



**Always Low Prices**

**MR D.I.Y. GROUP (M) BERHAD**

**【Company No.: 201001034084 (918007-M)】**

INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED 31 MARCH 2022

13 MAY 2022

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	905,163	870,181	905,163	870,181
Cost of sales	(550,409)	(503,727)	(550,409)	(503,727)
<b>Gross profit</b>	<b>354,754</b>	<b>366,454</b>	<b>354,754</b>	<b>366,454</b>
Other operating income	4,857	3,877	4,857	3,877
Administrative expenses	(33,163)	(31,467)	(33,163)	(31,467)
Other operating expenses	(176,948)	(153,616)	(176,948)	(153,616)
<b>Profit from operations</b>	<b>149,500</b>	<b>185,248</b>	<b>149,500</b>	<b>185,248</b>
Finance costs	(15,144)	(15,417)	(15,144)	(15,417)
Share of profit of an associate	166	851	166	851
<b>Profit before tax</b>	<b>134,522</b>	<b>170,682</b>	<b>134,522</b>	<b>170,682</b>
Income tax expense	(34,021)	(45,891)	(34,021)	(45,891)
<b>Profit for the period</b>	<b>100,501</b>	<b>124,791</b>	<b>100,501</b>	<b>124,791</b>
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Gain on foreign currency translation	94	142	94	142
Other comprehensive income, net of tax	94	142	94	142
<b>Total comprehensive income for the period</b>	<b>100,595</b>	<b>124,933</b>	<b>100,595</b>	<b>124,933</b>
<b>Profit attributable to:</b>				
Owners of the Company	100,501	124,791	100,501	124,791
Non-controlling interests	-	-	-	-
	<b>100,501</b>	<b>124,791</b>	<b>100,501</b>	<b>124,791</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	100,595	124,933	100,595	124,933
Non-controlling interests	-	-	-	-
	<b>100,595</b>	<b>124,933</b>	<b>100,595</b>	<b>124,933</b>
<b>Basic earnings per share (sen)</b>	<b>1.60</b>	<b>1.99</b>	<b>1.60</b>	<b>1.99</b>
<b>Diluted earnings per share (sen)</b>	<b>1.59</b>	<b>1.98</b>	<b>1.59</b>	<b>1.98</b>

**Note:**

- (1) The condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**CONDENSED CONSOLIDATED STATEMENTS 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><i>Non-current assets</i></b>		
Property, plant and equipment	551,743	531,225
Intangible assets	6,253	6,202
Right-of-use assets	1,113,642	1,057,294
Investment in an associate	7,399	7,893
Deferred tax assets	13,095	13,716
	<u>1,692,132</u>	<u>1,616,330</u>
<b><i>Current assets</i></b>		
Inventories	802,484	748,938
Trade and other receivables	147,965	140,274
Current tax assets	4,385	2,407
Cash and bank balances	163,510	192,650
	<u>1,118,344</u>	<u>1,084,269</u>
<b>TOTAL ASSETS</b>	<u>2,810,476</u>	<u>2,700,599</u>
<b>EQUITY AND LIABILITIES</b>		
<b><i>Equity attributable to owners of the Company</i></b>		
Share capital	308,924	303,412
Reserves	946,134	845,780
<b>TOTAL EQUITY</b>	<u>1,255,058</u>	<u>1,149,192</u>
<b>LIABILITIES</b>		
<b><i>Non-current liabilities</i></b>		
Borrowings	15,113	16,191
Lease liabilities	1,019,844	968,349
Provision for restoration costs	21,348	20,340
Deferred tax liabilities	9,172	8,148
	<u>1,065,477</u>	<u>1,013,028</u>
<b><i>Current liabilities</i></b>		
Trade and other payables	124,454	149,839
Borrowings	155,572	192,155
Lease liabilities	155,924	147,269
Provision for restoration costs	695	644
Current tax liabilities	53,296	48,472
	<u>489,941</u>	<u>538,379</u>
<b>TOTAL LIABILITIES</b>	<u>1,555,418</u>	<u>1,551,407</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,810,476</u>	<u>2,700,599</u>
<b>Net assets per share attributable to owners of the Company (sen)<sup>(2)</sup></b>	<u>19.97</u>	<u>18.30</u>

**Notes:**

(1) The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

(2) Computed based on total equity divided by the number of ordinary shares outstanding.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

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

	Share capital RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	Share options reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
<b>At 1 January 2022</b>	303,412	(117,450)	221	6,570	956,439	1,149,192
Net profit for the period	-	-	-	-	100,501	100,501
Other comprehensive income	-	-	94	-	-	94
<b>Total comprehensive income</b>	-	-	94	-	100,501	100,595
<b>Transactions with owners</b>						
Issuance of shares	5,512	-	-	(990)	-	4,522
ESOS share options expenses	-	-	-	749	-	749
<b>Total transactions with owners</b>	5,512	-	-	(241)	-	5,271
<b>At 31 March 2022</b>	<b>308,924</b>	<b>(117,450)</b>	<b>315</b>	<b>6,329</b>	<b>1,056,940</b>	<b>1,255,058</b>
<b>At 1 January 2021</b>	295,625	(117,450)	52	1,212	697,237	876,676
Net profit for the period	-	-	-	-	124,791	124,791
Other comprehensive income	-	-	142	-	-	142
<b>Total comprehensive income</b>	-	-	142	-	124,791	124,933
<b>Transactions with owners</b>						
ESOS share options expenses	-	-	-	1,647	-	1,647
<b>Total transactions with owners</b>	-	-	-	1,647	-	1,647
<b>At 31 March 2021</b>	<b>295,625</b>	<b>(117,450)</b>	<b>194</b>	<b>2,859</b>	<b>822,028</b>	<b>1,003,256</b>

**Note:**

- (1) The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

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

	CUMULATIVE QUARTER	
	31/03/2022 RM'000	31/03/2021 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	134,522	170,682
Adjustments for:		
Amortisation of intangible assets	525	395
Amortisation of deposits of right-of-use assets	523	-
Depreciation of property, plant and equipment	19,632	16,252
Depreciation of right-of-use assets	41,941	35,220
Interest expense	15,144	15,417
Interest income	(547)	(342)
Other non-cash items	6,347	5,568
Operating profit before changes in working capital	<u>218,087</u>	<u>243,192</u>
Changes in working capital:		
Inventories	(60,975)	21,108
Trade and other receivables	(7,780)	675
Trade and other payables	<u>(40,182)</u>	<u>(12,820)</u>
Cash generated from operations	109,150	252,155
Tax paid	(29,533)	(30,802)
Tax refunded	-	132
Net cash from operating activities	<u>79,617</u>	<u>221,485</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received from an associate	660	-
Interest income received	547	342
Purchase of property, plant and equipment	(26,641)	(45,284)
Purchase of intangible assets	(655)	(981)
Proceeds from disposal of property, plant and equipment	721	217
Proceeds from disposal of intangible assets	79	12
Net cash used in investing activities	<u>(25,289)</u>	<u>(45,694)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest expense paid on:		
-borrowings	(1,516)	(2,018)
-lease liabilities	(13,255)	(12,848)
Payments of lease liabilities	(35,191)	(28,461)
Proceeds from share issuance	4,522	-
Repayments of hire purchase creditors	(258)	(116)
Repayments of term loans	(1,193)	(1,149)
Repayments of revolving credits	<u>(43,333)</u>	<u>(18,834)</u>
Net cash used in financing activities	<u>(90,224)</u>	<u>(63,426)</u>
Net (decrease)/increase in cash and cash equivalents	(35,896)	112,365
Effects of exchange rate changes on cash and cash equivalents	37	107
Cash and cash equivalents at the beginning of financial period	175,879	64,773
Cash and cash equivalents at the end of financial period	<u>140,020</u>	<u>177,245</u>

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

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

	<b>CUMULATIVE QUARTER</b>	
	<b>31/03/2022</b>	<b>31/03/2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents comprise:		
Cash and bank balances	124,121	77,971
Deposits with licensed banks	39,389	122,194
	<u>163,510</u>	<u>200,165</u>
Less: Bank overdraft included in borrowings	(23,490)	(22,920)
	<u>140,020</u>	<u>177,245</u>

**Note:**

- (1) The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

---

**1. Basis of Preparation**

The interim financial report of Mr D.I.Y. Group (M) Berhad (the "Company") and its subsidiaries (collectively, the "Group") is unaudited and has been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

**2. Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2021 except for the adoption of the following new accounting standards, amendments and interpretation:

**2.1 New MFRS adopted during the financial period**

<b>Title</b>	<b>Effective Date</b>
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022

The adoption of the above amendments to MFRSs do not have a material impact on the financial statements of the Group.

**3. Auditors' Report**

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

**4. Seasonal or Cyclical Factors**

The business operations of the Group typically experience higher customer traffic, transaction value and sales during weekends, public holidays, school holidays and festive periods.

**5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial period under review.

**6. Material Changes in Estimates**

There was no changes in estimates of amounts reported that have a material effect in the current quarter and financial period under review.

**7. Debts and Equity Securities**

During the current financial period under review, the Company issued 2,826,600 ordinary shares at the price of RM1.60 arising from the exercise of the Employees' Share Option Scheme.

Other than the above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period under review.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**8. Dividend**

No dividend was paid during the current quarter and financial period under review.

Declared

On 16 February 2022, the Company declared an interim single tier dividend of RM0.009 per ordinary share amounted to RM56.5 million in respect of the financial year ended 31 December 2021, which was paid on 1 April 2022.

On 13 May 2022, the Company declared an interim single tier dividend of RM0.007 per ordinary share approximately RM44.0 million in respect of the financial year ending 31 December 2022, to be paid on 24 June 2022 to shareholders of the Company whose name appear in the Record of Depositors on 3 June 2022.

**9. Segment reporting**

The Group is organised into two (2) reportable segments based on their geographical locations. The reportable segments are summarised as follows:

- (i) Malaysia; and
- (ii) Brunei

The segmental information for the financial period ended 31 March 2022 is as follows:

	<b>Malaysia RM'000</b>	<b>Brunei RM'000</b>	<b>Eliminations RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Sales to external customers	899,261	5,902	-	905,163
Inter-segment sales	2,078	-	(2,078)	-
<b>Total revenue</b>	<b>901,339</b>	<b>5,902</b>	<b>(2,078)</b>	<b>905,163</b>
<b>Results</b>				
Profit from operations	147,767	1,712	21	149,500
Interest expense	(14,929)	(215)	-	(15,144)
Share of profit of an associate	166	-	-	166
Profit before tax	133,004	1,497	21	134,522
Income tax expense	(33,809)	(200)	(12)	(34,021)
<b>Net profit for the financial period</b>	<b>99,195</b>	<b>1,297</b>	<b>9</b>	<b>100,501</b>
<b>Segment assets</b>	<b>2,775,603</b>	<b>35,458</b>	<b>(585)</b>	<b>2,810,476</b>
<b>Segment liabilities</b>	<b>1,534,705</b>	<b>20,972</b>	<b>(259)</b>	<b>1,555,418</b>

The segmental information for the financial period ended 31 March 2021 is as follows:

	<b>Malaysia RM'000</b>	<b>Brunei RM'000</b>	<b>Eliminations RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
Sales to external customers	862,680	7,501	-	870,181
Inter-segment sales	4,002	-	(4,002)	-
<b>Total revenue</b>	<b>866,682</b>	<b>7,501</b>	<b>(4,002)</b>	<b>870,181</b>
<b>Results</b>				
Profit from operations	187,453	2,411	(4,616)	185,248
Interest expense	(15,223)	(194)	-	(15,417)
Share of profit of an associate	851	-	-	851
Profit before tax	173,081	2,217	(4,616)	170,682
Income tax expense	(45,569)	(337)	15	(45,891)
<b>Net profit for the financial period</b>	<b>127,512</b>	<b>1,880</b>	<b>(4,601)</b>	<b>124,791</b>
<b>Segment assets</b>	<b>2,419,848</b>	<b>27,576</b>	<b>(1,753)</b>	<b>2,445,671</b>
<b>Segment liabilities</b>	<b>1,424,720</b>	<b>19,085</b>	<b>(1,390)</b>	<b>1,442,415</b>

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**10. Property, Plant and Equipment**

(a) Acquisitions and disposals

There was no material acquisition and disposals of property, plant and equipment during the current quarter and financial period under review.

(b) Valuation

There was no valuation of property, plant and equipment in the current quarter and financial period under review as the Group has not adopted a revaluation policy on its property, plant and equipment.

**11. Capital Commitments**

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

	<b>31/03/2022</b>	<b>31/12/2021</b>
	<b>RM'000</b>	<b>RM'000</b>
- Approved but not contracted for	280,642	351,228
- Contracted but not provided for	39,933	30,770
	<u>320,575</u>	<u>381,998</u>

**12. Material Events Subsequent to the End of Financial Period**

There was no material event subsequent to the end of the current quarter up to the date of the interim financial report.

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

There was no material changes in the composition of the Group during the current quarter and financial period under review.

**14. Changes in Contingent Liability**

There was no material contingent liability as at the end of the current financial period and up to the date of the interim financial report.

**15. Significant Related Party Transactions**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31/03/2022</b>	<b>31/03/2021</b>	<b>31/03/2022</b>	<b>31/03/2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Associate:</b>				
Purchases of equipment and computer software	2,034	2,130	2,034	2,130
Purchases of goods	642	1,922	642	1,922
<b>Companies in which certain Directors have financial interests:</b>				
Sales of goods	4,605	5,718	4,605	5,718
Management fees received/ receivables	1,263	1,712	1,263	1,712

The related party transactions described above were carried out in the ordinary course of business and have been established under negotiated and mutually agreed terms.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

---

**16. Fair Value of Financial Liabilities**

There was no gain or loss arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

**17. Performance Review**

**1QFY2022 vs 1QFY2021**

In February 2022, Malaysia experienced a fourth wave of the Covid-19 pandemic. The emergence of the highly viral but milder Omicron variant drove up infection rates, resulting in a drop in consumer spending and foot traffic to stores as the public erred on the side of caution to reduce the risk of infection. The number of cases also resulted in a number of stores being closed intermittently for sanitisation and cleaning to ensure the health and safety of customers and staff.

Despite these challenges, revenue for the first quarter of financial year 2022 ("1QFY22") rose 4.0% year-on-year ("y-o-y") to RM905.2 million compared to the corresponding prior period ("1QFY21"). The increase in revenue was mainly driven by contribution from new stores; the number of stores grew 20.2% y-o-y to 947 stores in 1QFY22.

Total transactions for 1QFY22 were also higher, rising 8.1% y-o-y to 32.3 million. This was partially offset by a lower average basket size of RM27.8, a 3.7% y-o-y reduction. Average sales per store in the 1QFY22 also declined 14.1% y-o-y, a reflection of the above-mentioned conditions.

Gross profit ("GP") for the 1QFY222 was 3.2% y-o-y lower at RM354.8 million, mainly due to higher freight costs, weakening in the Ringgit Malaysia vs the Renminbi and the United States Dollar, as well as the impact of a proactive 3-month "Price Lock" promotional campaign, which we initiated in 4QFY2021 as a means of cementing our "Always Low Prices" brand promise amongst consumers. GP margin was 2.9 percentage points lower y-o-y, mainly due to the above-mentioned reasons, higher contribution from the sale of lower-margin products and higher revenue contributions from MR DOLLAR. As at 1QFY22, the Group had 55 MR DOLLAR stores versus 36 in 1QFY21.

The Group also reported other operating income of RM4.9 million for 1QFY22, mainly comprising management fees, accretion of discount from security and utility deposits on leases, as well as rental concessions.

Administrative and operating expenses for the 1QFY22 rose 5.4% and 15.2% y-o-y respectively, mainly attributed to higher staff cost, utilities, depreciation of right-of-use assets and fixed assets in line with the higher number of stores.

Profit before tax and profit after tax declined by 21.2% and 19.5% y-o-y to RM134.5 million and RM100.5 million respectively, mainly due to these higher expenses and in line with higher store openings.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

---

**18. Comparison With Immediate Preceding Quarter's Results**

The Group's 1QFY22 revenue and PBT of RM905.2 million and RM134.5 million were 7.2% and 24.9% lower respectively compared to 4QFY21, mainly due to the short-term resurgence in the number of Covid-19 cases due to the Omicron variant. GP margin was 1.2 percentage points lower mainly attributed to higher freight costs, weakening in the Ringgit Malaysia vs the Renminbi and the United States Dollar, and the proactive 3-month "Price Lock" campaign.

**19. Prospects**

The Group has made good progress through the period and is optimistic about its prospects going forward, on the strength of the MR. D.I.Y. business model, the strong unit economics of our flagship MR. D.I.Y. stores, and by driving new store growth. The Covid-19 pandemic has affected global commodity markets, the global logistics network and currency exchange rates, which has resulted in us facing several challenges, particularly with supply chain disruptions and global price inflation. We will continue to monitor our supply chain and corresponding input costs in order to manage cost increases effectively and to maintain margins at acceptable levels. We remain committed to driving growth, by delivering on our promise of "Always Low Prices".

**20. Variance of Actual Profit from Profit Forecast or Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

**21. Status of Corporate Proposal**

There were no material corporate proposals announced and not completed as at the date of this report, except for the following:

Proposed bonus issue of shares ("Proposed Bonus Issue")

On 25 April 2022, the Company announced a proposed bonus issue of up to 3,144,186,250\* new ordinary shares in the Company ("Bonus Shares") on the basis of 1 new ordinary share ("Share") for every 2 existing Shares in the Company held on an entitlement date to be determined and announced later ("Entitlement Date").

Subsequently, on 9 May 2022, the Company announced that the additional listing application in relation to the Bonus Shares had been submitted to Bursa Malaysia Securities Berhad.

The Proposed Bonus Issue entails the issuance of the Bonus Shares on the basis of 1 new Share for every 2 existing Shares held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date ("Entitled Shareholder(s)").

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the Proposed Bonus Issue is expected to be completed by the second quarter of calendar year 2022.

\* The final number of new ordinary shares to be allotted and issued to Entitled Shareholders will be determined based on the actual number of Shares in issue as at the Entitlement Date.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**22. Profit Before Tax**

Profit before tax for the current quarter and current year is arrived at after charging/(crediting):-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	RM'000	RM'000	RM'000	RM'000
Accretion of discount on deposits	(488)	-	(488)	-
Amortisation of deposits of right-of-use assets	523	-	523	-
Amortisation of intangible assets	525	395	525	395
Depreciation of property, plant and equipment	19,632	16,252	19,632	16,252
Depreciation of right-of-use assets	41,941	35,220	41,941	35,220
Interest income	(547)	(342)	(547)	(342)
Inventory losses	3,078	3,388	3,078	3,388
Inventories written off	4,385	2,280	4,385	2,280
Gain on disposal of property, plant and equipment	(16)	(189)	(16)	(189)
Gain/(loss) on reassessments and modifications of leases	(1,106)	(440)	(1,106)	(440)
Realised (gain)/loss on foreign exchange	(77)	48	(77)	48
Unrealised loss/(gain) on foreign exchange	12	(36)	12	(36)

Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**23. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	RM'000	RM'000	RM'000	RM'000
Current year tax expense				
- current period	32,376	45,367	32,376	45,367
- over provision in prior years	-	-	-	-
	<u>32,376</u>	<u>45,367</u>	<u>32,376</u>	<u>45,367</u>
Deferred tax				
- relating to origination and reversal of temporary differences	1,990	329	1,990	329
- (over)/under provision in prior years	(345)	195	(345)	195
	<u>1,645</u>	<u>524</u>	<u>1,645</u>	<u>524</u>
Tax expense	<u>34,021</u>	<u>45,891</u>	<u>34,021</u>	<u>45,891</u>
Effective tax rate	<u>25.3%</u>	<u>26.9%</u>	<u>25.3%</u>	<u>26.9%</u>

The tax charge for the Group reflects an effective tax rate which is higher than the statutory tax rate of 24% mainly due to certain expenses which are not deductible for tax purposes.

**NOTES TO INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**24. Borrowings**

	As at 31/03/2022 RM'000	As at 31/12/2021 RM'000
<b>Non-current liabilities</b>		
<b>Secured</b>		
Hire purchase creditors	2,809	2,650
Term loans	12,304	13,541
	15,113	16,191
<b>Current liabilities</b>		
<b>Secured</b>		
Bank overdraft	23,490	16,771
Revolving credits	126,667	170,000
Hire purchase creditors	605	619
Term loans	4,810	4,765
	155,572	192,155
<b>Total borrowings</b>		
Bank overdraft	23,490	16,771
Revolving credits	126,667	170,000
Hire purchase creditors	3,414	3,269
Term loans	17,114	18,306
	170,685	208,346

The above borrowings are denominated in Ringgit Malaysia.

**25. Derivatives**

There was no derivatives in the current quarter and financial period under review.

**26. Material Litigation**

There is no material litigation for the current financial period to date.

**27. Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Profit attributable to owners of the Company (RM'000)	100,501	124,791	100,501	124,791
Weighted average number of ordinary shares in issue ('000)	6,281,819	6,276,600	6,281,819	6,276,600
Basic earnings per ordinary share (sen)	1.60	1.99	1.60	1.99
Weighted average number of ordinary shares in issue ('000)	6,281,819	6,276,600	6,281,819	6,276,600
Effect of dilution of share options ('000)	23,287	25,321	23,287	25,321
Weighted average number of ordinary shares in issue (Diluted) ('000)	6,305,107	6,301,921	6,305,106	6,301,921
Diluted earnings per ordinary share (sen)	1.59	1.98	1.59	1.98