



Good food, Good life

**INTERIM REPORT**  
**NESTLÉ (MALAYSIA) BERHAD**  
 (198301015532 (110925-W))  
 (Incorporated in Malaysia)

The Directors are pleased to present the Interim Report for the period ended 31 DECEMBER 2021 as follows:

**CONDENSED AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	3 months ended 31 December			12 months ended 31 December		
	2021 RM'000	2020 RM'000	%	2021 RM'000	2020 RM'000	%
<b>Revenue - Sales of goods</b>	<b>1,466,526</b>	<b>1,369,943</b>	<b>7.1%</b>	<b>5,733,816</b>	<b>5,412,180</b>	<b>5.9%</b>
Cost of sales	(1,003,903)	(872,507)		(3,775,581)	(3,446,678)	
<b>Gross profit</b>	<b>462,623</b>	<b>497,436</b>	<b>-7.0%</b>	<b>1,958,235</b>	<b>1,965,502</b>	<b>-0.4%</b>
Other income	3,696	-		3,696	-	
Operating expenses	(308,999)	(322,759)		(1,175,819)	(1,209,502)	
<b>Operating profit</b>	<b>157,320</b>	<b>174,677</b>	<b>-9.9%</b>	<b>786,112</b>	<b>756,000</b>	<b>4.0%</b>
Finance costs	(10,168)	(8,597)		(35,848)	(35,466)	
Finance income	103	1,520		828	3,538	
Share of post tax profit of an associate	(441)	(205)		725	697	
<b>Profit before tax</b>	<b>146,814</b>	<b>167,395</b>	<b>-12.3%</b>	<b>751,817</b>	<b>724,769</b>	<b>3.7%</b>
Tax expense	(34,710)	(34,909)		(182,006)	(172,056)	
<b>Profit after tax</b>	<b>112,104</b>	<b>132,486</b>	<b>-15.4%</b>	<b>569,811</b>	<b>552,713</b>	<b>3.1%</b>
Minority interests	-	-		-	-	
<b>Profit after tax and minority interest</b>	<b>112,104</b>	<b>132,486</b>	<b>-15.4%</b>	<b>569,811</b>	<b>552,713</b>	<b>3.1%</b>
<b>Profit for the period/year</b>	<b>112,104</b>	<b>132,486</b>	<b>-15.4%</b>	<b>569,811</b>	<b>552,713</b>	<b>3.1%</b>
<b>Other comprehensive (expense)/income, net of tax</b>						
<b>Item that is or may be reclassified subsequently to profit or loss</b>						
Cash flow hedge	1,297	(2,377)		2,790	(2,603)	
<b>Item that will not be reclassified subsequently to profit or loss</b>						
Remeasurement of defined benefit liability	(3,000)	(1,298)		(3,000)	(1,298)	
<b>Total other comprehensive expense for the period/year, net of tax</b>	<b>(1,703)</b>	<b>(3,675)</b>		<b>(210)</b>	<b>(3,901)</b>	
<b>Total comprehensive income for the period/year</b>	<b>110,401</b>	<b>128,811</b>	<b>-14.3%</b>	<b>569,601</b>	<b>548,812</b>	<b>3.8%</b>
<b>Basic earnings per share (sen)</b>	<b>47.81</b>	<b>56.50</b>		<b>242.99</b>	<b>235.70</b>	
<b>Proposed/Declared dividend per share-net (sen)</b>	<b>102.00</b>	<b>92.00</b>		<b>242.00</b>	<b>232.00</b>	
	<b>AS AT END OF CURRENT QUARTER</b>			<b>AS AT PRECEDING FINANCIAL YEAR END</b>		
<b>Net assets per share attributable to equity holders (RM)</b>	2.48			2.38		

This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020.

**CONDENSED AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	As at 31.12.2021 RM'000	As at 31.12.2020 RM'000
<b>Assets</b>		
Property, plant and equipment	1,534,268	1,423,843
Right-of-use assets	208,232	238,238
Intangible assets	63,342	64,500
Investment in an associate	5,949	5,614
Deferred tax assets	23,874	36,238
Trade and other receivables	9,228	13,056
<b>Total non-current assets</b>	<b>1,844,893</b>	<b>1,781,489</b>
Trade and other receivables	377,050	472,705
Inventories	744,987	597,270
Current tax assets	11,003	548
Cash and bank balances	6,898	9,359
<b>Total current assets</b>	<b>1,139,938</b>	<b>1,079,882</b>
<b>Total assets</b>	<b>2,984,831</b>	<b>2,861,371</b>
<b>Equity</b>		
Share capital	267,500	267,500
Hedging reserve	(744)	(3,534)
Retained earnings	315,941	293,170
<b>Total equity attributable to owners of the Company</b>	<b>582,697</b>	<b>557,136</b>
<b>Liabilities</b>		
Loans and borrowings	100,000	100,000
Lease liabilities	141,351	162,846
Employee benefits	89,859	90,592
Deferred tax liabilities	142,496	133,968
<b>Total non-current liabilities</b>	<b>473,706</b>	<b>487,406</b>
Trade and other payables	1,626,072	1,480,838
Loans and borrowings	245,693	257,701
Lease liabilities	26,962	31,063
Current tax liabilities	29,701	47,227
<b>Total current liabilities</b>	<b>1,928,428</b>	<b>1,816,829</b>
<b>Total liabilities</b>	<b>2,402,134</b>	<b>2,304,235</b>
<b>Total equity and liabilities</b>	<b>2,984,831</b>	<b>2,861,371</b>
<b>Net assets per share attributable to shareholders (RM)</b>	<b>2.48</b>	<b>2.38</b>

This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020.

**CONDENSED AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Non Distributable		Distributable	Total Equity RM'000
	Share capital	Hedging reserve	Retained profits	
	RM'000	RM'000	RM'000	
<b>At 1 January 2020</b>	<b>267,500</b>	<b>(931)</b>	<b>398,355</b>	<b>664,924</b>
Cash flow hedge	-	(2,603)	-	(2,603)
Remeasurement of defined benefit liability	-	-	(1,298)	(1,298)
Profit for the year	-	-	552,713	552,713
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(2,603)</b>	<b>551,415</b>	<b>548,812</b>
<u>Dividends to owners of the company</u>				
- Interim dividend for the year 2019	-	-	(328,300)	(328,300)
- Interim dividend for the year 2020	-	-	(328,300)	(328,300)
<b>At 31 December 2020</b>	<b>267,500</b>	<b>(3,534)</b>	<b>293,170</b>	<b>557,136</b>
<b>At 1 January 2021</b>	<b>267,500</b>	<b>(3,534)</b>	<b>293,170</b>	<b>557,136</b>
Cash flow hedge	-	2,790	-	2,790
Remeasurement of defined benefit liability	-	-	(3,000)	(3,000)
Profit for the year	-	-	569,811	569,811
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>2,790</b>	<b>566,811</b>	<b>569,601</b>
<u>Dividends to owners of the company</u>				
- Interim dividend for the year 2020	-	-	(215,740)	(215,740)
- Interim dividend for the year 2021	-	-	(328,300)	(328,300)
<b>At 31 December 2021</b>	<b>267,500</b>	<b>(744)</b>	<b>315,941</b>	<b>582,697</b>

This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020.

**CONDENSED AUDITED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	12 months ended 31.12.2021 RM'000	12 months ended 31.12.2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	751,817	724,769
<i>Adjustments for:</i>		
Amortisation and depreciation	194,142	176,466
Impairment of property, plant and equipment	150	5,793
Impairment of rights of use asset	1,162	-
Net finance costs	35,020	31,928
(Gain)/Loss on disposal of property, plant and equipment	(3,696)	322
<i>Add/ Less:</i>		
Movement in working capital	83,898	133,039
Income tax paid	(189,028)	(174,971)
Others	14,042	11,943
<b>Net cash from operating activities</b>	<b>887,507</b>	<b>909,289</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(274,758)	(294,553)
Proceeds from disposal of property, plant and equipment	7,213	463
Others	1,218	3,988
<b>Net cash used in investing activities</b>	<b>(266,327)</b>	<b>(290,102)</b>
<b>Cash flows from financing activities</b>		
Finance costs paid	(35,848)	(35,466)
Proceeds from borrowings	15,000	105,634
Dividend payment	(544,040)	(656,600)
Payment of lease liabilities	(31,745)	(28,669)
<b>Net cash used in financing activities</b>	<b>(596,633)</b>	<b>(615,101)</b>
<b>Net increase in cash and cash equivalents</b>	<b>24,547</b>	<b>4,086</b>
<b>Cash and cash equivalents at 1 January</b>	<b>(28,342)</b>	<b>(32,428)</b>
<b>Cash and cash equivalents at 31 December</b>	<b>(3,795)</b>	<b>(28,342)</b>

This interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2020.

**INTERIM FINANCIAL REPORT**

**Notes:**

**1 Basis of preparation**

This interim financial report is based on the audited financial statements for the year ended 31 December 2021 and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and MFRS 134, Interim Financial Reporting in Malaysia and International Financial Reporting Standards. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2020.

**2** There was no qualification made on the preceding audited financial statements.

**3** The Group's operations are affected by economic cycles and festive seasons.

**4 Items affecting assets, liabilities, equity, net income or cash flow**

Besides the COVID-19 situation as elaborated in the Additional Information section, there were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group.

**a. Property, plant and equipment**

As at the end of this quarter, the Group has acquired / disposed the following assets:

	3 months ended 31 Dec 2021		12 months ended 31 Dec 2021	
	Assets acquired RM'000	Assets disposed / write-off RM'000	Assets acquired RM'000	Assets disposed / write-off RM'000
Building (improvements and additions)	12,916	1,294	17,602	1,307
Plant and machinery, tools, furniture and equipment (include Asset Under Construction)	134,462	3,441	245,537	4,185
Motor vehicles	393	143	3,831	515
Information systems	4,358	3	7,788	185
	<b>152,129</b>	<b>4,881</b>	<b>274,758</b>	<b>6,192</b>

**b. Right-of-use**

As at the end of this quarter, the movement in the right-of-use assets are as follow:

	3 months ended 31 Dec 2021		12 months ended 31 Dec 2021	
	Addition & modification RM'000	Derecognition RM'000	Addition & modification RM'000	Derecognition RM'000
Building	124	-	2,855	-
Tools and equipment	2	-	541	114
Information systems	2,867	-	2,867	-
	<b>2,993</b>	<b>-</b>	<b>6,263</b>	<b>114</b>

**5 Changes in estimates**

There were no significant changes in estimates for prior periods that have materially affected the results of this quarter.

**6 Debts and equity security**

There was no issuance of debts and equity security in this quarter.

**7 Dividends paid**

Dividends paid during the reporting period are as follows:

	3 months ended 31.12.2021 RM'000	12 months ended 31.12.2021 RM'000
Interim dividend for the financial year ended 31 December 2021		
1st interim: 70.00 sen per share (single-tier)	164,150	164,150
2nd interim: 70.00 sen per share (single-tier)	164,150	164,150
Interim dividend for the financial year ended 31 December 2020		
3rd interim: 92.00 sen per share (single-tier)	-	215,740
<b>Total</b>	<b>328,300</b>	<b>544,040</b>

**8 Operating segment**

MFRS 8 requires separate reporting of segmental information for operating segments. Operating segments reflect the Group's management structure and the way financial information is regularly reviewed by the Group's chief operating decision maker, which is defined as the Executive Board. The Group is focused in two areas of activity, Food & Beverages and Others which include Nutrition, Nestlé Professional, Nestlé Health Science and NESPRESSO.

**Segment revenue and results**

Revenue  
Operating Profit

12 months ended 31 Dec 2021		
Food & Beverages RM'000	Others RM'000	Total RM'000
4,773,462	960,354	5,733,816
717,313	70,252	787,565

**Segment revenue and results**

Revenue  
Operating Profit

12 months ended 31 Dec 2020		
Food & Beverages RM'000	Others RM'000	Total RM'000
4,491,451	920,729	5,412,180
699,666	57,021	756,687

The comments on page 6 apply to both segments Food & Beverages (83% of total sales) and Others (17% of total sales).

Reconciliations of reportable segment operating profit:

Total operating profit for reported segments  
Other unallocated expense  
**Consolidated operating profit**

12 months ended 31.12.2021 RM'000	12 months ended 31.12.2020 RM'000
787,565	756,687
(1,453)	(687)
<b>786,112</b>	<b>756,000</b>

**9 Valuation of property, plant and equipment**

There were no changes or amendments to the valuation of property, plant and equipment from the previous annual financial statements.

**10 Events subsequent to balance sheet date**

There were no material subsequent events to the balance sheet date.

**11 Changes in the composition of the Group**

There were no changes in the composition of the Group in this quarter.

**12 Changes in contingent liabilities**

As of the date of this report, there were no other contingent liabilities to the Group except for material litigation as disclosed in Note 12 on page 8.

**13 Related party transactions**

Transactions related to Nestlé S.A. and companies owned by Nestlé S.A. and other affiliates are as follows:

Sales of finished goods  
Rendering of services  
Purchases of goods and services  
Royalty expenses  
IT shared service expenses  
Finance costs

3 months ended 31.12.2021 RM'000	12 months ended 31.12.2021 RM'000
325,129	1,039,599
5,893	31,832
405,591	1,361,144
69,922	283,164
10,800	45,082
848	3,358

These transactions have been entered into in the normal course of business and have been established under negotiated terms.

## ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

### 1 Review of performance (Quarter 4, 2021 vs Quarter 4, 2020)

For the fourth quarter ended 31 December 2021, total turnover for the Group increased by 7.1% to RM1.47 billion from RM1.37 billion in the same quarter of 2020, driven by higher domestic and export sales, which grew by 6.0% and 10.8% respectively. The Group's F&B business was a key driver, recording a strong growth of 6.4%, while Out-of-Home (OOH) channels maintained a positive trajectory following the easing of restrictions, even though still well behind pre-COVID levels.

We continued to keep our people and business partners safe, maintain operational continuity and fulfill the solid demand for our brands, adapting our offerings to meet the evolving needs and expectations of Malaysians. We continued to put every effort to ensure employee safety and supply continuity in a year of multiple enduring COVID related disruptions. The dedicated efforts by our teams enabled us to record another quarter of solid growth amid disruptions created by the unprecedented floods in December 2021.

During this time, the Group provided various relief efforts, including donating ready-to-eat products to more than 10,000 flood victims around the country, contributing food aid to Malaysian Red Crescent Society, Majlis Bandaraya Shah Alam and the Malaysian Relief Agency, amongst other organisations, and extending financial assistance to our own employees impacted by the floods. This is part of the Group's commitment to supporting Malaysians and caring for our communities to make a positive difference.

The Group recorded Profit Before Tax and Profit After Tax of RM146.8 million and RM112.1 million respectively in Q4 2021, slightly below Q4 2020. This was mainly due to the impact of higher commodity prices and COVID-19 related expenses, which remained sizeable in Q4 2021 (COVID testing, provision of personal protective equipment for employees and other COVID-19 safety measures to ensure infection prevention and containment on-site). Profit was also somewhat impacted by one-off costs incurred due to the floods, including financial assistance to affected employees, costs for repair or write-offs of damaged vehicles and trade assets as well as donations to the communities impacted in Klang Valley.

The overall solid results in the quarter, combined with the Group's commitment to deliver value to shareholders allowed the Board to declare a third interim dividend of RM1.02 per share for the financial year ended 31 December 2021, 10 sen higher than the third interim dividend of 2020.

### 2 Review of performance (Year-to-date, 2021 vs Year-to-date, 2020)

For the full year ended 31 December 2021, the Group's turnover increased by 5.9% to RM5.73 billion, on the back of higher domestic and export sales which increased by 6.2% and 5.0% respectively. This was driven by the Group's core F&B business, recording a growth of 6.3%.

Our performance for 2021 reflects the validity of our strategies in a context of multiple challenges. First and foremost, we ensured a stable supply of high-quality products that meet the needs and expectations of Malaysians, supported by effective innovation, communication and demand generation activities. All this was done while supporting vulnerable communities via relief efforts during the year. Particularly commendable is the work done by our teams to further future-proof Nestlé Malaysia, such as the execution of important capital investment projects and the entrance into new high potential segments such as those of plant-based foods and drinks.

We also further ramped up our sustainability agenda, particularly action against plastic waste. We expanded our community recycling programme with our partners the Majlis Bandaraya Petaling Jaya, Majlis Bandaraya Subang Jaya and Majlis Bandaraya Shah Alam. Our reforestation programme Project RELeaf also made good progress. Despite difficulties to access planting sites amidst lockdowns, we used this time to nurture seedlings in preparation for upcoming planting activities, to realise our objective of three million trees by 2023 and we partnered with other like-minded manufacturers to establish MAREA (Malaysian Recycling Alliance Berhad), the first voluntary EPR (Extended Producer Responsibility) in Malaysia.

The Group registered a higher Profit Before Tax of RM751.8 million for the full year, up by 3.7% from the same period last year, while Profit After Tax grew by 3.1% to RM569.8 million. This was primarily due to the higher sales achieved and marketing spend efficiencies, offset slightly by increased commodity prices as well as the significant COVID-19 related expenses, which amounted to approximately RM93 million.

### 3 Variation of results against previous quarter (Quarter 4, 2021 vs. Quarter 3, 2021)

For the fourth quarter ended 31 December 2021, the Group registered a turnover of RM1.47 billion, an increase of 1.9% compared to the third quarter of 2021. This was mainly driven by an increase in export sales.

Profit Before Tax was lower at RM146.8 million mainly due to the impact from higher commodity prices as well as higher operating expenses. Higher operating expenses were driven by higher marketing spend, which were lower in Q3 2021 due to the EMCO restrictions at the time, as well as expenses incurred due to the flood situation in December 2021.

### 4 Current year prospects

Moving forward, continued volatility is expected as the pandemic transitions towards an endemic phase while new variants remain a global short term risk factor and global supply chains remain highly disrupted. Against this backdrop, we are committed to continue delivering high-quality, nutritious, great-tasting products that resonate well with Malaysians of all walks of life.

Without a doubt, challenges will persist in the year ahead, including rising food commodity costs, that in some cases could translate into price increases.

Our sustainability agenda will make further progress in 2022. As an example, we kickstarted the year transitioning to 100% renewable electricity for all our operations in Malaysia, allowing us to reduce emissions by 75,000 tonnes of CO2 equivalent every year. We have also accelerated our planting activities for Project RELeaf. In December 2021 we joined hands with Sime Darby Plantation Berhad, which will see the planting of one million trees to contribute to our target of three million trees by 2023. We will also continue to expand our Door-to-door recycling programme to reach out to more communities and we will also pioneer the implementation of environmentally friendlier packaging solutions allowing to reduce the use of virgin plastics.

As always, we remain committed to serving the needs of Malaysians while maintaining a strategic long-term focus to ensure sustainable growth and resilient results year in and year out.

### 5 Profit forecast

We do not issue any profit forecast.



6 Tax expense

3 months ended 31.12.2021 RM'000	12 months ended 31.12.2021 RM'000
24,324	159,040
(1,781)	2,007
<b>22,543</b>	<b>161,047</b>
12,148	12,152
19	8,807
<b>12,167</b>	<b>20,959</b>
<b>34,710</b>	<b>182,006</b>

**Current tax**

Malaysian - current period  
- prior year

**Total current tax expense**

**Deferred tax**

Origination and reversal of temporary differences  
Under provision in prior year

**Total deferred tax expense**

**Total income tax expense**

The Group's effective tax rates for the current quarter and year ended 31 December 2021 were 23.6% and 24.2% respectively were close to the 24.0% statutory tax rate.

7 Unquoted investments

Not applicable in this quarter.

8 Quoted investments

Not applicable to the Group.

9 Status of corporate proposals

There were no corporate proposals in this quarter.

10 Loans and borrowings

Group Borrowings and Debt Securities are:

**Short term - Unsecured loans**

Revolving credit  
Bank overdraft

**Total short term loans**

**Long term - Unsecured loans**

Loan from a related company

**Total long term loans**

As at 31.12.2021 RM'000
235,000
10,693
<b>245,693</b>
100,000
<b>100,000</b>

11 Derivatives

(a) Summary of outstanding derivative assets / (liabilities) as at 31.12.2021 :

Type of derivatives	Notional Value RM'000	Fair Value RM'000	Difference RM'000	Ageing
Forward exchange contracts	981,642	980,664	(978)	Less than 1 year

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the year ended 31 December 2020.

(b) Fair value changes of financial liabilities

Other than derivatives which are classified as liabilities only when they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after the initial recognition.

**12 Material litigation**

Nestlé Products Sdn. Bhd. ("NPSB"), the wholly owned subsidiary of Nestlé (Malaysia) Berhad ("the Company") was served with a sealed Writ of Summons and Statement of Claim dated 6 March 2019, filed by Mad Labs Sdn. Bhd. ("Mad Labs"). The claim by Mad Labs against NPSB is for amongst others, the sum of RM139,344,262.25. An amended Writ of Summons dated 21 March 2019 was further filed by Mad Labs and served subsequently on 25 March 2019.

In the Statement of Claim, Mad Labs is alleging inter alia, the unauthorised and/or unlawful use of Mad Lab's QR Code, breach of an implied contract between Mad Labs and NPSB by reason of NPSB's continued use of the QR Code, unjust enrichment of NPSB by the use of the QR Code, compensation for the services which Mad Labs has rendered to NPSB and NPSB's negligence in using Mad Labs's QR Code on its products/packaging. NPSB has filed and served its Statement of Defence dated 22 April 2019 to dispute the claims made by Mad Labs. In addition to filing the Statement of Defence, NPSB has separately filed an action at the Intellectual Property Court ("IP Court") against Mad Labs and its sole director and shareholder, Chow Kien Loon ("CKL") for amongst others, to challenge the ownership of Mad Labs in the QR Code, negligence, unlawful interference with trade as well as defamation and trade libel. Mad Labs and CKL have been served the sealed Writ of Summons and Statement of Claim dated 23 April 2019 filed by NPSB through its solicitors.

On 9 December 2019, the Court has allowed the consolidation and transfer of Mad Labs' claim to the IP Court to be heard together with NPSB's claim. The IP Court has recently heard and disposed of an interlocutory striking out application filed by Mad Labs and CKL to remove CKL as a named defendant in the counter suit filed by NPSB against Mad Labs and CKL. On 21 October 2020, Mad Labs and CKL have filed a Notice of Appeal against the IP Court's dismissal of CKL's striking out application and subsequently on 11 January 2022, the Court of Appeal has dismissed CKL's appeal with cost awarded to Nestlé.

The high court trial at the IP Court which commenced on 10 June 2021 remains on-going and the court has fixed 7 to 11 March 2022 and 4 to 8 April 2022 for trial continuation.

Based on the opinion rendered by solicitors representing NPSB, Messrs. Zaid Ibrahim & Co., NPSB has a reasonably strong case against Mad Labs and CKL. Accordingly, the Board is of the opinion that no provision needs to be made for this claim.

**13 Dividend**

The Board of Directors has proposed a third interim dividend of 102 sen per share (2020: 92 sen per share) in respect of year ended 31 December 2021 which will be paid on 19 May 2022 to shareholders whose names appear on the Record of Depositors on 20 April 2022. Under current rules, single-tier dividends are not taxable in the hand of shareholders.

A Depositor shall qualify for entitlement only in respect of:

- shares transferred into the Depositor's Securities Account before 5.00 p.m. on 20 April 2022 in respect of ordinary transfers.
- shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

Total dividend year-to-date ("YTD") for the year ended 31 December 2021 is 242 sen per ordinary share (YTD 2020: 232 sen).

**14 Profit for the period/year**

	3 months ended 31 Dec		12 months ended 31 Dec	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
<b>Profit for the period/year is arrived at after charging:</b>				
Depreciation of property, plant and equipment	41,567	36,195	157,991	140,464
Depreciation of right-of-use assets	7,318	9,323	34,993	34,707
Amortisation of intangible assets	289	290	1,158	1,295
Finance cost of lease liabilities	1,624	1,892	6,840	7,349
Impairment loss on property, plant and equipment	150	5,793	150	5,793
Impairment loss on right-of-use assets	1,162	-	1,162	-
Property, plant and equipment written off	2,276	1,305	2,675	1,529
Loss on disposal of property, plant and equipment	-	-	-	322
Provision & write off of inventories	5,474	-	6,137	-
Net foreign exchange loss	3,425	6,083	2,919	527
<b>and after crediting:</b>				
Gain on disposal of property, plant and equipment	4,305	72	3,696	-
Reversal of impairment loss on trade receivables	115	2,281	504	553
Reversal of provision of inventories	-	7,394	-	2,099

**15 Basic earnings per share****a. Basic earnings per share**

The calculation of the basic earnings per share is based on the net profit attributable to ordinary shareholders of RM569.8 million (RM552.7 million in December 2020) and the number of ordinary shares outstanding of 234.5 million (234.5 million in December 2020).

**b. Diluted earnings per share**

Not applicable for the Group.

**BY ORDER OF THE BOARD**

Tengku Ida Adura Binti Tengku Ismail, **MCCS (MACS 01686)**

**Company Secretary**

**Date : 22 February, 2022**