

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Current Quarter Ended 30/6/2023 RM'000	Corresponding Quarter Ended 30/6/2022 RM'000	Changes	Current Year to date Ended 30/6/2023 RM'000	Corresponding Year to date Ended 30/6/2022 RM'000	Changes
CONTINUING OPERATIONS						
Revenue	378,660	464,060	-18.4	732,707	888,505	-17.5
Cost of sales	(341,045)	(371,347)	-8.2	(668,443)	(724,369)	-7.7
Gross profit	37,615	92,713	-59.4	64,264	164,136	-60.8
Operating expenses	(20,866)	(19,926)	4.7	(40,378)	(39,880)	1.2
Other operating income	13,988	9,842	42.1	22,816	17,647	29.3
Interest expense	(2,491)	(903)	175.9	(5,045)	(1,459)	245.8
Profit before tax	28,246	81,726	-65.4	41,657	140,444	-70.3
Taxation	(4,222)	(11,329)	-62.7	(7,735)	(18,867)	-59.0
Profit for the period from continuing operations	24,024	70,397	-65.9	33,922	121,577	-72.1
DISCONTINUED OPERATION	S					
Loss for the period from discontinued operations	(92)	135,461	-100.1	(134)	134,975	-100.1
Profit for the period	23,932	205,858	-88.4	33,788	256,552	-86.8
Profit attributable to owners of the Company	23,932	205,858	-88.4	33,788	256,552	-86.8
Earnings/(Loss) per share (sen):						
Basic and diluted						
Continuing operationsDiscontinued operations	1.49 (0.01) 1.48	4.36 8.40 12.76	-65.8 -100.0 -88.4	2.10 (0.01) 2.09	7.53 8.37 15.90	-72.1 -100.0 -86.9

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OR LOSS

	Current Quarter Ended 30/6/2023 RM'000	Corresponding Quarter Ended 30/6/2022 RM'000	Changes %	Current Year to date Ended 30/6/2023 RM'000	Corresponding Year to date Ended 30/6/2022 RM'000	Changes %
Profit for the period	23,932	205,858	-88.4	33,788	256,552	-86.8
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss Exchange differences on translating foreign operations	54	(9,467)	100.6	12,071	1,499	705.3
Total Comprehensive Income for the period	23,986	196,391	-87.8	45,859	258,051	-82.2
Total Comprehensive Income attributable to owners of the Company	23,986	196,391	-87.8	45,859	258,051	-82.2

(The Condensed Consolidated Statements of Comprehensive Income or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Assets	As at end of Financial Year End 30/6/2023 RM'000	As at Preceding Financial Year End 31/12/2022 RM'000
Non-Current Assets		
Property, Plant and Equipment	2,005,282	1,949,547
Prepaid Interest in Leased Land	16,839	16,323
Total Non-current Assets	2,022,121	1,965,870
Current Assets		
Inventories	235,088	269,980
Trade and Other Receivables	216,485	226,199
Tax Recoverable	2,330	716
Cash and Cash Equivalents	541,751	556,044
Total Current Assets	995,654	1,052,939
Total Assets	3,017,775	3,018,809
Equity and Liabilities Capital and Reserves		
Share Capital	1,036,677	1,036,677
Reserves	1,361,065	1,379,729
Total Equity	2,397,742	2,416,406
Non-Current Liabilities		
Bank Borrowings	87,150	33,019
Deferred Income	50,012	52,454
Deferred Tax Liabilities	65,402	63,133
Total Non-current Liabilities	202,564	148,606
Current Liabilities		
Trade and Other Payables	249,931	279,211
Bank Borrowings	165,422	163,458
Amount owing to Other Related Companies	190	140
Provision for Tax	1,926	10,988
Total Current Liabilities	417,469	453,797
Total Liabilities	620,033	602,403
Total Equity and Liabilities	3,017,775	3,018,809
Net Assets per ordinary share attributable to owners		
of the Company (RM)	1.4864	1.4980

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 30/6/2023 RM'000	Corresponding Year To Date Ended 30/6/2022 RM'000
Operating Activities		
Profit For The Period	33,788	256,552
Adjustments for non-cash items:		
Depreciation and amortisation	105,786	101,455
Interest (income)/expense - net	(2,094)	(3,306)
Gain on disposal of non-current assets classified as held for sale	-	(127,932)
Others	7,809	11,734
Operating Profit Before Changes In Working Capital	145,289	238,503
Net change in current assets	49,902	(65,092)
Tax (paid)/refund	(16,820)	(223)
Net change in current liabilities	1,367	20,345
Others	50	129
Net Cash Flows From Operating Activities	179,788	193,662
Investing Activities		
Additions to property, plant and equipment	(187,801)	(352,610)
Proceeds from disposal of non-current assets classified as held for sale	-	137,229
Others	8,154	7,093
Net Cash Flows Used In Investing Activities	(179,647)	(208,288)
Financing Activities		
Drawdown/(Repayment) of bank borrowings – net	44,651	15,606
Dividends paid	(64,523)	(32,261)
Others	(4,740)	(1,234)
Net Cash Flows Used In Financing Activities	(24,612)	(17,889)
Net Change in Cash & Cash Equivalents	(24,471)	(32,515)
Cash And Cash Equivalents At Beginning Of Period	556,044	655,959
Effect of exchange rate differences	10,178	4,156
Ç	566,222	660,115
Cash And Cash Equivalents At End Of Period	541,751	627,600
Cash and Cash Equivalents comprised the following :	DM2000	RM'000
Cash and Cash Equivalents	RM'000 541,751	627,600

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Non-Distri	butable Reserve	5.1.19	
Current Period To Date Ended	Share Capital RM'000	Other Reserves RM'000	Foreign Currency Translation Reserve RM'000	Distributable Reserve Retained Earnings RM'000	Total Equity RM'000
30 June 2023					
At 1 January 2023	1,036,677	77,289	175,314	1,127,126	2,416,406
Profit for the period	-	-	-	33,788	33,788
Other comprehensive income	-	-	12,071	-	12,071
Total comprehensive income for the period	-	-	12,071	33,788	45,859
Dividends	-	-	-	(64,523)	(64,523)
At 30 June 2023	1,036,677	77,289	187,385	1,096,391	2,397,742
Corresponding Period To Date Ended 30 June 2022					
At 1 January 2022	1,036,677	63,228	213,600	852,613	2,166,118
Profit for the period	-	-	-	256,552	256,552
Other comprehensive income	_	-	1,499	-	1,499
Total comprehensive income for the period	-	-	1,499	256,552	258,051
Dividends	-	-	<i>,</i> -	(32,261)	(32,261)
At 30 June 2022	1,036,677	63,228	215,099	1,076,904	2,391,908

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 'INTERIM FINANCIAL REPORTING' (MFRS 134) AND BURSA LISTING REQUIREMENTS

A1. Accounting policies and basis of preparation

The Quarterly Report has been prepared in accordance with the reporting requirements outlined in the *MFRS 134* issued by the Malaysian Accounting Standards Board (MASB) and *Paragraph 9.22 of the Listing Requirements of Bursa Securities Malaysia Berhad* and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2022.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2022.

The Group has adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January, 2023. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group.

A2. Declaration of audit qualification

The annual financial statements of the Group for the financial year ended 31 December 2022 were reported without any audit qualification.

A3. Explanatory comment about the seasonality or cyclicality of operations

There were no material seasonal or cyclical factors affecting the results of the quarter under review.

A4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence

There were no items affecting assets, liabilities or equity that are unusual because of their nature, size, or incidence during the quarter under review and financial period to date.

A5. Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in the estimates of amounts, which give a material effect in the current interim period.

A6. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities

There were no issue, cancellation, repurchases, resale and repayment of debt or equity securities for the financial period to date.

A7. Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities or assets since the date of the last report.

A8. Valuations of property, plant and equipment brought forward without amendment from the previous annual financial statements

There were no amendments to the valuations of property, plant and equipment brought forward.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

A9. Dividend Paid

A first interim dividend of 2.0 sen per share, tax-exempt, amounting to RM32.262 million in respect of ordinary shares in the current financial year was paid by the Company on 26 May 2023.

A third interim dividend of 2.0 sen per share, tax-exempt, amounting to RM32.261 million in respect of ordinary shares in the previous financial year was paid by the Company on 24 March 2023.

A10. Segment revenue and segment result and segment assets employed for business segments or geographical segments

The Group's geographical segment report from continuing operations for the financial period to date is as follows:

Year To Date Ended 30 June 2023	USA RM'000	Europe RM'000	Asia RM'000	Group RM'000
Revenue from external customers	477,899	71,179	183,629	732,707
Segment results	23,940	5,965	9,596	39,501
Year To Date Ended 30 June 2022	USA RM'000	Europe RM'000	Asia RM'000	Group RM'000
Revenue from external customers	519,891	73,307	295,307	888,505
Segment results	77,968	10,809	48,172	136,949
			Current Year to date Ended 30/6/2023 RM'000	Corresponding Year to date Ended 30/6/2022 RM'000
Reconciliation of segme	nt results from (continuing	Year to date Ended 30/6/2023	Year to date Ended 30/6/2022
operations	nt results from (continuing	Year to date Ended 30/6/2023	Year to date Ended 30/6/2022
	nt results from (continuing	Year to date Ended 30/6/2023 RM'000	Year to date Ended 30/6/2022 RM'000
operations Reportable segments Non-reportable segments Interest expense	nt results from (continuing	Year to date Ended 30/6/2023 RM'000	Year to date Ended 30/6/2022 RM'000
operations Reportable segments Non-reportable segments Interest expense Interest income	nt results from o	continuing	Year to date Ended 30/6/2023 RM'000 39,501 129 (5,045) 7,072	Year to date Ended 30/6/2022 RM'000 136,949 189 (1,459) 4,765
operations Reportable segments Non-reportable segments Interest expense Interest income Profit before tax	nt results from o	continuing	Year to date Ended 30/6/2023 RM'000 39,501 129 (5,045) 7,072 41,657	Year to date Ended 30/6/2022 RM'000 136,949 189 (1,459) 4,765 140,444
operations Reportable segments Non-reportable segments Interest expense Interest income	nt results from o	continuing	Year to date Ended 30/6/2023 RM'000 39,501 129 (5,045) 7,072	Year to date Ended 30/6/2022 RM'000 136,949 189 (1,459) 4,765

A11. Material events subsequent to the end of the period reported on that have not been reflected in the financial statement for the said period

There are no material events subsequent to the end of the current reported period that have not been reflected in the financial statement for the current period.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

A12. Effect of changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review and financial period to date except for the ongoing voluntary liquidation process of PT Unisem.

A13. Profit/(Loss) from Discontinued Operations

The results of the discontinued operations for PT Unisem are as follows:

	Current Year to date Ended 30/6/2023 RM'000	Corresponding Year to date Ended 30/6/2022 RM'000
Gain on disposal of non-current assets classified		
as held for sale	-	127,932
Other operating income	67	2,154
Other gains/(losses)	155	(1,232)
Expenses	(356)	(1,024)
(Loss)/Profit before tax	(134)	127,830
Taxation	-	7,145
(Loss)/Profit after tax	(134)	134,975

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REOUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Detailed analysis of the performance of all operating segments of the Group, setting out material factors affecting the earnings and/or revenue for the current quarter and financial year to date

The Group recorded revenue from continuing operations of RM378.660 million and RM732.707 million respectively for the current quarter and six months ended 30 June 2023, representing a reduction of 18.4% and 17.5% respectively as compared to the same quarter/period a year ago.

The Group reported net profit from continuing operations of RM24.024 million for the current quarter and RM33.922 million for the six months ended 30 June 2023, which represent a decrease of 65.9% and 72.1% respectively against the corresponding quarter/period.

The decrease in revenue and net profit was primarily attributable to lower sales volume in line with softer market demand.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

B2. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

	Current	Immediate	
	Quarter	Preceding	
	Ended	Quarter Ended	
	30/6/2023	31/3/2023	Changes
	RM'000	RM'000	%
Continuing operations			
Revenue	378,660	354,047	7.0
Gross Profit	37,615	26,649	41.1
Profit Before Tax	28,246	13,411	110.6

The Group achieved profit before taxation of RM28.246 million for the current quarter ended 30 June 2023 against the profit before taxation of RM13.411 million in the preceding quarter ended 31 March 2023, representing an improvement of 110.6%. The increase in profit before taxation for the current quarter was mainly attributable to higher sales volume, appreciation of USD/MYR exchange rates and higher foreign exchange gains.

- B3. Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter
 - Due to the challenging macroeconomic environment, the Directors expect the performance of the Group to remain muted in the near term.
- **B4.** Where the audit report of the company's preceding annual financial statements was qualified, disclosure of the qualification and current status of the matter(s) giving rise to the qualification for the current quarter and financial year to date

The preceding annual financial statements of the Group were reported without any audit qualification.

- B5. A statement of the board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved

 Not applicable.
- **B6.** (a) Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%) Not applicable.
 - (b) Explanatory note for any shortfall in the profit guarantee received by the Group (if any) and steps taken to recover the shortfall;
 Not applicable.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

B7. Profit Before Taxation

Profit before taxation from continuing operations is arrived at after (charging)/crediting:-

	Current Quarter Ended 30/6/2023 RM'000	Corresponding Quarter Ended 30/6/2022 RM'000	Current Year to date Ended 30/6/2023 RM'000	Corresponding Year to date Ended 30/6/2022 RM'000
Depreciation and amortisation	(53,304)	(51,755)	(105,786)	(101,455)
Interest expense	(2,491)	(903)	(5,045)	(1,459)
(Write down)/Reversal of inventories previously				
written down	(32)	(208)	22	(151)
Interest income	3,693	2,700	7,072	4,765
Foreign exchange				
(losses)/gains	3,854	(227)	2,108	(801)
Grant income received	-	728	132	967
Gain/(Loss) on disposal of				
properties	-	-	-	-
Bad debts written off	-	-	-	-
Gain/(Loss) on derivatives				

B8. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and financial year to date

Tax expense on results from continuing operations:	Current Quarter Ended 30/6/2023 RM'000	Corresponding Quarter Ended 30/6/2022 RM'000	Current Year to date Ended 30/6/2023 RM'000	Corresponding Year to date Ended 30/6/2022 RM'000
Income tax payable	(2,348)	(4,107)	(6,091)	(6,745)
Deferred tax	(1,874)	(7,061)	(1,644)	(11,961)
	(4,222)	(11,168)	(7,735)	(18,706)
Under provision in prior year	-	(161)		(161)
	(4,222)	(11,329)	(7,735)	(18,867)

The effective tax rate for the current quarter and period ended 30 June 2023 was lower than the statutory tax rate mainly due to the availability of tax allowances and incentives to offset taxable income.

Tax expense on results from discontinued operations:

Further to Note 9(b) to the Company's audited financial statements for the financial year ended 31 December 2022, there were no further updates on the objections of the tax cases as at the date of this report.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

B9. (a) Status of corporate proposals announced but not completed

There were no corporate proposals announced but not completed as at the date of this announcement.

(b) Status of utilisation of proceeds raised from any corporate proposal for the quarter under review

The gross proceeds raised from the Private Placement has been fully utilised as follow:

Details of utilisation of proceeds	Estimate timeframe for utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Deviation RM'000	Balance available for utilization RM'000
Capital expenditure – Unisem Ipoh	Within 12 months	124,193	124,193	-	-
Capital expenditure – Unisem Chengdu	Within 24 months	204,010	204,010	-	-
Working capital for the Group	Within 24 months	113,661	113,661	-	-
Expenses in relation to the Private Placement	Within 1 month	4,400	4,952	552	-
Total		446,264	446,816	552	-

B10. Borrowings and debt securities as at the end of the reporting period

The detail and currency analysis of the Group's borrowings are as follows:

	Current	Corresponding
	Quarter Ended	Quarter Ended
	30/6/2023	30/6/2022
	RM'000	RM'000
Unsecured Borrowings		
Due within 12 months	165,422	150,756
Due after 12 months	87,150	46,281
	252,572	197,037

All the Group's borrowings are denominated in US Dollars.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

B11. Trade Receivables

The age analysis of trade receivables is as follows:

	Current Quarter Ended 30/6/2023 RM'000	Corresponding Quarter Ended 30/6/2022 RM'000
Neither past due nor impaired	194,025	222,332
Past due but not impaired:		
1-60 days	4,623	4,099
61 – 120 days	415	89
Above 120 days	-	-
	5,038	4,188
Past due and impaired:		
Above 120 days	-	-
·	199,063	226,520

The Group monitors the past due trade receivables closely and will only impair the amounts if their eventual recovery is in doubt.

B12. Material Impairment of Assets

There was no material impairment of assets during the quarter under review and financial period to date.

B13. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date

There were no changes in material litigation since the date of the last report.

B14. Foreign Currency Risk Management

The Group attempts to limit the foreign currency exchange risk by having a natural hedge between its receivables and a portion of its payables/bank borrowings and may also enter into forward currency exchange contracts.

B15. Dividend

The Directors approved a second interim dividend of 2.0 sen per share tax-exempt for the current financial year ending 31 December 2023. The dividend will be paid on 25 August 2023 (2.0 sen per share tax-exempt was declared and paid for the financial quarter ended 30 June 2022).



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2023

B16. Earnings/(Loss) per share

The basic and diluted earnings/(loss) per share is calculated by dividing the Group's earnings/(loss) attributable to owners of the Company for the current quarter/financial period to date by the weighted average number of ordinary shares in issue.

	Current Quarter Ended 30/6/2023	Corresponding Quarter Ended 30/6/2022	Current Year to date Ended 30/6/2023	Corresponding Year to date Ended 30/6/2022
Net profit/(loss) attributable to owners of the Company (RM'000)				
- Continuing operations	24,024	70,397	33,922	121,577
- Discontinued operations	(92)	135,461	(134)	134,975
	23,932	205,858	33,788	256,552
Weighted average number of shares in issue as at end of period ('000)	1,613,079	1,613,079	1,613,079	1,613,079
Basic & diluted earnings/(loss) per share (sen)				
- Continuing operations	1.49	4.36	2.10	7.53
- Discontinued operations	(0.01)	8.40	(0.01)	8.37
_	1.48	12.76	2.09	15.90

BY ORDER OF THE BOARD

CHIN HOCK YEE (LS 8922) SSM PC No. 201908003237

KUAN HUI FANG (MIA 16876) SSM PC No. 202008001235

Company Secretaries

DATED: 27 July 2023