021, 7/7/2021, 21/9/2021, 8/11/2021 and the Court had fixed for hearing on 21/6/2022 and for a case management for compliance on filing of all submissions and common core bundles on 9/6/2022.

B10 PROPOSED DIVIDEND

The Board of Directors do not recommend any dividend for the current financial quarter under review.

B11 EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM	RM	RM	RM
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(8)	4,292	(23,008)	10,642
Weighted average number of ordinary shares (Basic) ('000)	685,263	660,289	668,735	660,289
Basic earnings per share (sen)	(0.001)	0.650	(3.441)	1.612
Diluted earnings per share (sen)	*	*	*	*

Basic earnings per share is computed based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is computed based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period after adjustment for full conversion of the SIS Options and conversion of warrants.

* No diluted earnings per share is presented as there are no potential dilutive ordinary shares as at the end of the financial period.

B12 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report of the previous annual financial year ended 31 March 2021 was not subject to any qualification.

B13 AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28th February 2022.