

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED  
31 DECEMBER 2022**
**PART B – EXPLNATORY NOTES PERSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
**B1 Group Performance Review**
**Results for current quarter and financial year-to-date**

	<u>Individual Quarter</u>				<u>Cumulative Quarter</u>			
	Unaudited Current Year Quarter 31.12.2022 RM'000	Unaudited Preceding Year Corresponding Quarter 31.12.2021 RM'000	Changes		Unaudited Current Year To Date 31.12.2022 RM'000	Audited Preceding Year Corresponding Year To Date 31.12.2021 RM'000	Changes	
			RM'000	%			RM'000	%
Revenue	15,442	28,137	(12,695)	(45.12)	84,951	70,115	14,836	21.16
Profit before tax	1,408	5,251	(3,843)	(73.19)	15,937	10,001	5,936	59.35

The Group's revenue for the current financial quarter ended 31 December 2022 decreased by approximately RM12.70 million or 45.12% to approximately RM15.44 million as compared to RM28.14 million in the preceding year corresponding quarter ended 31 December 2021. The decrease was mainly due to lower sales volume which was partially cushioned by stronger USD against RM for the current financial quarter.

The Group's profit before tax for the current financial quarter ended 31 December 2022 decreased by approximately RM3.84 million or 73.19% from RM5.25 million in the preceding year corresponding quarter ended 31 December 2021 to RM1.41 million. The decrease in profit before tax was mainly attributable to the lower revenue contribution.

The Group's revenue for the financial year ended 31 December 2022 increased by approximately RM14.84 million or 21.16% to RM84.95 million as compared to RM70.12 million in the financial year ended 31 December 2021. The increase was mainly due to higher sales volume in the first half of year 2022 coupled with strengthening of USD against RM for the financial year ended 31 December 2022.

The Group's profit before tax for the financial year ended 31 December 2022 increased by approximately RM5.94 million or 59.35% to RM15.94 million as compared to RM10.00 million in the financial year ended 31 December 2021. The increase in profit before tax was mainly attributable to higher revenue contribution.

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**B2 Comparison with Immediate Preceding Quarter Results**

	Individual Quarter		Changes	
	Unaudited Current Quarter 31.12.2022 RM'000	Unaudited Preceding Quarter 30.09.2022 RM'000	RM'000	%
Revenue	15,442	18,018	(2,576)	(14.30)
Profit before tax	1,408	3,956	(2,548)	(64.41)

The Group's revenue for the current financial quarter ended 31 December 2022 decreased by approximately RM2.58 million or 14.30% to approximately RM15.44 million as compared to RM18.02 million in the preceding financial quarter ended 30 September 2022. The decrease was mainly due to lower sales volume.

The Group's profit before tax for the current financial quarter ended 31 December 2022 decreased by approximately RM2.55 million or 64.41% to RM1.41 million as compared to RM3.96 million in the preceding financial quarter ended 30 September 2022. The reduction in profit before tax was mainly attributable to the lower revenue contribution, payment of bonus salaries and listing expenses in the current financial quarter under review.

**B3 Prospects**

The Group expects to face the challenges of global economic uncertainties, global inflationary pressure and increased wages in the following quarters. The relatively strong USD against RM is expected to partially cushion the negative impact as majority of the Group's revenue are denominated in USD.

In view of the above, the Group will continue to place marketing efforts to expand customer base and export markets, design and development efforts to expand range of home furniture, as well as maintaining a stable supply chain and efficient manufacturing operations. The Group will take necessary measures to meet the challenges ahead, and monitor the business and financial performance closely.

Barring any unforeseen circumstances, the Group expects the financial performance for the financial year 2023 to be satisfactory.

**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.