



**TOMEI CONSOLIDATED BERHAD 200501015912 (692959-W)**  
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

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

	Individual Quarter		Year-to-date	
	3 months ended		3 months ended	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	234,147	244,155	234,147	244,155
Cost of sales	(182,974)	(199,482)	(182,974)	(199,482)
Gross profit	51,173	44,673	51,173	44,673
Other income	2,030	1,917	2,030	1,917
Selling and distribution expenses	(20,585)	(19,461)	(20,585)	(19,461)
Administrative expenses	(6,416)	(6,234)	(6,416)	(6,234)
Other expenses	(2,368)	(506)	(2,368)	(506)
Profit from operations	23,834	20,389	23,834	20,389
Finance costs	(2,132)	(2,154)	(2,132)	(2,154)
Profit before tax	21,702	18,235	21,702	18,235
Tax expense	(5,920)	(4,289)	(5,920)	(4,289)
Profit for the financial year	15,782	13,946	15,782	13,946
Profit attributable to:-				
Owners of the parent	15,773	13,759	15,773	13,759
Non-controlling interests	9	187	9	187
	15,782	13,946	15,782	13,946
Earnings per ordinary share attributable to equity holders of the parent (sen):-				
Basic earnings per share	11.38	9.93	11.38	9.93
Diluted earnings per share *	N/A	N/A	N/A	N/A

\* Not applicable

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2022 (Cont'd)**

	Individual Quarter		Year-to-date	
	3 months ended		3 months ended	
	31/3/2022	31/3/2021	31/3/2022	31/3/2021
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the financial period</b>	15,782	13,946	15,782	13,946
<b>Foreign currency translations</b>	(15)	29	(15)	29
<b>Total comprehensive income</b>	<u>15,767</u>	<u>13,975</u>	<u>15,767</u>	<u>13,975</u>
<b>Profit attributable to:-</b>				
<b>Owners of the parent</b>	15,758	13,788	15,758	13,788
<b>Non-controlling interests</b>	9	187	9	187
	<u>15,767</u>	<u>13,975</u>	<u>15,767</u>	<u>13,975</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**
**(The figures have not been audited)**
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022**

	As At 31/3/2022 RM'000	As At 31/12/2021 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	10,511	10,973
Trade receivables	168	192
Right-of-use asset	17,511	19,982
Deferred tax assets	779	779
	<u>28,969</u>	<u>31,926</u>
<b>Current assets</b>		
Inventories	421,493	405,027
Trade and other receivables	55,882	47,101
Tax recoverable	746	-
Cash and bank balances	18,407	30,042
	<u>496,528</u>	<u>482,170</u>
<b>TOTAL ASSETS</b>	<u>525,497</u>	<u>514,096</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital</b>	73,336	73,336
<b>Reserves</b>	213,265	197,507
<b>Equity attributable to owners of the parent</b>	286,601	270,843
<b>Non-controlling interests</b>	3	(6)
<b>TOTAL EQUITY</b>	<u>286,604</u>	<u>270,837</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Other payables	714	722
Borrowings	18,268	19,598
Deferred tax liabilities	72	68
Lease liabilities	7,689	9,379
	<u>26,743</u>	<u>29,767</u>
<b>Current liabilities</b>		
Trade and other payables	26,232	34,973
Borrowings	168,712	163,992
Lease liabilities	9,782	10,763
Current tax liabilities	7,424	3,764
	<u>212,150</u>	<u>213,492</u>
<b>TOTAL LIABILITIES</b>	<u>238,893</u>	<u>243,259</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>525,497</u>	<u>514,096</u>
<b>Net assets per share (RM)</b>	2.07	1.95

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

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

-----Attributable To Owners Of The Parent-----

---Non Distributable--- Distributable

	Share Capital RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2022	73,336	1,203	196,304	270,843	(6)	270,837
Profit for the financial year	-	-	15,773	15,773	9	15,782
Foreign currency translations, net of tax	-	(15)	-	(15)	-	(15)
<b>Balance as at 31 March 2022</b>	<b>73,336</b>	<b>1,188</b>	<b>212,077</b>	<b>286,601</b>	<b>3</b>	<b>286,604</b>

-----Attributable To Owners Of The Parent-----

---Non Distributable--- Distributable

	Share Capital RM'000	Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2021	73,336	1,715	166,155	241,206	4,169	245,375
Profit for the financial year	-	-	13,759	13,759	187	13,946
Foreign currency translations, net of tax	-	29	-	29	-	29
<b>Balance as at 31 March 2021</b>	<b>73,336</b>	<b>1,744</b>	<b>179,914</b>	<b>254,994</b>	<b>4,356</b>	<b>259,350</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 31 MARCH 2022**

	3 months ended 31/3/2022	3 months ended 31/3/2021
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	21,702	18,235
Adjustments for:-		
Depreciation of right-of-use asset	3,386	3,744
Depreciation of property, plant and equipment	1,182	1,223
Finance costs	2,132	2,154
Impairment loss on trade and other receivables	-	19
Fair value gain on derivatives liabilities	(88)	-
Gain on disposal of property, plant and equipment	(89)	-
Property, plant and equipments written off	5	72
Right-of-use asset written off	-	129
Reversal of lease liabilities	-	(96)
Reversal of impairment loss on trade and other receivables	-	(30)
Net unrealised (gain)/loss on gold price fluctuation and foreign exchange	119	(11)
	<hr/>	<hr/>
Operating profit before changes in working capital	28,349	25,439
Inventories	(16,466)	17,080
Trade and other receivables	(8,966)	(19,517)
Trade and other payables	(8,756)	(8,552)
	<hr/>	<hr/>
Cash generated from operations	(5,839)	14,450
Interest paid	(1,617)	(1,837)
Tax paid	(3,015)	(3,232)
Tax refund	13	-
Net cash (used in)/from operating activities	<hr/> (10,458) <hr/>	<hr/> 9,381 <hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(665)	(452)
Proceeds from disposal of property, plant and equipments	193	-
Net cash from/(used in) investing activities	<hr/> (472) <hr/>	<hr/> (452) <hr/>

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER  
ENDED 31 MARCH 2022 (Cont'd)**

	<b>3 months ended 31/3/2022 RM'000</b>	<b>3 months ended 31/3/2021 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(204)	(17)
Lease interest paid	(26)	(14)
Repayment of term loans	(1,258)	(364)
Net repayment of short term borrowings	(862)	(4,108)
Payments of lease liabilities	(3,858)	(3,651)
Net cash used in financing activities	<u>(6,208)</u>	<u>(8,154)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(17,138)</b>	<b>775</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>29,027</b>	<b>5,948</b>
<b>EFFECT OF EXCHANGE RATES CHANGES</b>	<b>(7)</b>	<b>2</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b><u>11,882</u></b>	<b><u>6,725</u></b>
<b>Represented by:-</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	18,407	16,221
Bank overdrafts	(6,525)	(9,496)
	<u>11,882</u>	<u>6,725</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. BASIS OF PREPARATION**

The interim financial report is unaudited and is prepared in accordance with the MFRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements and should be read together with the Group's Audited Financial Statement for the year ended 31 December 2021.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The following MFRSs, Amendment to MFRSs and IC Interpretation have been issued but have not been early adopted by the Group.

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023
<i>Disclosure of Accounting Policies</i> (Amendments to MFRS 101 <i>Presentation of Financial Statements</i> )	1 January 2023
<i>Definition of Accounting Estimates</i> (Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> )	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

**3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report for the preceding financial year ended 31 December 2021 was issued without any qualification.

**4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's business traditionally picks up during the major festive seasons in Malaysia.

**5. UNSUAL 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.

**6. CHANGES IN ESTIMATES**

There were no material changes in the estimates used for the preparation of this interim financial report.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)**
**7. CAPITAL MANAGEMENT, ISSUANCES, REPURCHASES AND REPAYMENTS OF DEBTS AND EQUITY INSTRUMENTS**

The Group’s objectives of managing capital are to safeguard the Group’s ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

For capital management purposes, the Group considers shareholders’ equity, non-controlling interests and net debt to be the key components in the Group’s capital structure. The Group monitors capital on the basis of net gearing ratio. The ratio is calculated as the total debt net of cash and cash equivalents to total equity. Total equity is the sum of total equity attributable to shareholders and non-controlling interests. The net gearing ratios as at 31 March 2022 and 31 March 2021, which are within the Group’s objectives for capital management, are as follows:

	<b>31/3/2022</b>	<b>31/3/2021</b>
	<b>RM’000</b>	<b>RM’000</b>
Total debt net of cash and cash equivalents	168,573	146,492
Total equity	286,604	259,350
<b>Net gearing ratio</b>	<b>0.59</b>	<b>0.56</b>

The Group reported net gearing ratio of 0.59 as at 31 March 2022, increased by 0.03 compared to 31 March 2021.

**8. DIVIDEND PAID**

No dividend was paid during the current quarter.



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)**
**9. OPERATING SEGMENTAL INFORMATION – MFRS 8**

The Group has two reportable segments that are based on information reported internally to the Group Managing Director. The reportable segments are summarised as follows:

- Manufacturing & Wholesales
- Retail

The segment information for the current financial year is as follows:

<b>Results for financial period ended 31 March 2022</b>	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	60,725	174,480	235,205
Inter-segment sales	(1,056)	(2)	(1,058)
External sales	<b>59,669</b>	<b>174,478</b>	<b>234,147</b>
<b>Results</b>			
Segment profit before tax	3,998	17,704	21,702
Elimination of inter-segmental profits	-	-	-
Profit before tax	3,998	17,704	21,702
Tax expenses			(5,920)
Profit for the financial period			15,782
Non-controlling interest			(9)
Profit attributable to owners of the parent			<b>15,773</b>
<b>Assets and liabilities as at 31 March 2022</b>			
<b>Assets</b>			
Segment assets	84,231	439,741	523,972
Unallocated assets			1,525
Total assets			<b>525,497</b>
<b>Liabilities</b>			
Segment liabilities	20,705	210,692	231,397
Unallocated liabilities			7,496
Total liabilities			<b>238,893</b>

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)**
**9. OPERATING SEGMENTAL INFORMATION – MFRS 8 (Cont’d)**

<b>Results for financial period ended 31 March 2021</b>	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>			
Total sales	89,613	164,572	254,185
Inter-segment sales	(5,166)	(4,864)	(10,030)
External sales	<b>84,447</b>	<b>159,708</b>	<b>244,155</b>
<b>Results</b>			
Segment profit before tax	2,094	16,181	18,275
Elimination of inter-segmental profits			(40)
Profit before tax			18,235
Tax expenses			(4,289)
Profit for the financial period			13,946
Non-controlling interest			(187)
Profit attributable to owners of the parent			<b>13,759</b>
<b>Assets and liabilities as at 31 March 2021</b>			
	<b>Manufacturing &amp; Wholesales RM'000</b>	<b>Retail RM'000</b>	<b>Total RM'000</b>
<b>Assets</b>			
Segment assets	73,527	388,284	461,811
Unallocated assets	-	-	1,158
Total assets	-	-	<b>462,969</b>
<b>Liabilities</b>			
Segment liabilities	20,602	179,473	200,075
Unallocated liabilities	-	-	3,544
Total liabilities	-	-	<b>203,619</b>

**10. CARRYING AMOUNT OF REVALUED ASSETS**

The valuation of property, plant and equipment has been brought forward without any amendments from the previous Audited Financial Statements of the Group.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

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**(The figures have not been audited)**

**PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)**

**11. SIGNIFICANT EVENT DURING THE CURRENT QUARTER**

There were no significant events during the current quarter.

**12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes to the composition of the Group for the current financial period.

**13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets which have arisen since the last annual reporting date as at 31 December 2021.

**14. COMMITMENTS**

The Group has the following capital commitment as at 31 March 2022:

Capital expenditure in respect of purchase of property, plant and equipment.

Approved but not contracted for

**RM'000**

**8,116**

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**15. PERFORMANCE REVIEW**
*Comparison with previous year’s corresponding quarter and financial year to-date*

	Individual Quarter and financial year to-date			
	3 months ended		Variance	
	31/3/2022 RM'000	31/3/2021 RM'000	RM'000	%
<b>Revenue</b>				
Retail	174,480	164,572	9,908	6%
Manufacturing & wholesales	60,725	89,613	(28,888)	-32%
<b>Total</b>	<b>235,205</b>	<b>254,185</b>	(18,980)	-7%
Elimination of inter-segmental revenue	(1,058)	(10,030)		
<b>Total</b>	<b>234,147</b>	<b>244,155</b>	(10,008)	-4%
<b>Profit before tax</b>				
Retail	17,704	16,181	1,523	9%
Manufacturing & wholesales	3,998	2,094	1,904	91%
	<b>21,702</b>	<b>18,275</b>	3,4287	19%
Elimination of inter-segmental profits	-	(40)		
<b>Total</b>	<b>21,702</b>	<b>18,235</b>	3,467	19%

The Group reported a slight decrease of 4% in revenue to RM234.147 million from RM244.155 million in the corresponding quarter last year mainly due to the decrease in revenue of its M&W segment. Despite the decrease in revenue, the Group reported higher profit before tax (“PBT”) of RM21.702 million compared to RM18.235 million last year due to better gross profit margin.

*Retail Segment*

The retail segment reported revenue of RM174.480 million for the current quarter compared to RM164.572 million in the previous year’s corresponding quarter, an increase of 6%. Following our aggressive marketing effort and upon the gradual re-opening of the economy since August 2021, the retail segment has been enjoying good demand from customers. As a result of the higher revenue, the retail segment reported higher PBT of RM17.704 million compared to RM16.181 million last year.

*Manufacturing & Wholesales segment (“M&W”)*

During the current quarter, the M&W reported revenue of RM60.725 million compared to RM89.613 million reported in the previous year’s corresponding quarter, a decrease of 32% mainly due to lower sales volume. Despite reported lower revenue, the M&W reported higher PBT of RM3.998 million compared to RM2.094 million last year mainly due to better gross profit margin.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
**15. PERFORMANCE REVIEW (Cont'd)**
*Comparison with preceding quarter*

	3 months ended		Variance	
	31/3/2022	31/12/2021	RM'000	%
<b>Revenue</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Retail	174,480	161,421	13,059	8%
Manufacturing & wholesales	60,725	72,740	(12,015)	-17%
	<b>235,205</b>	<b>234,161</b>	<b>1,044</b>	<b>*</b>
Elimination of inter-segmental revenue	(1,058)	(985)		
<b>Total</b>	<b>234,147</b>	<b>233,176</b>	<b>971</b>	<b>*</b>

	3 months ended		Variance	
	31/3/2022	31/12/2021	RM'000	%
<b>Profit before tax</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	
Retail	17,704	16,777	927	6%
Manufacturing & wholesales	3,998	5,307	(1,309)	-25%
	<b>21,702</b>	<b>22,084</b>	<b>(382)</b>	<b>-2%</b>
Elimination of inter-segmental profits	-	28		
<b>Total</b>	<b>21,702</b>	<b>22,112</b>	<b>(410)</b>	<b>-2%</b>

\* Less than 1%

The Group's revenue and PBT for the current quarter of RM234.147 million and RM21.702 million respectively approximate the revenue and PBT recorded in the preceding quarter.

Retail Segment

The retail segment's revenue for the current quarter increased by 8% to RM174.480 million compared to the preceding quarter following strong customer's demand especially during festive celebration such as the Chinese New Year. As a result of the higher revenue, the retail segment reported a higher PBT of RM17.704 million during the current quarter.

Manufacturing & Wholesales segment ("M&W")

During the current quarter, the M&W reported lower revenue of RM60.725 million compared to RM72.740 million in the preceding quarter mainly due to lower sales volume. As a result, the M&W reported PBT of RM3.998 million compared to RM5.307 million in the preceding quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

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**(The figures have not been audited)**

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**

**16. COMMENTARY ON PROSPECTS**

Our country has entered the transition period to the endemic phase of Covid-19 beginning 1 April 2022 and this should augur well for our economy as businesses are allowed to return to normalcy. The reopening of the borders will be a boost to the tourism sector and contribute to the recovery of the retail industry.

However, the unresolved Russia-Ukraine conflict and the prevailing inflationary pressures worldwide may cause more headwinds to the global economy.

Premised on the above, the Group will continue to take prudent measures to maintain its operational efficiency, and stay vigilant and continuously monitor the current situation and will take the necessary measures to sustain the Group's operation for the financial year 2022

**17. PROFIT FORECAST OR PROFIT GUARANTEE**

The Group has not provided any profit forecast or profit guarantee in any public document during the current financial year.

**18. TAX EXPENSE**

	<b>Individual Quarter and Year-to-date</b>	
	<b>31/3/2022</b>	<b>31/3/2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Current taxation	5,916	4,679
Over provision	-	(390)
Deferred taxation	4	-
	<u>5,920</u>	<u>4,289</u>

The effective tax rate of the Group for the current quarter and financial period approximate the statutory tax rate of 24%.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

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**(The figures have not been audited)**

**19. CORPORATE PROPOSALS**

Following the application for the proposed admission of YX Precious Metals Bhd (“YXPM”) to the Official List of Bursa Securities and the listing of and quotation for the entire issued share capital of YXPM on the ACE Market of Bursa Securities (“Proposed Listing Exercise” or “Proposal”) on 27 August 2021, both the Bursa Securities and the Securities Commission had granted their approval on 13 January 2022 and 15 February 2022 respectively. The Proposal also has been approved by the shareholders of the Company on 29 March 2022.

On 12 April 2022, the conditional Sale and Purchase Agreement which was entered on 18 August 2021 for the Company to dispose of its subsidiaries namely Yi Xing Goldsmith Sdn Bhd, Gemas Precious Metals Industries Sdn Bhd, Emas Assayer Sdn Bhd and GPM Refinery Sdn Bhd to YXPM for a consideration of RM52.100 million and to be satisfied via the issuance of 260,501,990 ordinary shares of RM0.20 each in YXPM to the Company has been stamped and deemed completed.

On 21 April 2022, YXPM has entered into an underwriting agreement with Public Investment Bank Berhad, being YXPM’s Sole Underwriter, to underwrite 48,378,000 Shares being part of the Proposed Public Issue of 111,648,000 new ordinary shares in YXPM.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022

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(The figures have not been audited)

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)

20. BORROWINGS AND DEBT SECURITIES

As at 31 March 2022, the Group has total borrowings of RM186.980 million, all of which are unsecured and denominated in Ringgit Malaysia.

	<b>RM'000</b>
Current liabilities	168,712
Non-current liabilities	18,268
<b>Total</b>	<u>186,980</u>

21. DERIVATIVE ASSETS/LIABILITIES

	<b>Contract amount RM'000</b>	<b>Derivative liabilities RM'000</b>
Gold contracts	<u>16,991</u>	<u>133</u>

These gold contracts were entered into with the objective of managing and hedging the Group's exposure to adverse price movements of gold. The fair values of the components have been determined based on counter parties' quotes as at the end of each reporting period.

The above contracts are initially recognised at fair value on the date such contracts are entered into and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised as profit or loss.

During the financial period, the Group recognized a net gain of RM0.88 million arising from fair value changes of the gold contract.



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
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(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
**22. CHANGES IN MATERIAL LITIGATIONS**

No material litigation has arisen since 31 December 2021.

**23. DIVIDEND PAYABLE**

A first and final single tier dividend of 3.0 sen per ordinary share amounting to RM4.158 million in respect of the financial year ended 31 December 2021 has been approved by the shareholders in the just concluded Annual General Meeting of the Company held today. The dividend will be paid to shareholders of the Company on 9 June 2022.

**24. EARNINGS PER ORDINARY SHARE**

The basic earnings per share is calculated by dividing the net profit for the financial period by the weighted average number of ordinary shares in issue during the financial period.

	<b>Individual Quarter and Year-to- date 3 months ended</b>	
	<b>31/3/2022 RM'000</b>	<b>31/3/2021 RM'000</b>
Consolidated profit for the financial period attributable to equity holders of the parent	15,773	13,759
Weighted average number of ordinary shares in issue ('000)	138,600	138,600
Basic earnings per share (sen)	11.38	9.93
Diluted earnings per share	N/A	N/A

There is no diluted earnings per share as the Company does not have any convertible financial instruments in issue.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED  
31 MARCH 2022**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
**25. PROFIT BEFORE TAX**

Profit before tax is arrived at after charging/(crediting):-

	<b>Individual Quarter and Year-to-Date 3 months ended</b>	
	<b>31/3/2022 RM'000</b>	<b>31/3/2021 RM'000</b>
Depreciation of property, plant and equipment	1,182	1,223
Depreciation of right-of-use asset	3,386	3,744
Finance costs	2,132	2,154
Impairment loss on trade and other receivables	-	19
Property, plant and equipment written off	5	129
Right-of-use asset written off	-	72
Reversal of lease liability	-	(96)
Reversal of impairment loss on trade and other receivables	-	(30)
Fair value gain on derivatives liabilities	(88)	-
Gain on disposal of property, plant and equipment	(89)	-
Loss/(Gain) on gold price fluctuation and foreign exchange	460	(708)

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719/ PC No. 201908001451)

Dated: 19 May 2022