

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Financial		Year to date	
	Quarter Ended		Ended	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	8,970	9,172	37,312	31,386
Cost of sales	<u>(3,386)</u>	<u>(2,844)</u>	<u>(11,627)</u>	<u>(10,500)</u>
Gross profit	5,584	6,328	25,685	20,886
Other income	687	29	742	1,076
Other operating expenses	(251)	295	(1,285)	(1,272)
Marketing expenses	(49)	(14)	(75)	(30)
Administrative expenses	(1,899)	(1,751)	(7,575)	(6,476)
Finance cost	<u>(6)</u>	<u>(4)</u>	<u>(30)</u>	<u>(9)</u>
Profit before tax	4,066	4,883	17,462	14,175
Tax expense	<u>(1,986)</u>	<u>(1,088)</u>	<u>(4,818)</u>	<u>(3,409)</u>
Profit for the year	2,080	3,795	12,644	10,766
Other comprehensive income for the year, net of tax	4,992	(662)	5,006	(662)
Total comprehensive income for the year	<u>7,072</u>	<u>3,133</u>	<u>17,650</u>	<u>10,104</u>
Profit for the year attributable to:				
Owners of the parent	<u>2,080</u>	<u>3,795</u>	<u>12,644</u>	<u>10,766</u>
Total comprehensive income for the year :				
attributable to owners of the parent	<u>7,072</u>	<u>3,133</u>	<u>17,650</u>	<u>10,104</u>
Earnings per share				
- Basic (sen)	<u>0.37</u>	<u>0.67</u>	<u>2.26</u>	<u>1.91</u>
- Diluted (sen)	<u>0.37</u>	<u>0.67</u>	<u>2.26</u>	<u>1.91</u>

(The unaudited Condensed Consolidated Statement 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 2020 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	Note	(Unaudited) 31.12.2021 RM'000	(Audited) 31.12.2020 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		2,173	2,525
Rights-of-use assets		20,416	20,760
Product Development costs		12,174	11,932
Other investment		17,802	13,042
Total non-current assets		52,565	48,259
Current assets			
Inventories		31	24
Trade and other receivables	B8	25,436	31,254
Cash and cash equivalents	B7	32,356	22,853
Total current assets		57,823	54,131
TOTAL ASSETS		110,388	102,390
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		81,176	89,303
Reserves		20,473	31,117
Treasury shares		-	(27,561)
TOTAL EQUITY		101,649	92,859

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(The figures have not been audited)

	(Unaudited) 31.12.2021 RM'000	(Audited) 31.12.2020 RM'000
EQUITY AND LIABILITIES (continued)		
Non-current liabilities		
Lease liabilities	327	673
Total non-current liabilities	327	673
Current liabilities		
Trade and other payables	5,083	5,664
Contract liabilities	2,575	1,626
Lease Liabilities	345	333
Tax payable	409	1,235
Total current liabilities	8,412	8,858
TOTAL LIABILITIES	8,739	9,531
TOTAL EQUITY AND LIABILITIES	110,388	102,390
Net assets per share attributable to equity holders of the Company (RM)	0.18	0.17

(The unaudited Condensed Consolidated Statements of Financial Position should read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	<-----Attributable to owners of the parent ----->					
	<-----Non – distributable reserves----->					
	Share	Treasury	Fair Value	Other	Distributable	Total
	Capital	Shares	Reserve	Reserve	Retained	Equity
	RM'000	RM'000	RM'000	RM'000	Earnings	RM'000
12 months period ended 31 December 2021						
At 1 January 2021	89,303	(27,561)	(688)	(81)	31,886	92,859
Profit for the period	-	-	-	-	12,644	12,644
Other comprehensive income/(loss) for the period	-	-	5,006	-	-	5,006
Cancellation of treasury shares	(8,127)	27,561	-	-	(19,434)	-
Dividend paid	-	-	-	-	(8,860)	(8,860)
At 31 December 2021	81,176	-	4,318	(81)	16,236	101,649

	<-----Attributable to owners of the parent ----->					
	<-----Non – distributable reserves----->					
	Share	Treasury	Fair Value	Other	Distributable	Total
	Capital	Shares	Reserve	Reserve	Retained	Equity
	RM'000	RM'000	RM'000	RM'000	Earnings	RM'000
12 months period ended 31 December 2020						
At 1 January 2020	89,303	(19,441)	(26)	(81)	26,714	96,469
Profit for the period	-	-	-	-	10,766	10,766
Other comprehensive income/(loss) for the period	-	-	(662)	-	-	(662)
Dividend paid	-	-	-	-	(5,594)	(5,594)
Transaction with owners:						
Shares repurchase	-	(8,120)	-	-	-	(8,120)
	-	(8,120)	-	-	-	(8,120)
At 31 December 2020	89,303	(27,561)	(688)	(81)	31,886	92,859

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	Note	12 Months Period Ended	
		31.12.2021	31.12.2020
		RM'000	RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		17,462	12,153
Adjustments for:			
Impairment loss on trade receivables		(109)	-
Amortisation of development costs		2,710	2,523
Depreciation of property, plant and equipment		754	654
Depreciation of right of used assets		344	369
Unrealised loss/(gain) on foreign exchange		(9)	8
Gain on disposal of property, plant and equipment		(125)	-
Gain on disposal of quoted shares		(15)	-
Property, plant and equipment written off		1	-
Interest expense		30	9
Interest income from deposits with licensed banks		(115)	(1,081)
Operating profit before working capital changes		20,928	14,635
Changes in working capital:			
(Increase) in inventories		(6)	-
Decrease/(Increase) in trade and other receivables		6,115	(452)
(Decrease) in trade and other payables		(152)	3,676
Cash generated from operations		26,885	17,859
Tax paid		(5,645)	(2,297)
Interest paid		(30)	(9)
Net cash from/(used in) operating activities		21,210	15,553
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest received		115	1,081
Acquisition of property, plant and equipment		(455)	(686)
Acquisition of right-of-use assets		30	(1,032)
Addition of product development cost		(2,954)	(3,137)
Proceed from disposal of property, plant and equipment		176	-
Proceed from disposal quoted shares		262	-
Net cash from /(used in) investing activities		(2,826)	(3,774)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Purchase of treasury shares		-	(8,120)
Dividend paid		(8,860)	(5,594)
Net cash from/(used) in financing activities		(8,860)	(13,714)
Net decrease in cash and cash equivalents		9,524	(1,935)
Effects of exchange rate changes		8	(8)
Cash and cash equivalents at 1 January		22,824	22,789
Cash and cash equivalents at 31 December	B7	32,356	20,846

(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

A1. Basis of Preparation

The unaudited interim financial statements, for the period ended 31 December 2021, have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2020.

Since the previous annual audited financial statements as at 31 December 2020 were issued, the Group has adopted the Malaysia Financial Reporting Standards (“MFRS”) framework issued by MASB with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converged Malaysia’s existing Financial Reporting Standards (“FRS”) framework with the International Financial Reporting Standards (“IFRS”) framework issued by the International Accounting Standards Board.

At the date of issuance of this unaudited interim financial statements, the MFRSs, amendments to MFRSs and IC Interpretation have been issued by MASB but not yet effective are as listed below:

	Effective dates for financial periods beginning on or after	
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendment to MFRS 116	Property, Plant and Equipment- Proceeds before Intended Use	1 January 2022
Amendment to MFRS 137	Onerous Contract-Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRSs Standards 2018 - 2020:		1 January 2022
• Amendments to MFRS 1		
• Amendments to MFRS 9		
• Amendments to MFRS 16		
• Amendments to MFRS 141		
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current and Non-Current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax Related to Assets and Liabilities arising from a single transaction	1 January 2023

Effective dates for
financial periods
beginning on or after

Amendments to
MFRS 10 and
MFRS 128

Sale or Contribution of Assets
between an Investor and its
Associate or Joint Venture

Deferred until
further notice

The Group and the Company are in the process of assessing the impact of implementing these Amendments and Standards, since the effect would only be observable for the future financial years.

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2020 was not qualified.

A3. Seasonality or Cyclicity of Interim Operations

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review and financial year.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the current financial quarter under review and financial year, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Material Changes in Accounting Estimates

There was no material changes in estimates of amounts reported in the prior financial year, that has a material effect on the current financial quarter under review and financial year.

A6. Issuances, Cancellation, Repurchases, Resale and Repayments of Debts and Equity Securities

On 10 June 2021, the Board of Directors approved the cancellation of 56,000,000 units of treasury shares retained in the Company’s Share Buy-Back Account.

A7. Dividends

On 22 February 2022, the Board of Directors declared the final single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM2.8 million in respect of financial year ending 31 December 2021, subject to the approval of EForce’s shareholders at the forthcoming Annual General Meeting.

A8. Segmental Reporting

Segment information is presented in respect of the Group’s business segments.

- (i) Application Solutions (“AS”)
 - Sales of software applications and product on an outright purchase basis.
- (ii) Application Services Providers (“ASP”)
 - Income from outsourcing service charge which is volume and transaction based.
- (iii) Maintenance Services
 - Provision of maintenance services.
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A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A8. Segmental Reporting

(a) Individual quarter

(a) Individual quarter

<u>3 Months Period Ended</u>	AS	ASP	Maintenance Services	Total
<u>31-Dec-21</u>	RM'000	RM'000	RM'000	RM'000
Revenue				
Total revenue	2,496	5,995	557	9,048
Inter-segment revenue	-	(78)	-	(78)
Revenue from external customers	2,496	5,917	557	8,970
Results				
Segment results	1,061	2,621	314	3,996
Finance costs				(6)
Interest income from deposits with licensed bank				76
Profit before tax				4,066
Income tax expenses				(1,986)
Net profit for the period / Total comprehensive income for the period				2,080

<u>3 Months Period Ended</u>	AS	ASP	Maintenance Services	Total
<u>31-Dec-20</u>	RM'000	RM'000	RM'000	RM'000
Revenue				
Total revenue	1,241	7,518	491	9,250
Inter-segment revenue	-	(78)	-	(78)
Revenue from external customers	1,241	7,440	491	9,172
Results				
Segment results	475	4,053	318	4,846
Finance costs				(3)
Interest income from deposits with licensed bank				40
Profit before tax				4,883
Income tax expenses				(1,088)
Net profit for the period / Total comprehensive income for the period				3,795

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A8. Segmental Reporting (continue)

(b) Cumulative quarter

(b) Cumulative quarter

<u>12 Months Period Ended</u>	AS	ASP	Maintenance Services	Total
<u>31-Dec-21</u>	RM’000	RM’000	RM’000	RM’000
Revenue				
Total revenue	8,728	26,758	2,140	37,626
Inter-segment revenue	-	(314)	-	(314)
Revenue from external customers	<u>8,728</u>	<u>26,444</u>	<u>2,140</u>	<u>37,312</u>
Results				
Segment results	3,517	12,662	1,198	17,377
Finance costs				(30)
Interest income from deposits with licensed bank				115
Profit before tax				<u>17,462</u>
Income tax expenses				<u>(4,818)</u>
Net profit for the period / Total comprehensive income for the period				<u>12,644</u>

<u>12 Months Period Ended</u>	AS	ASP	Maintenance Services	Total
<u>31-Dec-20</u>	RM’000	RM’000	RM’000	RM’000
Revenue				
Total revenue	3,594	26,135	1,971	31,700
Inter-segment revenue	-	(314)	-	(314)
Revenue from external customers	<u>3,594</u>	<u>25,821</u>	<u>1,971</u>	<u>31,386</u>
Results				
Segment results	1,464	10,622	1,018	13,104
Finance costs				(9)
Interest income from deposits with licensed bank				1,080
Profit before tax				<u>14,175</u>
Income tax expenses				<u>(3,409)</u>
Net profit for the period / Total comprehensive income for the period				<u>10,766</u>

A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)

A9. Subsequent Material Event

There was no material event subsequent to the current financial quarter ended 31 December 2021 up to the date of the announcement of this report, which is likely to substantially affect the results of the operations of the Group for the current financial quarter under review.

A10. Changes in the Composition of the Group

As at 31 December 2021, there is no change in the composition of the Group.

A11. Changes in Contingent Liabilities or Contingent Assets

There were no material contingent liabilities or contingent assets for the current financial quarter under review.

A12. Recurrent Related Party Transactions (“RRPT”)

The tenancy agreement with MY E.G. Services Berhad for renting office space located at Level 31, MYEG Tower, Empire City. No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya. Detail of transaction as follows:

Term of tenancy: 1 December 2020 to 31 November 2023

Monthly rental: RM30,256.20

A13. Capital Commitments

There is no capital commitments for the current financial quarter under review.

A14. Memorandum of Understanding (MOU)

On 1 August 2017, The Board of Directors of EForce announced the signing of a MOU with Aquis for software and operations support. The MOU concerns intention to enter into a software delivery, support and operations agreement in the area of designing and building infrastructure and software, and customised training to support operationalization.

As at reporting date, we are still in discussion with Aquis and has not formalise the MOU into a definitive agreement yet.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

B1. Review of Group's Performance

Current Year -to date vs. Previous Year-to date

	Individual Period				Cumulative Period			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year Quarter	Preceding Year Corresponding Quarter	Changes	
	31/12/21	31/12/20	RM'000	%	31/12/21	31/12/20	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	8,970	9,172	-202	-2%	37,312	31,386	5,926	19%
Operating Profit	3,385	4,858	-1,473	-30%	16,750	13,108	3,642	28%
Profit Before Interest and Tax	3,983	4,839	-856	-18%	17,317	13,085	4,232	32%
Profit Before Tax	4,066	4,883	-817	-17%	17,462	14,175	3,287	23%
Profit After Tax	2,080	3,795	-1,715	-45%	12,644	10,766	1,878	17%
Profit Attributable to Ordinary Equity Holders of the Parent	2,080	3,795	-1,715	-45%	12,644	10,766	1,878	17%

For the 12 months ended 31 December 2021, the group's turnover improved by RM5.9 million or 19% to RM37.3 million, mainly contributed by increased in revenue from AS segment. Profit Before Tax (PBT) and Profit After Tax (PAT) improved by 23% and 17% respectively compared to last year.

For the current quarter ended 31 December 2021, the Group's revenue decreased by 2% or RM202,000 compared to same period last year. The decrease is due to lower revenue from Application Services Provision (ASP) segment result from lower trading volume, partly offset by higher Application Solutions (AS) segment revenue as a result of higher progress billing on system enhancement and technology refresh works. PAT decreased by 45% due to higher provision.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

B2. Variation of Results against Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes	
	31/12/21	30/09/21	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	8,970	9,944	(974)	-10%
Operating Profit	3,385	4,442	(1,057)	-24%
Profit Before Interest and Tax	3,983	4,438	(455)	-10%
Profit Before Tax	4,066	4,462	(396)	-9%
Profit After Tax	2,080	3,616	(1,536)	-42%
Profit Attributable to Ordinary Equity Holders of the Parent	2,080	3,616	(1,536)	-42%

The Group's revenue for current quarter was 10% or RM974,000 lower compared to immediate preceding quarter. The decreased mainly attributed from lower AS segment revenue. PBT and PAT recorded lower by RM396,000 (9%) and RM1.5 million (42%) respectively as a result. Profit attributable to ordinary equity holders was higher by RM3.4 million mainly due to higher unrealised gain on investment in quoted shares.

B3. Prospects for 2022

Geopolitical tensions, inflationary pressure, rising commodity prices and interest rate increase timing drove market sentiment in global equity exchanges. Bursa Malaysia saw increased trading volatility which will contribute positively to our customers broking business, and to our ASP business segment.

Share trading activities, as measured by Bursa Malaysia's Average Daily Trading Volume and Value, had decreased significantly compared to the performance in 2020 and 2021. As such, our customers are closely monitoring their spend and cost line. We are developing new solutions to help customers improve and digitalise their internal processes to reduce operational costs and increase work efficiency. We are also enhancing existing system capability and develop new product offering to meet customers' current and future trading needs. .

To manage our cost base, we continuously monitor our operating expenditure, review current processes and procedures in order to improve productivity and efficiency.

Given the above and barring any unforeseen circumstances, the Group is positive on the performance of our future business.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

B4. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast nor profit guarantee for the current financial quarter under review and the financial year.

B5. Taxation

The taxation charge for the individual financial quarter and the financial year are as follows:

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.21 RM'000	31.12.20 RM'000	31.12.21 RM'000	31.12.20 RM'000
Income tax	1,986	1,088	4,818	3,409
Deferred tax	-	-	-	-
	<u>1,986</u>	<u>1,088</u>	<u>4,818</u>	<u>3,409</u>

B6. Status of Corporate Proposals

There were no corporate proposals announced as at the date of this quarterly report.

B7. Cash and Cash Equivalents

The Group cash and cash equivalents as at 31 December 2021 comprises:

	RM'000
Cash in hand	7
Cash at banks	21,693
Short term fund – Investment in fixed income trust funds	10,656
	<u>32,356</u>

B8. Trade and Other Receivables

	RM'000
Trade receivables	3,191
Other receivables	22,245
	<u>25,436</u>

Analysis of the trade receivables ageing of the Group is as follows:

	RM'000
0 – 30 days	1,625
31 – 60 days	1,067
61 – 90 days	298
91 – 120 days	153
121 – 150 days	67
More than 150 days	55
	<u>3,265</u>
Expected Credit Loss	(52)
Impairment (specific)	(22)
Net trade receivables	<u>3,191</u>

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS
(APPENDIX 9B) (continued)**

B9. Group Borrowings and Debt Securities

The Company does not have any borrowing and debt securities as at the date of this report.

B10. Off Balance Sheet Financial Instruments

The Company does not have any off balance sheet financial instruments as at the date of this report.

B11. Material Litigation

The Group is not engaged in any material litigation and the Board does not have any knowledge of any proceedings pending or threaten against the Group as at the date of this report.

B12. Dividends

On 22 February 2022, the Board of Directors declared the final single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM2.8 million in respect of financial year ending 31 December 2021, subject to the approval of EForce's shareholders at the forthcoming Annual General Meeting.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

B13. Earnings per Share ("EPS")

	Individual Financial		Year to date	
	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
	31.12.21	31.12.20	31.12.21	31.12.20
(a) Basic EPS				
Net profit attributable to the equity holders of the Company (RM'000)	2,080	3,795	12,644	10,766
Weighted average number of ordinary shares in issue ('000)	559,378	562,480	559,378	562,480
Basic EPS (sen)	0.37	0.67	2.26	1.91

The calculation of the basic EPS is based on the net profit attributable to equity holders of the parent for the current financial quarter / year ended 31 December, divided by the weighted average number of ordinary shares outstanding during the financial year.

	Individual Financial		Year to date	
	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
	31.12.21	31.12.20	31.12.21	31.12.20
(b) Diluted EPS				
Net profit attributable to the equity holders of the Company (RM'000)	2,080	3,795	12,644	10,766
Weighted average number of ordinary shares in issue ('000)	559,378	562,480	559,378	562,480
Basic EPS (sen)	0.37	0.67	2.26	1.91

The calculation of the diluted EPS is based on the net profit attributable to equity holders of the parent for the current financial quarter / year ended 31 December, divided by the weighted average number of ordinary shares outstanding during the financial year.

B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)

B14. Profit for the year

	Individual Financial Quarter Ended		Year-to-date Ended	
	31.12.21 RM'000	31.12.20 RM'000	31.12.21 RM'000	31.12.20 RM'000
Profit for the year is arrived after charging:				
Amortisation of development costs	678	631	2,710	1,892
Depreciation of property, plant and equipment (“PPE”)	188	156	754	485
Depreciation of right of used assets	86	94	344	281
Loss on foreign exchange	24	13	44	24
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
and after crediting:				
Gain on foreign exchange	-	-	14	22
Gain on disposal of PPE	125	-	125	-
Gain on disposal of quoted shares	15	-	25	-
Dividend income	470	-	470	-
Interest income from deposits with licensed bank	76	41	115	1,081
	<u> </u>	<u> </u>	<u> </u>	<u> </u>