

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	As at 31-Dec-22 (Unaudited) RM'000	As at 31-Dec-21 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment ("PPE")	98,134	89,865
Investment properties	7,872	8,275
Right of use assets ("ROU")	24,734	27,799
Investment in associates	22,915	21,419
Investment securities	2,114	2,909
Intangible assets	144	152
Other receivables	763	763
Deferred tax assets	1,256	1,233
	<u>157,932</u>	<u>152,415</u>
Current assets		
Inventories	196,042	178,509
Trade and other receivables	101,190	102,783
Tax recoverable	161	587
Cash and bank balances	50,094	53,210
	<u>347,487</u>	<u>335,089</u>
TOTAL ASSETS	<u>505,419</u>	<u>487,504</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	99,588	99,588
Treasury shares	(3,766)	(3,654)
Reserves	(2,162)	(2,111)
Retained earnings	217,944	194,670
Equity attributable to owners of the parent	<u>311,604</u>	<u>288,493</u>
Non-controlling interests	54,904	49,051
Total equity	<u>366,508</u>	<u>337,544</u>
Liabilities		
Non-Current Liabilities		
Bank borrowings	15,942	17,475
Lease liabilities	3,829	4,508
Deferred tax liabilities	748	505
	<u>20,519</u>	<u>22,488</u>
Current liabilities		
Trade and other payables	44,912	49,384
Bank borrowings	68,410	72,331
Lease liabilities	1,479	2,855
Tax payable	3,591	2,902
	<u>118,392</u>	<u>127,472</u>
Total liabilities	<u>138,911</u>	<u>149,960</u>
TOTAL EQUITY AND LIABILITIES	<u>505,419</u>	<u>487,504</u>

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.

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022****CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2022 (UNAUDITED)**

	Current quarter 3 months ended 31 December		Cumulative quarter 12 months ended 31 December	
	2022 RM '000	2021 RM '000	2022 RM '000	2021 RM '000
Revenue	81,730	80,096	332,409	289,084
Operating expenses	(70,683)	(70,501)	(280,829)	(249,691)
Other income	515	1,850	2,978	3,955
Operating profit	11,562	11,445	54,558	43,348
Interest expense	(2,193)	(1,878)	(7,270)	(6,768)
Interest income	115	46	436	232
Share of results of associates	287	1,197	2,415	2,189
Profit before tax	9,771	10,810	50,139	39,001
Taxation	(2,120)	(1,382)	(13,514)	(10,243)
Profit for the period/year	7,651	9,428	36,625	28,758
Profit attributable to:				
Owners of the parent	6,878	8,521	30,655	23,941
Non-controlling interests	773	907	5,970	4,817
Profit for the period/year	7,651	9,428	36,625	28,758
Earnings per share (“EPS”) attributable to owners of the parent (sen):				
Basic EPS	4.66	5.78	20.77	16.21
Diluted EPS	N/A	N/A	N/A	N/A

The condensed consolidated income statements 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.



INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2022 (UNAUDITED)

	Current quarter 3 months ended 31 December		Cumulative quarter 12 months ended 31 December	
	2022 RM '000	2021 RM '000	2022 RM '000	2021 RM '000
Profit for the period/year	7,651	9,428	36,625	28,758
Other comprehensive income/(expenses), net of tax:				
Currency translation differences arising from consolidation	(7,141)	(4,991)	708	670
Fair value movements on available for sale investments	(601)	282	(759)	(13)
Total comprehensive income/(loss) for the period/year	(91)	4,719	36,574	29,415
Total comprehensive income/(loss) attributable to:				
Owners of the parent	(864)	3,292	30,604	24,078
Non-controlling interests	773	1,427	5,970	5,337
	(91)	4,719	36,574	29,415

The condensed consolidated statement of 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.

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR TWELVE MONTHS ENDED 31 DECEMBER 2022 (UNAUDITED)**

	Cumulative quarter 12 months ended 31 December	
	2022	2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	50,139	39,001
Adjustments for:		
Depreciation and amortisation	7,648	7,878
Other non-cash items and non-operating items	2,596	9,855
Operating profit before working capital changes	60,383	56,734
Inventories	(20,485)	(4,304)
Receivables	1,593	(10,433)
Payables	(4,472)	1,694
Cash generated from operating activities	37,019	43,691
Interest paid	(7,270)	(6,803)
Net of tax paid	(11,812)	(10,063)
Net cash from operating activities	17,937	26,825
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	41	498
Interest received	436	297
Issue of shares to non-controlling interests	100	-
Net of changes of investment in subsidiaries and associates	163	4,491
Net of purchase and disposal of investment securities	2,921	88
Net of purchase and disposal of PPE and ROU	(12,748)	(6,281)
Net cash used in investing activities	(9,087)	(907)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,761)	(5,512)
Net of repurchase & resold of treasury shares	(112)	(1,246)
Net changes in bank borrowings	(5,454)	(5,479)
Net changes in lease liabilities	(2,056)	(4,264)
Net cash used in financing activities	(15,383)	(16,501)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(6,533)	9,417
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	50,790	43,348
Effect of foreign exchange rates changes	2,830	(1,975)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	47,087	50,790
CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:		
Cash and bank balances	50,094	53,210
Overdrafts	(3,007)	(2,420)
	47,087	50,790

The condensed consolidated cash flow statements 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.



INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR TWELVE MONTHS ENDED 31 DECEMBER 2022 (UNAUDITED)

(RM'000)	Non-Distributable			Distributable			Total	Non-controlling interests	Total equity
	Attributable to owners of the parent								
	Share capital	Treasury shares	Capital reserve	Currencies translation reserve	Fair value reserve	Retained earnings			
Balance as at 1 January 2021	99,584	(2,404)	892	1,213	(4,272)	176,404	271,417	41,460	312,877
Purchase of treasury shares	-	(1,257)	-	-	-	-	(1,257)	-	(1,257)
Disposal of treasury shares	4	7	-	-	-	-	11	-	11
Changes in equity	-	-	-	-	-	(587)	(587)	2,555	1,968
Dividend paid	-	-	-	-	-	(5,169)	(5,169)	(342)	(5,511)
Total comprehensive income/(loss) for the year	-	-	-	150	(94)	24,022	24,078	5,378	29,456
Balance as at 31 December 2021	99,588	(3,654)	892	1,363	(4,366)	194,670	288,493	49,051	337,544
Balance as at 1 January 2022	99,588	(3,654)	892	1,363	(4,366)	194,670	288,493	49,051	337,544
Purchase of treasury shares	-	(112)	-	-	-	-	(112)	-	(112)
Changes in equity	-	-	-	-	-	-	-	263	263
Dividend paid	-	-	-	-	-	(7,381)	(7,381)	(380)	(7,761)
Total comprehensive income/(loss) for the year	-	-	-	708	(759)	30,655	30,604	5,970	36,574
Balance as at 31 December 2022	99,588	(3,766)	892	2,071	(5,125)	217,945	311,605	54,904	366,509

The condensed consolidated statements of changes in equity 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.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
NOTES TO THE INTERIM FINANCIAL REPORT
- SELECTED EXPLANATORY NOTES UNDER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 – INTERIM FINANCIAL REPORTING
A1 Basis of preparation

The interim financial statements are unaudited and have 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”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 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 December 2021.

A2 Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2021 save for the following new MFRSs and amendments to MFRSs.

	Description	Effective dates for financial periods beginning on or after
Amendments to MFRS 16	Covid-19-Related Rent Concessions Beyond 30 June 2021	1 April 2021
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 MFRSs	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification 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 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information	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 until further notice

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The adoption of the above standards and interpretations do not have material impact to the financial statements of the Group upon their initial application.



INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

A3 Seasonal or cyclical factors

The Group performance is not materially affected by seasonal or cyclical factors.

A4 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 quarter and financial year-to-date.

A5 Changes in estimates

There were no changes in estimates that have material effect in the current quarter and financial year-to-date results.

A6 Debt and equity securities

There were no issuances and repayments of debt and equity securities during financial year ended 31 December 2022 save for shares buy back.

At the Annual General Meeting held on 29 June 2022, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial year ended 31 December 2022, the Company repurchased of 78,600 own shares.

As at 31 December 2022, a total of 3,164,210 treasury shares, representing 2.10% of the issued and paid-up share capital of the Company are being held as treasury shares and carried at cost at RM3.766 million.

A7 Dividend paid

A final single tier dividend of 3.0 sen per share amounted RM4.429 million in respect of the financial year ended 31 December 2021 was paid on 27 July 2022.

An interim single tier dividend of 2.0 sen per share amounted RM2.952 million in respect of the financial year ended 31 December 2022 was paid on 29 December 2022.

A8 Material post balance sheet event

There were no material events subsequent to the end of the financial year ended 31 December 2022 as at the date of this report save for on 6 January 2023, Unimech Capital Sdn. Bhd., a wholly owned subsidiary company of the Company together with M.E.T. Motion Holding Sdn. Bhd., a 51% owned subsidiary company of the Company had acquired 45% and 20% equity interests in Titanflex Industrial Supplies Sdn. Bhd. for purchase consideration of RM562,500 and RM250,000 respectively.



INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

A9 Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2022 save for:

- i. On 4 January 2022, Arita Valve (Tianjin) Co. Ltd., a wholly owned subsidiary company of the Company had subscribed 30% equity interest in Arita Flow Control Equipment (Tianjin) Co. Ltd. for a purchase consideration of RMB300,000 (equivalent to RM196,410).
- ii. On 1 April 2022, M.E.T. Motion Holding Sdn. Bhd., a 51% owned subsidiary company of the Company had acquired 51% equity interest in Maju Edar Teknik Sdn. Bhd. for a purchase consideration of RM255,000.
- iii. On 9 June 2022, Unimech Capital Sdn. Bhd., a wholly owned subsidiary of the Company had subscribed for 150,000 ordinary shares representing 60% of the issued capital in Unimech Industrial Solutions Sdn. Bhd. for a total consideration of RM150,000.
- iv. On 12 September 2022, Huemech Industries Sdn Bhd ("HISB"), a 50.1% indirect owned subsidiary of the Company had held its final meeting to conclude the member's voluntary winding-up. Pursuant to Section 459(5) of the Companies Act 2016, HISB shall be dissolved three (3) months after lodgement of Section 459(3) Return by Liquidator relating to Final Meeting with Companies Commission of Malaysia and the Official Receiver.
- v. On 30 September 2022, the Company had disposed 35% equity interest in Premium Heights Sdn. Bhd. for a consideration on RM19,000.

A10 Changes in contingent liabilities or contingent assets

There were no material changes in the contingent liabilities for the Group since the last financial year ended 31 December 2021.

A11 Capital commitments

No material capital commitments as at 31 December 2022.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
NOTES TO THE INTERIM FINANCIAL REPORT
- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS
B1 Financial review for current quarter and financial year-to-date

	Individual Period			Cumulative Period		
	Current Period Quarter 31-Dec-22 RM'000	Preceding Year Corresponding Quarter 31-Dec-21 RM'000	Changes RM'000 / %	Current Period to Date 31-Dec-22 RM'000	Preceding Year Corresponding Period 31-Dec-21 RM'000	Changes RM'000 / %
Revenue	81,730	80,096	1,634 / 2.0%	332,409	289,084	43,325 / 15.0%
Profit before tax	9,771	10,810	(1,039) / (9.6%)	50,139	39,001	11,138 / 28.6%

Current quarter

The Group reported a revenue of RM81.730 million for the current quarter ended 31 December 2022 which was RM1.634 million or 2.0% higher as compared to the preceding year corresponding quarter ended 31 December 2021 of RM80.096 million. A higher revenue reported in current quarter was due to higher demand in most of the business segments, particularly the increase in core business of valves, instruments and fittings. Nevertheless, the Group recorded a profit before tax of RM9.771 million for the current quarter which was RM1.039 million or 9.6% lower as compared to preceding year corresponding quarter of RM10.810 million. The decrease in profit before tax was due to lower gross profit margin and higher expenses incurred.

Financial year-to-date

The Group reported revenue of RM332.409 million for the financial year ended 31 December 2022, representing an increase of 15.0% as compared to previous financial year ended 31 December 2021 of RM289.084 million. The increase in revenue was due principally to higher demand from all business segments and major geographical markets.

In tandem with the increase in revenue, profit before tax for financial year ended 31 December 2022 improved by 28.6% to RM50.139 million as compared to last financial year ended 31 December 2021 of RM39.001 million.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31-Dec-22 RM'000	Immediate Preceding Quarter 30-Sept-22 RM'000	Changes RM'000 / %
Revenue	81,730	90,546	(8,816) / (9.7%)
Profit before tax	9,771	17,768	(7,997) / (45.0%)

The Group reported RM8.816 million or 9.7% decrease in revenue for the current quarter ended 31 December 2022 as compared to preceding quarter. Lower revenue reported in current quarter was due to lower demand in core business of valves, fittings and instruments. Significant drop in profit before tax in current quarter was due to the decrease in sales and lower gross profit margin coupled with higher expenses incurred.

B3 Overall review of group's financial performance

No material changes of the major components of the statement of profit and loss and other comprehensive income, statement of financial position as well as statement of cash flow reported by the Group for the year ended 31 December 2022 compared to preceding year corresponding year ended 31 December 2021.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
B4 Segment information
By business segment as at 31 December 2022

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	262,554	14,991	29,727	25,137	-	332,409
Inter-segment revenue	68,803	2,225	5,339	85	(76,452)	-
Total revenue	331,357	17,216	35,066	25,222	(76,452)	332,409
Segment results	57,251	2,898	2,478	3,065	(11,134)	54,558
Interest expense						(7,270)
Interest income						436
Share of results of associates						2,415
Profit before tax						50,139
Tax expense						(13,514)
Profit after tax						36,625
Non-controlling interests						(5,970)
Profit attributable to owners of the parent for financial year ended 31 December 2022						<u>30,655</u>
Segment assets	553,725	18,557	35,409	103,556	(205,828)	505,419
Segment liabilities	138,553	18,576	19,122	25,633	(62,973)	138,911

By business segment as at 31 December 2021

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	228,879	12,874	28,823	18,508	-	289,084
Inter-segment revenue	56,257	5,145	4,954	979	(67,335)	-
Total revenue	285,136	18,019	33,777	19,487	(67,335)	289,084
Segment results	51,604	2,341	2,196	(538)	(12,255)	43,348
Interest expense						(6,768)
Interest income						232
Share of results of associates						2,189
Profit before tax						39,001
Tax expense						(10,243)
Profit after tax						28,758
Non-controlling interests						(4,817)
Profit attributable to owners of the parent for financial year ended 31 December 2021						<u>23,941</u>
Segment assets	536,040	17,973	34,573	101,576	(202,658)	487,504
Segment liabilities	145,739	22,091	19,234	26,615	(63,719)	149,960



INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

B5 Commentary on prospects for 2023

The world economy is expected to be impacted by geopolitical tension, war, supply chain disruptions and inflation in the year of 2023. Nevertheless, the Group will remain focus and continue with its competitive strategies to strengthen and grow further on its own brands to enhance its market positioning and improving its operations efficiency to further improve its competitiveness. With strong fundamental and well established in the countries where the Group has operation, and barring any unforeseen circumstances, the Board of Directors is of the view that the Group shall report a satisfactory performance for the financial year ending 31 December 2023.

B6 Profit forecast

Not applicable as no profit forecast was published.

B7 Income tax expense

	Current quarter 3 months ended 31-Dec-22 RM'000	Cumulative quarters 12 months ended 31-Dec-22 RM'000
Current period provision	1,833	13,294
Deferred tax	287	220
	<u>2,120</u>	<u>13,514</u>

The effective tax rate for current quarter and cumulative quarters are higher than the statutory tax rate was due to non-tax allowable expenses and losses of certain subsidiary companies cannot be used to offset against profit of other companies in the Group.

B8 Status of corporate proposals and status of utilisation of proceeds raised

There was no corporate proposal being carried out during the year under review.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
B9 Group borrowings and debt securities
Total borrowings as at 31 December 2022

	Long term		Short term		Total borrowings	
	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000
Secured						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	3,007	-	3,007
Revolving credits	-	-	-	11,179	-	11,179
Term loans	-	15,174	-	1,785	-	16,959
Trade lines	-	-	-	16,252	-	16,252
	-	15,174	-	32,223	-	47,397
<i>Vietnam Dong @ 0.000186</i>						
Trade lines	-	-	7,105,089	1,342	7,105,089	1,342
<i>Indonesia Rupiah @ 0.000282</i>						
Term loans	2,723,811	768	1,276,200	360	4,000,011	1,128
Revolving credits	-	-	103,521,078	29,193	103,521,078	29,193
	2,723,811	768	104,797,278	29,553	107,521,089	30,321
Total secured		15,942		63,118		79,060
Unsecured						
<i>Indonesia Rupiah @ 0.000282</i>						
Revolving credits	-	-	11,011,700	3,105	11,011,700	3,105
<i>Thai Baht @ 0.1272</i>						
Trade lines	-	-	17,197	2,187	17,197	2,187
Total unsecured		-		5,292		5,292
Total borrowings		15,942		68,410		84,352

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
B9 Group borrowings and debt securities (continue)
Total borrowings as at 31 December 2021

	Long term		Short term		Total borrowings	
	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000
Secured						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	2,420	-	2,420
Revolving credits	-	-	-	18,100	-	18,100
Term loans	-	16,863	-	1,265	-	18,128
Trade lines	-	-	-	15,190	-	15,190
	-	16,863	-	36,975	-	53,838
<i>Indonesia Rupiah @ 0.000292</i>						
Term loans	2,094,611	612	1,125,160	328	3,219,771	940
Revolving credits	-	-	107,564,668	31,409	107,564,668	31,409
	2,094,611	612	108,689,828	31,737	110,784,439	32,349
Total secured		17,475		68,712		86,187
Unsecured						
<i>Indonesia Rupiah @ 0.000292</i>						
Revolving credits	-	-	9,988,300	2,916	9,988,300	2,916
<i>Thai Baht @ 0.124682</i>						
Trade lines	-	-	5,637	703	5,637	703
Total unsecured		-		3,619		3,619
Total borrowings		17,475		72,331		89,806

B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

B11 Changes in material litigation

The Group is not engaged in any material litigation as at the date of this report.

B12 Dividend

The Board of Directors proposed a final single tier dividend of 4.2 sen per share in respect of the financial year ended 31 December 2022. The proposed dividend payment is amounting to RM6.199 million based on issued and paid-up capital as at 24 February 2023 of 147,604,300 shares (excluding treasury shares held by the Company). The proposed dividend is subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022
B13 Earnings per share (“EPS”)
Basic EPS

The basic EPS had been calculated by dividing the Group’s profit for the year attributable to owner of the parent by the weighted average number of shares in issue.

	Current quarter 3 months ended 31-Dec-22	Cumulative quarters 12 months ended 31-Dec-22
Profit for the period/year (RM’000)	7,651	36,625
Profit attributable to non-controlling interests (RM’000)	(773)	(5,970)
Profit attributable to owners of the parent (RM’000)	<u>6,878</u>	<u>30,655</u>
Weighted average number of ordinary shares in issue (’000)	<u>147,616</u>	<u>147,627</u>
Basic EPS (sen)	4.66	20.77

Diluted EPS

Not applicable as there are no dilutive potential ordinary shares.

B14 Auditors’ report on preceding annual financial statements

The auditors’ report of the annual financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

B15 Notes to Condensed Consolidated Income Statements on Other Income/Expenses

	Current quarter 3 months ended 31-Dec-22 RM’000	Cumulative quarter 12 months ended 31-Dec-22 RM’000
Profit before tax is arrived at after charging/(crediting):-		
Allowance for impairment of inventories	-	2,592
Depreciation & amortisation	2,109	7,648
Dividend income	-	42
Gain on disposal of investment properties	-	(640)
(Gain)/Loss on disposal of property, plant & equipment	16	(145)
Impairment losses on investment in associate	-	789
Interest expense	2,193	7,270
Interest income	(115)	(436)
Loss/(Gain) on foreign exchange – realised	(417)	181
Rental income	<u>(204)</u>	<u>(815)</u>



INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

B16 Foreign Exchange Exposure

The Group incurs foreign currency risk on transactions that are denominated in foreign currencies. The currencies giving rise to this risk are primarily the United States Dollar, Singapore Dollar, Thai Bath, Chinese Renmimbi, and Euro. The Group has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group will apply nature hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by the Management.

B17 Trade Receivables

- i. Trade receivables are non-interest bearing and are generally on 30 days to 120 days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- ii. Analysis of the trade receivables ageing is as follow:

	As at 31-Dec-22 (Unaudited) RM'000	As at 31-Dec-21 (Audited) RM'000
Neither past due nor impaired	53,526	50,781
<u>Pass due but not impaired</u>		
Less than 30 days	17,812	16,899
31 days to 60 days	7,865	7,462
More than 61 days	10,664	10,116
	<u>36,341</u>	<u>34,477</u>
	89,867	85,258
Impaired	4,534	4,534
	<u>94,401</u>	<u>89,792</u>

As at 31 December 2022, trade receivables of RM36.341 million were past due but not impaired. These related to a number of independent customers from whom there is no recent history of default. The management is in an opinion that all the trade receivables are collectible. Thus, no further impairment is required.

- iii. No material impairment in trade receivables was recognised during the financial year ended 31 December 2022.

B18 Impairment of Assets

No material impairment of assets recognised as a loss in the statement of profit and loss and other comprehensive income for the financial year ended 31 December 2022.

By order of the Board

Dato' Seri Lim Cheah Chooi
Chief Executive Officer / Executive Director

Dated this 27 February 2023