

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST (1ST) QUARTER ENDED
31 MARCH 2021**
**PART B – EXPLNATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
B1 Performance Review
(a) Results for current quarter

The Group recorded a revenue of approximately RM25.93 million and profit before tax of approximately RM3.74 million for the current financial quarter ended 31 March 2021. The Group had incurred listing expenses of approximately RM0.81 million for the current financial quarter.

The Group's revenue mainly derived from the design, manufacture and sales of home furniture and furniture parts. North America was the largest market contributed approximately 53.18% to the Group's revenue in current financial quarter.

(b) Results for financial year-to-date

The Group recorded a revenue of approximately RM25.93 million and profit before tax of approximately RM3.74 million for the current financial period ended 31 March 2021.

This is the second interim financial report on the Company's unaudited condensed consolidated financial results for the first (1st) quarter ended 31 March 2021 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

B2 Comparison with Immediate Preceding Quarter Results

	Individual Quarter		Changes	
	Unaudited Current Quarter 31.03.2021 RM'000	Unaudited Preceding Quarter 31.12.2020 RM'000	RM'000	%
Revenue	25,926	24,712	1,214	4.91
PBT	3,739	3,192	547	17.14

The Group's revenue for the current financial quarter ended 31 March 2021 increased by approximately RM1.21 million or 4.91% to approximately RM25.93 million compared to RM24.71 million in the preceding financial quarter ended 31 December 2020. The revenue growth was mainly due to the higher sales demand from customers located in USA.

The Group's PBT for the current financial quarter ended 31 March 2021 increased by approximately of RM0.55 million or 17.14% from RM3.19 million in the preceding financial quarter ended 31 December 2020 to RM3.74 million. The improvement in profit before tax was mainly due to higher revenue contribution in the current financial quarter under review.

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B3 Prospect for the Current Financial Year

The Group operates within the furniture manufacturing industry in Malaysia. As Covid-19 pandemic continues, year 2021 would be a challenging year with various uncertainties arising from the pandemic.

The Group continues the effort to expand the market which focus on online business, as the pandemic encouraged the growth of online business. North America will remain as the main market segment for the Group for year 2021, with the stable demand on home furniture from this market.

With the continuous D&D effort to expand range of home furniture, marketing effort to expand customer base and export markets, and the increased manufacturing capacity, the Group expects year 2021 to be profitable.

B4 Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5 Tax Expense

	Individual Quarter		Cumulative Quarter	
	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 ⁽¹⁾ RM'000	Unaudited 31.03.2021 RM'000	Unaudited 31.03.2020 RM'000
Income tax expense	833	N/A	833	N/A

Note:

(1) This is the second interim financial report on the Company's unaudited condensed consolidated financial results for the first (1st) quarter ended 31 March 2021 announced in compliance with the Listing requirements and as such, there are no comparative figures for the preceding year's corresponding quarter.

N/A – Not applicable

B6 Status of Corporate Proposals

There was no corporate proposal announced but not implemented as at the date of this report.