



**SOUTHERN CABLE GROUP BERHAD**

(Registration No. 201901011439 (1320767-M))  
(Incorporated in Malaysia under the Companies Act 2016)

**Interim Financial Report**

**For The First Quarter Ended**

**31 March 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME<sup>(1)</sup>**

	Note	QUARTER ENDED		YEAR TO-DATE ENDED	
		Unaudited	Unaudited	Unaudited	Unaudited
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	185,141	172,288	185,141	172,288
Cost of sales		(175,690)	(162,585)	(175,690)	(162,585)
<b>Gross profit</b>		<b>9,451</b>	<b>9,703</b>	<b>9,451</b>	<b>9,703</b>
Other income		1,029	1,014	1,029	1,014
Distribution expenses		(2,754)	(2,626)	(2,754)	(2,626)
Administrative expenses		(2,419)	(2,053)	(2,419)	(2,053)
Other expenses		(3)	-	(3)	-
<b>Operating profit</b>	B12	<b>5,304</b>	<b>6,038</b>	<b>5,304</b>	<b>6,038</b>
Finance costs		(1,823)	(1,225)	(1,823)	(1,225)
<b>Profit before tax</b>		<b>3,481</b>	<b>4,813</b>	<b>3,481</b>	<b>4,813</b>
Income tax expense	B5	(870)	(1,202)	(870)	(1,202)
<b>Profit/Total comprehensive income for the financial period</b>		<b>2,611</b>	<b>3,611</b>	<b>2,611</b>	<b>3,611</b>
<b>Profit/Total comprehensive income for the financial period after taxation attributable to:</b>					
Owners of the Company		2,611	3,611	2,611	3,611
		<b>2,611</b>	<b>3,611</b>	<b>2,611</b>	<b>3,611</b>
<b>Earnings per Share</b>					
Basic/Diluted (sen) <sup>(2)(3)</sup>	B11	0.33	0.45	0.33	0.45



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME<sup>(1)</sup>  
(CONT'D)**

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
- (3) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the financial period-to-date.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>**

	<b>Unaudited as at 31.03.2022 RM'000</b>	<b>Audited as at 31.12.2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	43,583	43,559
Right-of-use assets	42,339	43,375
Investment properties	522	523
<b>Total non-current assets</b>	<b>86,444</b>	<b>87,457</b>
<b>Current Assets</b>		
Inventories	178,008	182,529
Current tax assets	6,293	5,985
Trade and other receivables	214,190	199,325
Derivative financial assets	54	-
Cash and short-term deposits	30,441	35,411
<b>Total current assets</b>	<b>428,986</b>	<b>423,250</b>
<b>TOTAL ASSETS</b>	<b>515,430</b>	<b>510,707</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	217,656	217,656
Retained earnings	180,869	178,258
Reserves	(120,947)	(120,947)
<b>Total equity</b>	<b>277,578</b>	<b>274,967</b>
<b>Non-current Liabilities</b>		
Loans and borrowings	7,803	8,629
Deferred tax liabilities	5,472	5,490
<b>Total non-current liabilities</b>	<b>13,275</b>	<b>14,119</b>
<b>Current Liabilities</b>		
Loans and borrowing	181,625	158,101
Provisions	408	387
Current tax liabilities	322	239
Trade and other payables	42,222	62,287
Derivative financial liabilities	-	607
<b>Total current liabilities</b>	<b>224,577</b>	<b>221,621</b>
<b>TOTAL LIABILITIES</b>	<b>237,852</b>	<b>235,740</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>515,430</b>	<b>510,707</b>
Number of issued shares ('000)	800,000	800,000
Net assets per share attributable to owners of the company (RM)	0.35	0.34



## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup> (CONT'D)

### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY<sup>(1)</sup>**

	Attributable to owners of the Company			Total equity RM'000
	Non-Distributable		Distributable	
	Share capital RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	
<b>Balance as at 1 January 2022 (Audited)</b>	217,656	(120,947)	178,258	274,967
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	2,611	2,611
<b>Balance as at 31 March 2022 (Unaudited)</b>	217,656	(120,947)	180,869	277,578

	Attributable to owners of the Company			Total equity RM'000
	Non-Distributable		Distributable	
	Share capital RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	
<b>Balance as at 1 January 2021 (Audited)</b>	217,656	(120,947)	170,552	267,261
Profit for the financial period representing total comprehensive income for the financial period (Unaudited)	-	-	3,611	3,611
<b>Balance as at 31 March 2021 (Unaudited)</b>	217,656	(120,947)	174,163	270,872

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS<sup>(1)</sup>**

	CURRENT YEAR TO-DATE 31.03.2022 Unaudited RM'000	PRECEDING YEAR TO-DATE 31.03.2021 Unaudited RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	3,481	4,813
Adjustments for:		
Amortisation/depreciation of investment properties	2	2
Amortisation/depreciation of property, plant and equipment	1,313	1,019
Depreciation of right-of-use assets	583	731
Fair value gain on derivative financial instruments	(661)	(193)
Interest expenses	1,823	1,225
Interest income	(84)	(254)
Provision for employee benefit (net)	21	9
Right-of-use assets written off	-	8
Unrealised loss/(gain) on foreign exchange	22	(332)
<b>Operating profit before changes in working capital</b>	<b>6,500</b>	<b>7,028</b>
Changes in working capital:		
Inventories	4,521	(6,043)
Trade and other receivables	(14,829)	(102)
Trade and other payables	(20,122)	8,953
Net cash (used in)/generated from operations	(23,930)	9,836
Income tax paid	(1,113)	(2,160)
Income tax refunded	-	107
Interest received	84	254
Interest paid	(77)	(131)
<b>Net cash (used in)/from operating activities</b>	<b>(25,036)</b>	<b>7,906</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS<sup>(1)</sup> (CONT'D)**

	CURRENT YEAR TO-DATE 31.03.2022 Unaudited RM'000	PRECEDING YEAR TO-DATE 31.03.2021 Unaudited RM'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(757)	(4,564)
Purchase of right-of-use assets	(50)	(209)
Change in pledged deposits	3,342	(128)
Change in pledged bank balances	-	(2,726)
<b>Net cash from/(used in) investing activities</b>	<b>2,535</b>	<b>(7,627)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,746)	(1,094)
Repayment of term loans	(427)	(7,284)
Repayment of lease liabilities	(717)	(787)
Drawdown of bankers' acceptance	174,312	135,346
Repayment of bankers' acceptance	(150,549)	(140,515)
<b>Net cash from/(used in) financing activities</b>	<b>20,873</b>	<b>(14,334)</b>
Net decrease in cash and cash equivalents	(1,628)	(14,055)
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>30,213</b>	<b>82,689</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>28,585</b>	<b>68,634</b>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Company's audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.



**A. NOTES TO THE INTERIM FINANCIAL REPORT**
**A1. Basis of Preparation**

The interim financial report of Southern Cable Group Berhad (“**Southern Cable**” or “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRSs**”) 134: Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This interim financial report should be read in conjunction with the Company’s audited consolidated financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this interim financial report.

**A2. Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 December 2021, except for the following amendments/improvements to MFRSs which are relevant and mandatory for the current financial period:

Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of MFRSs ^
MFRS 3	Business Combinations
MFRS 9	Financial Instruments ^
MFRS 16	Leases ^
MFRS 116	Property, Plant and Equipment
MFRS 137	Intangible Assets
MFRS 141	Agriculture ^

^ *The Annual Improvements to MFRSs 2018-2020.*

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group’s existing accounting policies.

**A3. Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021.

**A4. Seasonal or Cyclical Factors**

The Group’s performance has not been materially affected by any seasonal or cyclical factors during the current quarter and financial year-to-date.



**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

**A5. Items or Incidence of an Unusual Nature**

There were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and financial year-to-date.

**A6. Material Changes in Estimates**

There were no material changes in estimates for the current quarter and financial year-to-date.

**A7. Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares during the current quarter and financial year-to-date.

**A8. Dividend Paid**

There were no dividends paid for the current quarter and financial year-to-date.



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental Reporting

The Group is principally a manufacturer of cables and wires that are used for power distribution and transmission, communications as well as control and instrumentation applications. The Group's segmental revenue for the current quarter and financial year-to-date is as follows:

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Current quarter 31 March 2022</b>						
<b>Revenue:</b>						
Revenue from external customers	161,113	2,544	2,893	18,591	-	185,141
Inter-segment revenue	-	-	-	8,601	(8,601)	-
	<u>161,113</u>	<u>2,544</u>	<u>2,893</u>	<u>27,192</u>	<u>(8,601)</u>	<u>185,141</u>
<b>Segment profit</b>	8,179	270	235	843	(76)	9,451
Other income						1,029
Unallocated expenses						(5,176)
Finance costs						(1,823)
Income tax expenses						(870)
Profit for the financial period						<u>2,611</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,629
Depreciation and amortisation						1,898



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Preceding quarter 31 March 2021</b>						
<b>Revenue:</b>						
Revenue from external customers	155,042	5,653	3,342	8,251	-	172,288
Inter-segment revenue	-	-	-	7,298	(7,298)	-
	<u>155,042</u>	<u>5,653</u>	<u>3,342</u>	<u>15,549</u>	<u>(7,298)</u>	<u>172,288</u>
<b>Segment profit</b>	8,470	511	250	513	(41)	9,703
Other income						1,014
Unallocated expenses						(4,679)
Finance costs						(1,225)
Income tax expenses						<u>(1,202)</u>
Profit for the financial period						<u>3,611</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,623
Depreciation and amortisation						1,752



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Year-to-date 31 March 2022</b>						
<b>Revenue:</b>						
Revenue from external customers	161,113	2,544	2,893	18,591	-	185,141
Inter-segment revenue	-	-	-	8,601	(8,601)	-
	<u>161,113</u>	<u>2,544</u>	<u>2,893</u>	<u>27,192</u>	<u>(8,601)</u>	<u>185,141</u>
<b>Segment profit</b>	8,179	270	235	843	(76)	9,451
Other income						1,029
Unallocated expenses						(5,176)
Finance costs						(1,823)
Income tax expenses						(870)
Profit for the financial period						<u>2,611</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,629
Depreciation and amortisation						1,898



A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

	Power cables and wires	Communication cables and wires	Control and instrumentation cables and wires	Others	Adjustment and eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Year-to-date 31 March 2021</b>						
<b>Revenue:</b>						
Revenue from external customers	155,042	5,653	3,342	8,251	-	172,288
Inter-segment revenue	-	-	-	7,298	(7,298)	-
	<u>155,042</u>	<u>5,653</u>	<u>3,342</u>	<u>15,549</u>	<u>(7,298)</u>	<u>172,288</u>
<b>Segment profit</b>	8,470	511	250	513	(41)	9,703
Other income						1,014
Unallocated expenses						(4,679)
Finance costs						(1,225)
Income tax expenses						<u>(1,202)</u>
Profit for the financial period						<u>3,611</u>
<b>Result:</b>						
<i>Included in the measure of segments profit are:</i>						
Employee benefits expense						6,623
Depreciation and amortisation						1,752

**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**
**A10. Material Events Subsequent to the End of the Current Quarter**

There are no other material events subsequent to the end of the current quarter and financial year-to-date that have not been reflected in this interim financial report.

**A11. Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

**A12. Contingent Assets and Contingent Liabilities**

Save as disclosed below, there were no other contingent assets or contingent liabilities as at the date of this interim financial report.

	<b>Unaudited as at 31.03.2022 RM'000</b>	<b>Audited as at 31.12.2021 RM'000</b>
Bank guarantee		
- Trade facilities	14,469	14,693
- Contract financing for performance bonds and guarantee	15,452	14,525
	<u>29,921</u>	<u>29,218</u>

**A13. Capital Commitments**

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred.

	<b>Unaudited as at 31.03.2022 RM'000</b>	<b>Audited as at 31.12.2021 RM'000</b>
Capital expenditures contracted but not provided for:		
- Construction of building	1,170	2,018
Capital expenditures not contracted and not provided for:		
- Construction of building and Enterprise Resource Planning information technology system	8,232	9,402
	<u>9,402</u>	<u>11,420</u>

**A14. Related Party Transactions**

	<b>QUARTER ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>Unaudited 31.03.2022 RM'000</b>	<b>Unaudited 31.03.2021 RM'000</b>	<b>Unaudited 31.03.2022 RM'000</b>	<b>Unaudited 31.03.2021 RM'000</b>
Rental expenses charged by a person connected to a director	13	13	13	13

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**
**B1. Review of Group Performance**

Result for current quarter

	QUARTER ENDED		Variance	
	Current Quarter	Preceding Corresponding Quarter	RM'000	%
	31.03.2022 RM'000	31.03.2021 RM'000		
Revenue	185,141	172,288	12,853	7.46
Profit before tax	3,481	4,813	(1,332)	(27.68)

In the current quarter ended 31 March 2022, the Group recorded revenue of RM185.14 million compared with RM172.29 million for the previous corresponding quarter ended 31 March 2021, an increase of RM12.85 million or 7.46%.

Geographically, the Malaysian market remained the largest market contributing to the Group's revenue, accounting for approximately 96.10% of the total revenue for the current quarter ended 31 March 2022.

The power cables and wires segment accounted for RM161.11 million or 87.02% of the group's total revenue for the current quarter, an increase of RM6.07 million or 3.92% from RM155.04 million in the previous corresponding quarter. The revenue growth is attributed to the higher average selling prices of cables and wires, in line with the price increase of metal-based materials such as copper and aluminium, and non-metal based materials including plastic and sawn timber.

The balance RM24.03 million or 12.98% of total group revenue was derived from the communication cables and wires segment, control and instrumentation cables and wires segment, and others. Overall, revenue from these segments increased by RM6.78 million or 39.33% from RM17.24 million in the previous corresponding quarter, mainly attributed by higher sales of aluminium and copper rods. The increase was partially offset by a decline in revenue from communication cables and wires as well as control and instrumentation cables and wires.

The Group recognised profit before tax of RM3.48 million in the current quarter compared with RM4.81 million in the previous corresponding quarter, a decrease of RM1.33 million or 27.65%. This was mainly due to product mix, higher administrative expenses and finance costs.



**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B2. Comparison with the Immediate Preceding Quarter Result**

	<b>INDIVIDUAL QUARTER</b>		<b>Variance</b>	
	<b>Current Quarter</b>	<b>Preceding Quarter</b>		
	<b>31.03.2022</b>	<b>31.12.2021</b>	<b>RM'000</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Revenue	185,141	204,022	(18,881)	(9.25)
Profit before tax	3,481	3,878	(397)	(10.24)

The Group's revenue for the current quarter decreased by 9.25% to RM185.14 million from RM204.02 million in the preceding quarter, mainly due to product mix for the quarter.

The Group recorded a 10.24% decrease in profit before tax from RM3.88 million in the preceding quarter to RM3.48 million in the current quarter in line with the lower revenue.

**B3. Commentary of Prospects**

With the economy on a recovery path following the country's transition to COVID-19 endemicity, the Group is seeing orders for cables and wires picking up from key sectors such as power, renewable energy, telecommunication, construction and infrastructure, as well as manufacturing and processing industries including oil and gas processing and petrochemical plants.

Additionally, the Group's orders in hand (comprising unbilled purchase orders and outstanding order book) stood at RM628.57 million as at 31 March 2022. This includes a RM13.0 million contract secured on 31 March 2022 to supply copper telephone cables. Overall, the Group's orders in hand are expected to provide financial visibility for the next 2 years.

To address the volatility of raw material costs, Southern Cable will continue to assess and adjust pricing for its new contracts. Additionally, the Group is also actively participating in new tenders to support the local power infrastructure. At the same time, the Group will continue to enhance manufacturing efficiency by improving daily production output.

Barring unforeseen circumstances, Southern Cable's outlook remains positive towards its performance in the financial year ending 31 December 2022.

**B4. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial year-to-date.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B5. Tax Expense**

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2021 RM'000
<b>In respect of current period:</b>				
Income tax	870	1,202	870	1,202
Effective tax rate (%)	24.99	24.97	24.99	24.97
Statutory tax rate (%)	24.00	24.00	24.00	24.00

The effective tax rate of the Group for the current quarter and financial year-to-date was higher than the statutory tax rate mainly due to non-deductible expenses.

**B6. Status of Corporate Proposals**

There are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B7. Use of Proceeds Raised from Public Issue**

The gross proceeds of approximately RM71.18 million from the Public Issue is intended to be utilised in the following manner:

<b>Detail of utilisation</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Balance Unutilised RM'000</b>	<b>Intended timeframe for utilisation from the date of listing</b>
Capital expenditure and expansion				Within 36 months
- Purchase and upgrade of new machinery and equipment	18,500	18,500	-	
- Construction of factories	7,500	492	7,008	
- Purchase and installation of Enterprise Resource Planning information technology system	4,000	95	3,905	
	<b>30,000</b>	<b>19,087</b>	<b>10,913</b>	
Repayment of bank borrowings	9,188	9,188	-	Within 6 months
Working capital	27,490	27,490	-	Within 6 months
Estimated listing expenses	4,500	4,500	-	Within 3 months
<b>Total</b>	<b>71,178</b>	<b>60,265</b>	<b>10,913</b>	

The use of proceeds as disclosed above should be read together with the Prospectus.

**B8. Borrowings**

The details of the Group's borrowings are as follows:

	<b>Unaudited 31.03.2022 RM'000</b>	<b>Audited 31.12.2021 RM'000</b>
<b>Non-current</b>		
Term loans	4,761	5,049
Lease liabilities	3,042	3,580
	<b>7,803</b>	<b>8,629</b>
<b>Current</b>		
Term loans	1,161	1,301
Lease liabilities	2,115	2,215
Bankers' acceptance	178,349	154,586
	<b>181,625</b>	<b>158,102</b>
<b>Total</b>	<b>189,428</b>	<b>166,731</b>

All the borrowings are secured and denominated in Ringgit Malaysia.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B9. Material Litigation**

As at the date of this report, the Group is not engaged in any material litigation.

**B10. Proposed Dividends**

The Board of Directors have proposed a final single tier dividend of 0.21sen per ordinary share, amounting to approximately RM1.68million for the financial year ended 31 December 2021. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

**B11. Basic and Diluted Earnings per Share**

The basic and diluted earnings per share ("EPS") for the current quarter and financial year-to-date are computed as follows:

	<b>QUARTER ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>Unaudited 31.03.2022</b>	<b>Unaudited 31.03.2021</b>	<b>Unaudited 31.03.2022</b>	<b>Unaudited 31.03.2021</b>
Profit attributable to owners of the Company (RM'000)	2,611	3,611	2,611	3,611
Weighted average number of shares ('000)	800,000	800,000	800,000	800,000
Basic/Diluted EPS (sen) <sup>(1)(2)</sup>	0.33	0.45	0.33	0.45

**Notes:**

- (1) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
- (2) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the quarter and financial period/year-to-date.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)**
**B12. Notes to the Condensed Consolidated Statement of Comprehensive Income**

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2022 RM'000	Unaudited 31.03.2021 RM'000
Interest income	(84)	(254)	(84)	(254)
Interest expenses	1,823	1,225	1,823	1,225
Amortisation/depreciation of investment properties	2	2	2	2
Amortisation/depreciation of property, plant and equipment	1,313	1,019	1,313	1,019
Depreciation of right-of-use assets	583	731	583	731

Save as disclosed above, the other disclosure items as required under Paragraph 16 of Appendix 9B of the Listing Requirements of Bursa Securities are not applicable.

**B13. Derivative Financial Instruments**

The Group has entered into forward foreign exchange contracts in the current quarter to manage the foreign currency exposures arising from the Group's payables denominated in United States Dollar (USD). Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The notional principal amounts of the Group's outstanding forward foreign exchange contracts as at 31 March 2022 as RM35.53 million. The derivative financial assets of RM0.054 million, which measured at fair value, has been recognised in the Unaudited Condensed Consolidated Statement of Financial Position as at the date of this interim financial report.