

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2022

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2022

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	31/03/2022 RM'000	31/03/2021 RM'000	31/03/2022 RM'000	31/03/2021 RM'000
Revenue	611,557	526,628	1,804,088	1,451,148
Cost of sales	(495,653)	(428,492)	(1,418,982)	(1,164,434)
Gross profit	115,904	98,136	385,106	286,714
Operating expenses	(28,933)	(20,084)	(89,428)	(55,824)
Other operating income	24,677	19,416	46,176	30,931
Profit from operation	111,648	97,468	341,854	261,821
Interest income	457	977	1,363	2,136
Finance costs	(2,208)	(1,032)	(5,258)	(2,359)
Profit before taxation	109,897	97,413	337,959	261,598
Taxation	(13,991)	(8,275)	(46,076)	(25,538)
Profit for the period	95,906	89,138	291,883	236,060
Profit attributable to:				
Owners of the Company	81,361	74,373	248,365	196,718
Non-controlling interests	14,545	14,765	43,518	39,342
Profit for the period	95,906	89,138	291,883	236,060
Earnings per ordinary share (sen):				
(a) Basic	40.98	37.55	125.15	99.49
(b) Fully diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2021.

Malaysian Pacific Industries Berhad (196201000323 (4817-U))

Level 31, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia.

Tel: 03-20809200 Fax: 03- 20809238

www.mpind.my

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2022 (cont'd)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- To-Date	Preceding Year Corresponding Period
	31/03/2022 RM'000	31/03/2021 RM'000	31/03/2022 RM'000	31/03/2021 RM'000
Profit for the period	95,906	89,138	291,883	236,060
Foreign currency translation differences for foreign operations	10,133	19,884	22,135	16,359
Cash flow hedge	(198)	(2,495)	1,018	378
Total comprehensive income for the period	105,841	106,527	315,036	252,797
Total comprehensive income attributable to:				
Owners of the Company	91,279	92,180	271,204	213,458
Non-controlling interests	14,562	14,347	43,832	39,339
Total comprehensive income for the period	105,841	106,527	315,036	252,797

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2021.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022

	As At End of Current Quarter	As At End of Preceding Financial Year
	31/03/2022 RM'000	30/06/2021 RM'000
Property, plant and equipment	1,504,577	1,051,200
Right-of-use assets	35,742	38,844
Investment properties	28,119	28,790
Investments	46	46
Total non-current assets	1,568,484	1,118,880
Inventories	196,257	170,226
Trade and other receivables, including derivatives	363,037	285,509
Tax recoverable	1,113	3,815
Cash and cash equivalents	1,045,024	985,988
Total current assets	1,605,431	1,445,538
TOTAL ASSETS	3,173,915	2,564,418
Equity attributable to owners of the Company		
Share capital	352,373	352,373
Reserves	1,781,920	1,509,133
Treasury shares	(163,816)	(163,816)
	1,970,477	1,697,690
Non-controlling interests	323,075	287,045
TOTAL EQUITY	2,293,552	1,984,735
Borrowings (unsecured)	196,248	12,856
Lease liabilities	22,591	23,721
Deferred tax liabilities	3,111	898
Total non-current liabilities	221,950	37,475
Trade and other payables, including derivatives	625,247	444,320
Borrowings (unsecured)	-	70,708
Lease liabilities	1,515	1,588
Current tax liabilities	31,651	25,592
Total current liabilities	658,413	542,208
TOTAL LIABILITIES	880,363	579,683
TOTAL EQUITY AND LIABILITIES	3,173,915	2,564,418
Net assets per share attributable to owners of the Company (RM)	9.91	8.56

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2021.

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2022

	← Attributable to owners of the Company →							Retained earnings	Total	Non-controlling interests	Total equity
	← Non-distributable →				Distributable						
	Share capital	Other reserve	Hedging reserve	Exchange fluctuation reserve	Reserve for own shares	Executive share scheme reserve	Treasury shares				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Current year-to-date ended 31 March 2022											
At 1 July 2021	352,373	50,496	(169)	108,412	(2,839)	2,734	(163,816)	1,350,499	1,697,690	287,045	1,984,735
Profit for the period	-	-	-	-	-	-	-	248,365	248,365	43,518	291,883
Other comprehensive income/(expense)											
-foreign currency translation differences	-	-	-	22,135	-	-	-	-	22,135	-	22,135
-cash flow hedge	-	-	704	-	-	-	-	-	704	314	1,018
Total comprehensive income/(expense) for the period	-	-	704	22,135	-	-	-	248,365	271,204	43,832	315,036
Dividend	-	-	-	-	-	-	-	(19,840)	(19,840)	(15,072)	(34,912)
Share-based payment	-	-	-	-	-	22,160	-	-	22,160	7,270	29,430
ESS shares exercised	-	-	-	-	3,385	(3,292)	-	(93)	-	-	-
Purchase of trust shares	-	-	-	-	(737)	-	-	-	(737)	-	(737)
Total transactions with owners of the Company	-	-	-	-	2,648	18,868	-	(19,933)	1,583	(7,802)	(6,219)
At 31 March 2022	352,373	50,496	535	130,547	(191)	21,602	(163,816)	1,578,931	1,970,477	323,075	2,293,552

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2022 (cont'd)

	← Attributable to owners of the Company →							Total	Non-controlling interests	Total equity	
	← Non-distributable →				→ Distributable						
	Share capital	Other reserve	Hedging reserve	Exchange fluctuation reserve	Reserve for own shares	Executive share scheme reserve	Treasury shares				Retained earnings
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Preceding year corresponding period ended 31 March 2021											
At 1 July 2020	352,373	38,346	(473)	82,785	(49,598)	4,325	(163,816)	1,116,965	1,380,907	238,233	1,619,140
Profit for the period	-	-	-	-	-	-	-	196,718	196,718	39,342	236,060
Other comprehensive income/(expense)											
-foreign currency translation differences	-	-	-	16,359	-	-	-	-	16,359	-	16,359
-cash flow hedge	-	-	381	-	-	-	-	-	381	(3)	378
Total comprehensive income/(expense) for the period	-	-	381	16,359	-	-	-	196,718	213,458	39,339	252,797
Dividend	-	-	-	-	-	-	-	(19,789)	(19,789)	(9,300)	(29,089)
Share-based payment	-	-	-	-	-	1,519	-	-	1,519	570	2,089
ESS shares exercised	-	-	-	-	2,901	(4,087)	-	1,186	-	-	-
Disposal of trust shares	-	-	-	-	43,858	-	-	32,148	76,006	12,718	88,724
Total transactions with owners of the Company	-	-	-	-	46,759	(2,568)	-	13,545	57,736	3,988	61,724
At 31 March 2021	352,373	38,346	(92)	99,144	(2,839)	1,757	(163,816)	1,327,228	1,652,101	281,560	1,933,661

Dividends received by the trust set up for the Executive Share Scheme (“ESS”) (“ESS Trust”) amounted to RM50,000 (FY21: RM101,000) are eliminated against the dividend expense of the Company following the consolidation of ESS Trust.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2021.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022

	Current Year- To-Date 31/03/2022 RM'000	Preceding Year Corresponding Period 31/03/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	337,959	261,598
Adjustments for:-		
Depreciation and amortisation	211,483	140,501
Dividend income	(5,823)	(7,806)
Non-cash items	27,689	10,587
Net financing cost	3,895	224
Operating profit before changes in working capital	575,203	405,104
Changes in working capital		
Net change in current assets	(105,307)	(99,018)
Net change in current liabilities	181,695	120,353
Taxation paid	(35,669)	(17,825)
Net financing cost paid	(3,895)	(224)
Dividend received	5,823	7,806
Net cash generated from operating activities	617,850	416,196
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(635,718)	(368,402)
Proceeds from disposal of property, plant and equipment	2,569	238
Net cash used in investing activities	(633,149)	(368,164)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to owner of the company	(19,840)	(19,789)
Dividend paid to non-controlling shareholders of a subsidiary	(15,072)	(9,300)
Drawdown from borrowings	182,090	80,984
Repayments of borrowings	(74,256)	(9,250)
Disposal of trust shares	-	88,724
Purchase of trust shares	(737)	-
Payment of lease liabilities	(1,350)	(1,522)
Net cash generated from financing activities	70,835	129,847
NET CHANGE IN CASH AND CASH EQUIVALENTS	55,536	177,879
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	985,988	835,231
EFFECT OF EXCHANGE RATE FLUCTUATION ON CASH HELD	3,500	(3,114)
CASH & CASH EQUIVALENTS AT END OF PERIOD	1,045,024	1,009,996
Cash and cash equivalents included in the consolidated statements of cash flows comprise the following consolidated statements of financial position amounts:		
	31/03/2022 RM'000	31/03/2021 RM'000
Deposits, cash and bank balances	980,283	705,240
Investment in Money Market Fund	64,741	304,756
	1,045,024	1,009,996

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 30 June 2021.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2021. This interim financial report also complies with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2021 except for the adoption of MFRSs, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2021 and 1 April 2021 respectively which are applicable to the Group. The initial adoption of these applicable MFRSs, amendments and interpretations do not have any material impact on the financial statements of the Group.

2. Qualification of audit report of the preceding annual financial statements

The audit report for the preceding annual financial statements was not qualified.

3. Seasonality or cyclicity of interim operations

There has been no material seasonal or cyclical factor affecting the results of the quarter under review.

4. 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, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year-to-date.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no changes in estimates of amounts reported in the prior financial years.

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

(a) There were no additional shares bought back during the quarter under review and financial year-to-date. The total number of shares bought back as at 31 March 2022 was 10,988,000 shares and the shares are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016.

(b) During the quarter under review, Executive Share Scheme (“ESS”) Trust purchased 17,464 ordinary shares of MPI (“MPI Shares”) and 483,728 MPI Shares held in the ESS Trusts were transferred to eligible executives of the Group arising from the vesting of free MPI Shares pursuant to the ESS. As at 31 March 2022, the total number of shares held by the ESS Trust was 28,000 shares.

There were no issuance of shares, shares cancellation, resale of treasury shares or repayment of debt or equity securities during the quarter under review and financial year-to-date.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

7. **Dividend paid**

During the financial year-to-date, the Company paid an interim single tier dividend of 10.0 sen per share amounted to RM19.9 million on 23 December 2021.

8. **Operating Segments**

The Group's segmental report for the financial year-to-date is as follows:

	Asia RM'000	United States of America ("USA") RM'000	Europe RM'000	Total RM'000
Segment profit	229,728	44,860	67,746	342,334
Included in the measure of segment profit are:				
Revenue from external customers	1,150,089	269,362	382,673	1,802,124
Depreciation and amortisation	151,160	25,924	34,384	211,468
Reconciliation of segment profit				
Profit				RM'000
Reportable segments				342,334
Non-reportable segments				(480)
Interest income				1,363
Finance costs				(5,258)
Consolidated profit before taxation				337,959
			External revenue RM'000	Depreciation and amortisation RM'000
Reportable segments			1,802,124	211,468
Non-reportable segments			1,964	15
Total			1,804,088	211,483

9. **Material events not reflected in the financial statements**

There are no material subsequent events to be disclosed as at the date of this report.

10. **Changes in the composition of the Group**

There were no changes in the composition of the Group during the quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations other than as mentioned below:

- During the quarter under review, Carsem Holdings (HK) Limited, a wholly-owned subsidiary of the Company, had on 9 February 2022, incorporated a wholly-owned subsidiary in the People's Republic of China ("PRC") known as Carsem Advanced Technology (Suzhou) Co., Ltd., to undertake a proposed investment in a new plant to be situated at the Suzhou Industrial Park Suxiang Cooperation Zone, the PRC.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

11. Review of performance

For the quarter under review, the Group recorded revenue of RM611.6 million with the Asia, USA and Europe segments growing by 18%, 23% and 8% respectively against the corresponding quarter of the last financial year of RM526.6 million. Profit before taxation (“PBT”) achieved was RM109.9 million against RM97.4 million for the corresponding quarter of the last financial year.

The Group’s revenue for the financial year-to-date was RM1,804.1 million, 24% higher as compared with revenue of RM1,451.1 million for the corresponding period of FY21. Revenue for the Asia, USA and Europe segments were higher by 24%, 28% and 22% respectively against the preceding year’s corresponding period. PBT for the financial year-to-date closed at RM338.0 million against RM261.6 million for the corresponding period of FY21.

The higher PBT for the quarter and year-to-date under review was mainly due to higher revenue across all segments.

12. Material changes in profit before taxation against the immediate preceding quarter

Revenue for the quarter under review was RM611.6 million against the preceding quarter of RM608.0 million. Revenue for the USA and Europe segments were higher by 1% and 2% respectively while Asia was flat against the preceding quarter.

For the quarter under review, the Group recorded PBT of RM109.9 million as compared with RM115.4 million for the preceding quarter. Revenue grew marginally, however, PBT for the quarter under review was slightly lower due to higher operating cost.

13. Prospects

The semiconductor industry continues to experience challenging macroeconomic and geopolitical environment. This has caused supply chain disruptions, rising inflation and manpower limitations. The Group will continue to focus on its business strategy and operational efficiencies to ensure sustainability and strengthen its fundamentals. Barring any unforeseen circumstances, the Board expects the Group’s performance for the financial year ending 30 June 2022 to remain satisfactory.

14. Profit forecast / profit guaranteed

This note is not applicable.

15. Profit before taxation

	Current Year Quarter	Current Year- to-date
	31/03/2022 RM'000	31/03/2022 RM'000
Profit before taxation is arrived at after charging/(crediting):		
Gross dividend income from short term investments	(509)	(5,823)
Depreciation and amortisation	78,054	211,483
Impairment and write off of trade receivables	60	177
Gain on foreign exchange	(4,660)	(8,037)
Fair value loss/(gain) on derivatives	89	(753)
Share-based payments	7,441	29,430
Provision for slow moving inventories	1,681	4,779
Impairment of property, plant and equipment	-	-
Gain on disposal of quoted /unquoted investments or properties	-	-

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

16. **Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To-date	Corresponding
	31/03/2022	Quarter	31/03/2022	Period
	RM'000	31/03/2021	RM'000	31/03/2021
	RM'000	RM'000	RM'000	RM'000
Current taxation				
Malaysian				
- current year	4,250	4,054	16,755	8,786
- prior years	99	(5,205)	99	(5,205)
	4,349	(1,151)	16,854	3,581
Overseas				
- current year	8,747	8,881	27,325	21,389
- prior years	-	45	2	68
	8,747	8,926	27,327	21,457
Deferred taxation				
- current year	895	500	1,895	500
	895	500	1,895	500
	<u>13,991</u>	<u>8,275</u>	<u>46,076</u>	<u>25,538</u>

The Group's effective tax rate for the quarter under review is lower than statutory tax rate mainly due to tax incentive granted to subsidiaries of the Company.

17. **Corporate proposals**

There are no corporate proposals announced but not completed as at the date of this report.

18. **Group's borrowings and debt securities**

Particulars of the Group's borrowings and debt securities as at 31 March 2022 are as follows:

Unsecured long term borrowings	RM'000 <u>196,248</u>
--------------------------------	---------------------------------

The above include borrowings denominated in RMB	RM'000 <u>196,248</u>
---	---------------------------------

19. **Changes in material litigation**

There are no material litigations as at the date of this report.

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

20. Dividend

- (a) The Board has declared a second interim single tier dividend of 25.0 sen per share for the quarter ended 31 March 2022 of the financial year ending 30 June 2022 (3rd quarter FY21: a second interim single tier dividend of 20.0 sen per share) to be paid on 24 June 2022 to holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 13 June 2022.

This is to inform that a Depositor shall qualify for the entitlement only in respect of:-

- (i) shares transferred into the Depositor's securities account before 4.30 p.m. on 13 June 2022 in respect of ordinary transfers; and
- (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Bursa Malaysia Securities Berhad's Main Market Listing Requirements.
- (b) For the financial year-to-date, a total single tier dividend of 35.0 sen per share (FY21: single tier dividend of 30.0 sen per share) has been declared.

21. Earnings per ordinary share

(a) Basic earnings per ordinary share

The basic earnings per ordinary share for the quarter under review is calculated by dividing the Group's profit attributable to owners of the Company of RM81,361,000 (3rd quarter FY21: RM74,373,000) by the weighted average number of ordinary shares during the quarter of 198,558,372 (3rd quarter FY21: 198,080,553).

The basic earnings per ordinary share for financial year-to-date is calculated by dividing the Group's profit attributable to owners of the Company of RM248,365,000 (FY21: RM196,718,000) and the weighted average number of ordinary shares during the period of 198,453,467 (FY21 : 197,717,637).

Weighted average number of ordinary shares

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year- to-date	Preceding Year Corresponding Period
	31/03/2022 '000	31/03/2021 '000	31/03/2022 '000	31/03/2021 '000
Issued ordinary shares at beginning of period	209,884	209,884	209,884	209,884
Treasury shares held at beginning of period	(10,988)	(10,988)	(10,988)	(10,988)
Trust Shares held at beginning of period	(494)	(1,000)	(494)	(8,284)
	<u>198,402</u>	<u>197,896</u>	<u>198,402</u>	<u>190,612</u>
Effect of Trust Shares vested and disposed	156	185	51	7,106
Weighted average number of ordinary shares (basic)	<u>198,558</u>	<u>198,081</u>	<u>198,453</u>	<u>197,718</u>

MALAYSIAN PACIFIC INDUSTRIES BERHAD (196201000323 (4817-U))
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2022

The figures have not been audited

21. Earnings per ordinary share (cont'd)

(b) Diluted earnings per ordinary share

The Group has no dilution in its earnings per ordinary share in the quarter under review/financial year-to-date and preceding year corresponding quarter/period as there were no dilutive potential ordinary shares.

22. Derivatives

The Group has entered into a number of forward foreign exchange contracts by subsidiaries to hedge the cash flow risk in relation to the variations of cash flows arising from future forecasted transactions.

The forward foreign exchange contracts are stated at fair value using observable market prices in active markets, including recent market transactions and valuation techniques that include discounted cash flow models and option pricing models, as appropriate.

As at 31 March 2022, the contract amount, fair value and maturity tenor of the forward foreign exchange contracts are as follows:

	Contract amount	Fair Value Assets / (Liabilities)
	RM'000	RM'000
Less than 1 year	<u>215,459</u>	<u>1,299</u>

Derivatives (which are classified as financial assets/liabilities) categorised as fair value through profit or loss are subsequently measured at their fair values with the gains/losses recognised in profit or loss. Gains/losses arising from fair value changes of derivatives is as disclosed in Note 15.

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 previous financial year ended 30 June 2021.

23. Gains/losses arising from fair value changes of financial liabilities

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

By Order of the Board
Malaysian Pacific Industries Berhad

Wong Wei Fong
Zoe Lim Hoon Hwa
Company Secretaries

Kuala Lumpur
26 May 2022