

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022**

	<b>As at 30-Sept-22 (Unaudited) RM'000</b>	<b>As at 31-Dec-21 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment ("PPE")	100,495	89,865
Investment properties	7,900	8,275
Right of use assets ("ROU")	25,500	27,799
Investment in associates	23,454	21,419
Investment securities	2,114	2,909
Intangible assets	152	152
Other receivables	763	763
Deferred tax assets	1,462	1,233
	<u>161,840</u>	<u>152,415</u>
<b>Current assets</b>		
Inventories	197,370	178,509
Trade and other receivables	119,466	102,783
Tax recoverable	155	587
Cash and bank balances	46,929	53,210
	<u>363,920</u>	<u>335,089</u>
<b>TOTAL ASSETS</b>	<u>525,760</u>	<u>487,504</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	99,588	99,588
Treasury shares	(3,745)	(3,654)
Reserves	5,580	(2,111)
Retained earnings	214,018	194,670
<b>Equity attributable to owners of the parent</b>	<u>315,441</u>	<u>288,493</u>
<b>Non-controlling interests</b>	54,234	49,051
<b>Total equity</b>	<u>369,675</u>	<u>337,544</u>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Bank borrowings	16,462	17,475
Lease liabilities	4,117	4,508
Deferred tax liabilities	667	505
	<u>21,246</u>	<u>22,488</u>
<b>Current liabilities</b>		
Trade and other payables	49,089	49,384
Bank borrowings	78,078	72,331
Lease liabilities	1,625	2,855
Tax payable	6,047	2,902
	<u>134,839</u>	<u>127,472</u>
<b>Total liabilities</b>	<u>156,085</u>	<u>149,960</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>525,760</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 THIRD QUARTER ENDED 30 SEPTEMBER 2022****CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	<b>Current quarter 3 months ended 30 September</b>		<b>Cumulative quarter 9 months ended 30 September</b>	
	<b>2022 RM '000</b>	<b>2021 RM '000</b>	<b>2022 RM '000</b>	<b>2021 RM '000</b>
<b>Revenue</b>	90,546	73,054	250,679	208,988
Operating expenses	(73,812)	(61,427)	(210,146)	(179,190)
Other income	1,507	688	2,463	2,105
<b>Operating profit</b>	<b>18,241</b>	<b>12,315</b>	<b>42,996</b>	<b>31,903</b>
Interest expense	(1,663)	(1,420)	(5,077)	(4,890)
Interest income	146	29	321	186
Share of results of associates	1,044	217	2,128	992
<b>Profit before tax</b>	<b>17,768</b>	<b>11,141</b>	<b>40,368</b>	<b>28,191</b>
Taxation	(4,771)	(3,323)	(11,394)	(8,861)
<b>Profit for the period</b>	<b>12,997</b>	<b>7,818</b>	<b>28,974</b>	<b>19,330</b>
<b>Profit attributable to:</b>				
Owners of the parent	10,877	5,954	23,777	15,420
Non-controlling interests	2,120	1,864	5,197	3,910
<b>Profit for the period</b>	<b>12,997</b>	<b>7,818</b>	<b>28,974</b>	<b>15,966</b>
<b>Earnings per share (“EPS”) attributable to owners of the parent (sen):</b>				
Basic EPS	7.37	4.03	16.10	10.43
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 THIRD QUARTER ENDED 30 SEPTEMBER 2022

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Current quarter 3 months ended 30 September		Cumulative quarter 9 months ended 30 September	
	2022 RM '000	2021 RM '000	2022 RM '000	2021 RM '000
Profit for the period	12,997	7,818	28,974	19,330
<b>Other comprehensive income/(expenses), net of tax:</b>				
Currency translation differences arising from consolidation	2,748	1,348	7,849	5,661
Fair value movements on available for sale investments	(372)	44	(158)	(295)
<b>Total comprehensive income for the period</b>	<b>15,373</b>	<b>9,210</b>	<b>36,665</b>	<b>24,696</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	13,253	7,346	31,468	20,786
Non-controlling interests	2,120	1,864	5,197	3,910
	<b>15,373</b>	<b>9,210</b>	<b>36,665</b>	<b>24,696</b>

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 THIRD QUARTER ENDED 30 SEPTEMBER 2022****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR NINE MONTHS ENDED 30 SEPTEMBER 2022 (UNAUDITED)**

	<b>Cumulative quarter 9 months ended 30 September</b>	
	<b>2022 RM'000</b>	<b>2021 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	40,368	28,191
Adjustments for:		
Depreciation and amortisation	5,539	5,689
Other non-cash items and non-operating items	(23,747)	4,097
Operating profit before working capital changes	22,160	37,977
Inventories	(21,453)	(3,715)
Receivables	16,683	(9,776)
Payables	(295)	(1,458)
Cash generated from operating activities	17,095	23,028
Interest paid	(5,077)	(4,890)
Net of tax paid	(7,483)	(7,912)
<b>Net cash from operating activities</b>	<b>4,535</b>	<b>10,226</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received	274	475
Interest received	321	186
Issue of shares to non-controlling interests	100	-
Net of changes of investment in subsidiaries and associates	163	675
Net of purchase and disposal of investment securities	795	(700)
Net of purchase and disposal of PPE and ROU	(8,745)	(3,152)
<b>Net cash used in investing activities</b>	<b>(7,092)</b>	<b>(2,516)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(4,705)	(3,220)
Net of repurchase & resold of treasury shares	(91)	(1,213)
Net changes in bank borrowings	4,784	(8,819)
Net changes in lease liabilities	(1,621)	(1,466)
<b>Net cash used in financing activities</b>	<b>(1,634)</b>	<b>(14,718)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,191)</b>	<b>(7,008)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>46,631</b>	<b>43,349</b>
Effect of foreign exchange rates changes	3,097	7,146
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>45,537</b>	<b>43,487</b>
<b>CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:</b>		
Cash and bank balances	46,929	44,835
Overdrafts	(1,392)	(1,348)
	<b>45,537</b>	<b>43,487</b>

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 THIRD QUARTER ENDED 30 SEPTEMBER 2022**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR NINE MONTHS ENDED 30 SEPTEMBER 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			
<b>Balance as at 1 January 2021</b>	99,584	(2,404)	892	1,213	(4,272)	176,404	271,417	41,460	312,877
Purchase of treasury shares	-	(1,224)	-	-	-	-	(1,224)	-	(1,224)
Disposal of treasury shares	4	7	-	-	-	-	11	-	11
Changes in equity	-	-	-	-	-	-	-	(142)	(142)
Dividend paid	-	-	-	-	-	(2,954)	(2,954)	(266)	(3,220)
Total comprehensive income/(loss) for the period	-	-	-	5,661	(295)	15,420	20,786	3,910	24,696
<b>Balance as at 30 September 2021</b>	99,588	(3,621)	892	6,874	(4,567)	188,870	288,036	44,962	332,998
<b>Balance as at 1 January 2022</b>	99,588	(3,654)	892	1,363	(4,366)	194,670	288,493	49,051	337,544
Purchase of treasury shares	-	(91)	-	-	-	-	(91)	-	(91)
Changes in equity	-	-	-	-	-	-	-	263	263
Dividend paid	-	-	-	-	-	(4,429)	(4,429)	(277)	(4,706)
Total comprehensive income/(loss) for the period	-	-	-	7,849	(158)	23,777	31,468	5,197	36,665
<b>Balance as at 30 September 2022</b>	99,588	(3,745)	892	9,212	(4,524)	214,018	315,441	54,234	369,675

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 THIRD QUARTER ENDED 30 SEPTEMBER 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.

	<b>Description</b>	<b>Effective dates for financial periods beginning on or after</b>
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 THIRD QUARTER ENDED 30 SEPTEMBER 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 period-to-date.

**A5 Changes in estimates**

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

**A6 Debt and equity securities**

There were no issuances and repayments of debt and equity securities during financial period ended 30 September 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 period ended 30 September 2022, the Company repurchased of 64,500 own shares.

As at 30 September 2022, a total of 3,150,110 treasury shares, representing 2.09% of the issued and paid-up share capital of the Company are being held as treasury shares and carried at cost at RM3.745 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.

**A8 Material post balance sheet events**

There were no material events subsequent to the end of the financial year ended 30 September 2022 as at the date of this report.



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

**A9 Changes in the composition of the Group**

There were no changes in the composition of the Group during the financial year ended 30 September 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 30 September 2022.



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**
**NOTES TO THE INTERIM FINANCIAL REPORT**
**- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS**
**B1 Financial review for current quarter and financial period-to-date**

	Individual Period			Cumulative Period		
	Current Period Quarter 30-Sept-22 RM'000	Preceding Year Corresponding Quarter 30-Sept-21 RM'000	Changes RM'000 / %	Current Period to Date 30-Sept-22 RM'000	Preceding Year Corresponding Period 30-Sept-21 RM'000	Changes RM'000 / %
Revenue	90,546	73,054	17,492 / 23.9%	250,679	208,988	41,691 / 20.0%
Profit before tax	17,768	11,141	6,672 / 59.5%	40,368	28,191	12,177 / 43.2%

**Current quarter**

The Group reported a revenue of RM90.546 million for the current quarter ended 30 September 2022 which was RM17.492 million or 23.9% higher as compared to the preceding year corresponding quarter ended 30 September 2021 of RM73.054 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 in Malaysia, Indonesia and Vietnam markets.

The Group recorded a profit before tax of RM17.768 million for the current quarter which was RM6.672 million or 59.5% higher as compared to preceding year corresponding quarter of RM11.141 million. The increase in profit before tax was in line with the increase in revenue.

**Financial period-to-date**

The Group reported revenue of RM250.679 million for the financial period ended 30 September 2022, representing an increase of 20.0% as compared to previous financial period ended 30 September 2021 of RM208.988 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 period ended 30 September 2022 improved by 43.2% to RM40.368 million as compared to last financial period ended 30 September 2021 of RM28.191 million.

**B2 Financial review for current quarter compared with immediate preceding quarter**

	Current Quarter 30-Sept-22 RM'000	Immediate Preceding Quarter 30-Jun-22 RM'000	Changes RM'000 / %
Revenue	90,546	84,752	5,794 / 6.8%
Profit before tax	17,768	11,966	5,802 / 48.5%

The Group reported RM5.794 million or 6.8% increase in revenue for the current quarter ended 30 September 2022 as compared to preceding quarter. Higher revenue reported in current quarter was due to strong demand in core business of valves, fittings and instruments. Profit before tax in current quarter improved by RM5.802 million or 48.5%. Increase in profit before tax was in line with the increase in revenue.

**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 period ended 30 September 2022 compared to preceding year corresponding period ended 30 September 2021.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**
**B4 Segment information**
**By business segment as at 30 September 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	196,356	11,719	22,813	19,791	-	250,679
Inter-segment revenue	48,766	1,619	4,060	32	(54,477)	-
<b>Total revenue</b>	<b>245,122</b>	<b>13,338</b>	<b>26,873</b>	<b>19,823</b>	<b>(54,477)</b>	<b>250,679</b>
<b>Segment results</b>	<b>36,001</b>	<b>2,461</b>	<b>2,386</b>	<b>2,248</b>	<b>(100)</b>	<b>42,996</b>
Interest expense						(5,077)
Interest income						321
Share of results of associates						2,128
Profit before tax						40,368
Tax expense						(11,394)
Profit after tax						28,974
Non-controlling interests						(5,197)
Profit attributable to owners of the parent for financial period ended 30 September 2022						<u>23,777</u>
Segment assets	577,775	19,341	35,472	104,798	(211,626)	525,760
Segment liabilities	161,415	20,363	19,175	26,939	(71,807)	156,085

**By business segment as at 30 September 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	165,601	11,527	19,482	12,378	-	208,988
Inter-segment revenue	32,775	1,459	3,564	19	(37,817)	-
<b>Total revenue</b>	<b>198,376</b>	<b>12,986</b>	<b>23,046</b>	<b>12,397</b>	<b>(37,817)</b>	<b>208,988</b>
<b>Segment results</b>	<b>27,964</b>	<b>1,686</b>	<b>1,670</b>	<b>783</b>	<b>(200)</b>	<b>31,903</b>
Interest expense						(4,890)
Interest income						186
Share of results of associates						775
Profit before tax						28,191
Tax expense						(8,861)
Profit after tax						19,330
Non-controlling interests						(3,910)
Profit attributable to owners of the parent for financial period ended 30 September 2021						<u>15,420</u>
Segment assets	529,785	17,859	33,511	99,542	(201,005)	479,692
Segment liabilities	145,810	22,604	18,527	43,596	(83,843)	146,694



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

**B5 Commentary on prospects for 2022**

The business activities and economy in Malaysia and countries that the Group has operation are expected to be minor impacted by the Covid-19 pandemic for year 2022. Amid the challenges faced, the Group remains focused to meet market demand for the valves, instruments and fittings. At the same time, the Group will continue with its competitive strategies to strengthen and grow further on its own brands to enhance its market positioning and concentrate on improving its operations efficiency and expand the products range.

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 2022.

**B6 Profit forecast**

Not applicable as no profit forecast was published.

**B7 Income tax expense**

	<b>Current quarter 3 months ended 30-Sept-22 RM'000</b>	<b>Cumulative quarters 9 months ended 30-Sept-22 RM'000</b>
Current period provision	4,800	11,461
Deferred tax	<u>(29)</u>	<u>(67)</u>
	<u>4,771</u>	<u>11,394</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 period under review.

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**
**B9 Group borrowings and debt securities**
**Total borrowings as at 30 September 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
<b>Secured</b>						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	1,392	-	1,392
Revolving credits	-	-	-	14,675	-	14,675
Term loans	-	15,506	-	1,673	-	17,179
Trade lines	-	-	-	19,380	-	19,380
	-	15,506	-	37,120	-	52,626
<i>Vietnam Dong @ 0.000194</i>						
Trade lines	-	-	300,946	58	300,946	58
<i>Indonesia Rupiah @ 0.000304</i>						
Term loans	3,144,072	956	1,276,200	388	4,420,272	1,344
Revolving credits	-	-	109,523,719	33,295	109,523,719	33,295
	3,144,072	956	110,799,919	33,683	113,943,991	34,639
<b>Total secured</b>		<b>16,462</b>		<b>70,861</b>		<b>87,323</b>
<b>Unsecured</b>						
<i>Indonesia Rupiah @ 0.000304</i>						
Revolving credits	-	-	10,672,900	3,245	10,672,900	3,245
<i>Thai Baht @ 0.122739</i>						
Trade lines	-	-	32,364	3,972	32,364	3,972
<b>Total unsecured</b>		<b>-</b>		<b>7,217</b>		<b>7,217</b>
<b>Total borrowings</b>		<b>16,462</b>		<b>78,078</b>		<b>94,540</b>

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**
**B9 Group borrowings and debt securities (continue)**
**Total borrowings as at 30 September 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
<b>Secured</b>						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	1,348	-	1,348
Revolving credits	-	-	-	18,101	-	18,101
Term loans	-	16,776	-	2,861	-	19,637
Trade lines	-	-	-	15,592	-	15,592
	-	16,776	-	37,902	-	54,678
<i>Indonesia Rupiah @ 0.000293</i>						
Term loans	2,380,965	698	1,115,427	327	3,496,392	1,025
Revolving credits	-	-	106,495,422	31,204	106,495,422	31,204
	2,380,965	698	107,610,849	31,531	109,991,814	32,229
<b>Total secured</b>		<b>17,474</b>		<b>69,433</b>		<b>86,907</b>
<b>Unsecured</b>						
<i>Indonesia Rupiah @ 0.000293</i>						
Revolving credits	-	-	10,014,907	2,934	10,014,907	2,934
<i>Thai Baht @ 0.123656</i>						
Trade lines	-	-	2,062	255	2,062	255
<b>Total unsecured</b>		<b>-</b>		<b>3,189</b>		<b>3,189</b>
<b>Total borrowings</b>		<b>17,474</b>		<b>72,622</b>		<b>90,096</b>

**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 an interim single tier dividend of 2.0 sen per share in respect of the financial year ending 31 December 2022. The proposed dividend payment is amounting to RM2.952 million based on issued and paid-up capital as at 25 November 2022 of 147,604,300 shares (excluding treasury shares held by the Company).

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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.

	<b>Current quarter 3 months ended 30-Sept-22</b>	<b>Cumulative quarters 9 months ended 30-Sept-22</b>
Profit for the period (RM’000)	12,977	28,974
Profit attributable to non-controlling interests (RM’000)	(2,120)	(5,197)
<b>Profit attributable to owners of the parent (RM’000)</b>	<u>10,877</u>	<u>23,777</u>
<b>Weighted average number of ordinary shares in issue (’000)</b>	<u>147,618</u>	<u>147,634</u>
<b>Basic EPS (sen)</b>	7.37	16.10

**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**

	<b>Current quarter 3 months ended 30-Sept-22 RM’000</b>	<b>Cumulative quarter 9 months ended 30-Sept-22 RM’000</b>
<b>Profit before tax is arrived at after charging/(crediting):-</b>		
Allowance for impairment of inventories	500	2,592
Depreciation & amortisation	1,877	5,539
Dividend income	262	274
Gain on disposal of investment properties	(640)	(640)
Gain on disposal of property, plant & equipment	(146)	(161)
Impairment losses on investment in associate	789	789
Interest expense	1,663	5,077
Interest income	(146)	(321)
Loss on foreign exchange – realised	16	598
Rental income	<u>(193)</u>	<u>(611)</u>



**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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:

	<b>As at 30-Sept-22 (Unaudited) RM'000</b>	<b>As at 31-Dec-21 (Audited) RM'000</b>
Neither past due nor impaired	50,312	50,781
<u>Pass due but not impaired</u>		
Less than 30 days	16,743	16,899
31 days to 60 days	7,393	7,462
More than 61 days	10,022	10,116
	<u>34,158</u>	<u>34,477</u>
	84,470	85,258
Impaired	4,534	4,534
	<u>89,004</u>	<u>89,792</u>

As at 30 September 2022, trade receivables of RM34.158 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 period ended 30 September 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 30 September 2022.

By order of the Board

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

**Dated this 24 November 2022**