



**LFE CORPORATION BERHAD**  
(Company No: 200201011680(579343-A))

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

	Individual Quarter		Cumulative Quarters	
	Current Quarter Ended	Preceding year Corresponding Quarter Ended	Current Year To Date	Preceding Year Corresponding Period
	31 Mar 2022 RM'000	31 Mar 2021 RM'000	31 Mar 2022 RM'000	31 Mar 2021 RM'000
Revenue	16,644	1,051	16,644	1,051
Cost of sales	(13,592)	(967)	(13,592)	(967)
<b>Gross Profit</b>	<b>3,052</b>	<b>84</b>	<b>3,052</b>	<b>84</b>
Other operating income	17	-	17	-
Administrative expenses	(1,193)	(590)	(1,193)	(590)
Other operating expenses	-	(32)	-	(32)
Finance costs	(4)	-	(4)	-
Share of results of joint ventures	-	(5)	-	(5)
<b>Profit/(Loss) before taxation</b>	<b>1,872</b>	<b>(543)</b>	<b>1,872</b>	<b>(543)</b>
Taxation	(612)	-	(612)	-
<b>Profit/(Loss) for the period</b>	<b>1,260</b>	<b>(543)</b>	<b>1,260</b>	<b>(543)</b>
<b>Other comprehensive income :</b>				
Item that may be reclassified subsequently to profit or loss				
- Currency translation differences of foreign operations	10	1,116	10	1,116
<b>Total comprehensive income for the period</b>	<b>1,270</b>	<b>573</b>	<b>1,270</b>	<b>573</b>
<b>Net Profit/(Loss) attributable to :</b>				
Owners of the Company	340	(543)	340	(543)
Non- controlling interest	920	-	920	-
	<b>1,260</b>	<b>(543)</b>	<b>1,260</b>	<b>(543)</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the Company	350	573	350	573
Non- controlling interest	920	-	920	-
	<b>1,270</b>	<b>573</b>	<b>1,270</b>	<b>573</b>
Earning /(Loss) per share attributable to owners of the Company (sen)	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
- Basic	<b>0.04</b>	<b>(0.22)</b>	<b>0.04</b>	<b>(0.22)</b>
- Diluted (Note B12)	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Note : N/A denotes as Not Applicable**

**(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)**

**LFE CORPORATION BERHAD**  
(Company No: 200201011680(579343-A))

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT 31 MARCH 2022**

	<b>At Current Financial Year Ended 31 Mar. 2022 Unaudited (RM'000)</b>	<b>At Previous Financial Year Ended 31 Dec. 2021 Audited (RM'000)</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	387	447
Goodwill	23,184	23,184
Investment in Joint Ventures	1,178	1,168
	<b>24,749</b>	<b>24,799</b>
<b>Current Assets</b>		
Contract Assets	6,126	1,660
Property development cost	502	352
Trade receivables	14,013	17,587
Other receivables	16,334	16,080
Fixed deposits placed with licensed banks	10,703	9,686
Cash and bank balances	24,325	22,571
	<b>72,003</b>	<b>67,936</b>
<b>TOTAL ASSETS</b>	<b>96,752</b>	<b>92,735</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share Capital	107,712	107,712
Reserves	(39,682)	(40,032)
Non-controlling interest	7,192	6,272
	<b>75,222</b>	<b>73,952</b>
<b>Non- Current Liabilities</b>		
Lease liabilities	187	228
Deferred Tax Liabilities	8	8
	<b>195</b>	<b>236</b>
<b>Current Liabilities</b>		
Contract liabilities	534	48
Trade payables	12,488	9,465
Other payables	4,771	5,279
Amount owing to a non-controlling interest	2,400	2,400
Lease liabilities	114	110
Provision for taxation	1,028	1,245
	<b>21,335</b>	<b>18,547</b>
<b>Total Liabilities</b>	<b>21,530</b>	<b>18,783</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>96,752</b>	<b>92,735</b>
<b>Net assets per share (RM)</b>	<b>0.09</b>	<b>0.09</b>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)

**LFE CORPORATION BERHAD**  
(Company No: 200201011680(579343-A))

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

	← Attributable to Owners of the Company →				Total	Non-controlling interest	Total equity
	Share capital	Capital Reserves	Exchange translation reserve	Accumulated losses			
(Unaudited)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
As at 1 January 2022	107,712	17,568	3,769	(61,369)	67,680	6,272	73,952
Profit for the financial period	-	-	-	340	340	920	1,260
Other comprehensive income	-	-	10	-	10	-	10
Total comprehensive income/(loss) for the period	-	-	10	340	350	920	1,270
As at 31 March 2022	<b>107,712</b>	<b>17,568</b>	<b>3,779</b>	<b>(61,029)</b>	<b>68,030</b>	<b>7,192</b>	<b>75,222</b>

	← Attributable to Owners of the Company →				Total	Non-controlling interest	Total equity
	Share capital	Capital Reserves	Exchange translation reserve	Accumulated losses			
(Audited)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
As at 1 January 2021	61,917	17,568	2,821	(45,262)	37,044	-	37,044
New share issue:							
- Rights issue	39,245	-	-	-	39,245	-	39,245
- Private placement to acquire a subsidiary company	6,550	-	-	-	6,550	-	6,550
Incorporation of a subsidiary company	-	-	-	-	-	100	100
Acquisition of a subsidiary company	-	-	-	-	-	4,185	4,185
(Loss)/Profit for the financial period	-	-	-	(16,107)	(16,107)	1,987	(14,120)
Other comprehensive income	-	-	948	-	948	-	948
Total comprehensive income/(loss) for the period	-	-	948	(16,107)	(15,159)	1,987	(13,172)
As at 31 December 2021	<b>107,712</b>	<b>17,568</b>	<b>3,769</b>	<b>(61,369)</b>	<b>67,680</b>	<b>6,272</b>	<b>73,952</b>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)**

**LFE CORPORATION BERHAD**  
(Company No: 200201011680(579343-A))

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

	<b>Current Financial Year Ended 31 Mar. 2022 (RM'000)</b>	<b>Previous Financial Year Ended 31 Dec. 2021 (RM'000)</b>
<b>Cash Flows for Operating Activities</b>		
Profit/(Loss) before taxation	1,872	(12,846)
Adjustments for :		
Non-cash items	77	1,864
Non-operating items	(13)	13,009
Operating profit before working capital changes	1,936	2,027
Changes in working capital		
Net change in current assets	(810)	7,302
Net change in current liabilities	2,516	(8,887)
Cash generated from operations	3,642	442
Interest received	17	40
Interest paid	(4)	(133)
Tax paid	(829)	(1,756)
<b>Net cash generated/(used in) operating activities</b>	<b>2,826</b>	<b>(1,407)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(17)	(11)
Acquisition of a subsidiary	-	(20,918)
Distributed from Joint Venture	-	18,823
<b>Net cash used in investing activities</b>	<b>(17)</b>	<b>(2,106)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of share capital	-	39,245
Proceeds from issuance of shares to non-controlling interest	-	100
Repayment of bank borrowings	-	(5,115)
Repayment of lease liabilities	(38)	(54)
<b>Net cash (used in)/generated from financing activities</b>	<b>(38)</b>	<b>34,176</b>
Net increase in cash and cash equivalents	2,771	30,663
Cash & cash equivalents at the beginning of year	32,257	1,594
<b>Cash &amp; cash equivalents at the end of period</b>	<b>35,028</b>	<b>32,257</b>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021)**

**LFE CORPORATION BERHAD**  
**(Company No: 200201011680(579343-A))**  
**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A EXPLANATORY NOTES AS PER MFRS 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134 : Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These interim financial statements also comply with International Accounting Standard ("IAS") 34, Interim Financial Reporting issued by the International Accounting Standard Board ("IASB").

The interim financial statements should be read in conjunction with the most recent audited financial statements of the Group for the financial year ended 31 December 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

**A2 Accounting Policies**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following new MFRSs, amendments to MFRSs and IC interpretations that are effective for the Group's financial year beginning on or after 1 January 2022, as disclosed below:

**Annual periods beginning on / after 1 January 2022**

Amendment to MFRS 3	Business Combinations: Reference to Conceptual Framework
Amendment to MFRS 116	Property, Plant and Equipment - Proceed before intended use
Amendment to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract

The adoption of these new MFRSs, amendments to published standards and IC interpretations did not have any material impact on the interim financial report of the Group.

**A3 Seasonality or cyclical factors**

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factors.

**A4 Unusual and extraordinary items**

There were no unusual items affecting assets, liabilities, equity, net income and cash flows during the current period and financial period-to-date under review.

**A5 Changes in accounting estimates**

There were no changes in estimates of amounts reported in the prior financial year that have a material effect in the current period and financial period-to-date results.

**A6 Debts and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period-to-date.

**A7 Dividends paid**

No dividend was paid for the current period and financial period-to-date under review.

**A8 Segmental reporting**

<b>3 months period ended 31 March 2022</b>	<b>Construction / Electrical &amp; mechanical RM'000</b>	<b>Property Development RM'000</b>	<b>Investment Holding RM'000</b>	<b>Consolidated RM'000</b>
<b>REVENUE</b>				
External Sales				
Malaysia	16,644	-	-	16,644
Overseas	-	-	-	-
Total revenue	<u>16,644</u>	<u>-</u>	<u>-</u>	<u>16,644</u>
<b>RESULTS</b>				
Operating profit/(loss)	2,041	(72)	(93)	1,876
Interest expense	(4)	-	-	(4)
Profit/(Loss) before tax	<u>2,037</u>	<u>(72)</u>	<u>(93)</u>	<u>1,872</u>
Income tax expense	(612)	-	-	(612)
Net Profit/(Loss) for the period	<u>1,425</u>	<u>(72)</u>	<u>(93)</u>	<u>1,260</u>

**A9 Carrying amount of revalued assets**

This is not applicable.

**A10 Material events subsequent to balance sheet date of previous audit report**

There are no material events subsequent to the end of the period under review that have not been reflected in the interim financial report.

**A11 Changes in the composition of the Group**

There were no changes in the compositions of the Group during the period and financial period under review.

**A12 Capital commitments**

There were no capital commitments for the period and financial period under review.

**A13 Changes in contingent liabilities and contingent assets**

There were no material changes in contingent liabilities of the Company and the Group since the date of the last financial statements.

**A14 Significant Related party transactions**

There were no related party transactions conducted during the financial period under review.

## **B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**

### **B1 Review of performance**

The Group recorded total revenue of RM16.6 million for the current quarter as compared to RM1.05 million for the corresponding period of the preceding year.

The Group recorded profit after tax ("PAT") of RM1.26 million for the current quarter as compared to loss after tax ("LAT") of RM0.543 million for the corresponding period of the preceding year.

The higher revenue recognized in the current quarter compared to the corresponding period of the preceding year due to the construction progress running at almost full capacity following the effective launch of the vaccination program. The strong rebound in revenue has successfully enabled the Group to record a profit after tax of RM1.26 million after several consecutive quarters of losses.

### **B2 Comparison between the current quarter and immediate preceding quarter**

The Group recorded revenue and PAT of RM16.6 million and RM1.26 million respectively for the current quarter as compared to revenue of RM14.18 million and LAT of RM13.3 million for the immediate preceding quarter ended 31 December 2021.

The Group's revenue increased by RM2.42 million, a 17% increase from the previous quarter, mainly due to the launch of MYARA PARK, new construction project located at Selangor, in the first quarter. The project was awarded to the Group in November 2021 with a total contract value of RM90 million.

### **B3 Future prospects**

In late 2021, the Group entered into a joint venture development agreement with the landowner to develop and build 422 units of single storey terrace houses and 142 units of double storey terrace houses at Kedah. This joint venture project provides LFE with the opportunity to fast-track its entry into the property development sector. The property development division is expected to contribute positively to the Group's revenue and profit from next quarter onwards.

### **B4 Variance of actual profit from forecasted profit and shortfall in profit guarantee.**

This is not applicable.

### **B5 Taxation**

The tax liability incurred relates to the current tax provision made by a subsidiary. There are no tax liabilities for other subsidiaries in the current quarter/year because there are sufficient accumulated tax losses from previous years to cover the current tax liabilities.

### **B6 Sale of unquoted investments and properties**

There were no sales of any unquoted investments and / or properties during the current quarter under review.

### **B7 Status of corporate proposals announced**

There was no other corporate proposals announced but not completed as at the date of the announcement of this quarterly report.

### **B8 Borrowings and debt securities**

Details of the Group's borrowings as at 31 March 2022 are as follows:

	31.03.2022 RM'000	31.12.2021 RM'000
<b>Finance Lease Liabilities</b>		
Long Term	187	228
Short Term	114	110
<b>Total</b>	301	338

All the borrowings are in Malaysian currency.

### **B9 Off balance sheet financial instruments**

As at the reporting date, the Group does not have any off balance sheet financial instruments.

### **B10 Changes in material litigation**

The Group was not engaged in any material litigation which is likely to give rise to proceedings which may materially and adversely affect the financial position or the business operations of the Group.

### **B11 Dividend payable**

No interim dividend has been recommended for the current quarter under review.

**B12 Earnings per share****(a) Basic earnings per share**

The basic earnings per share has been calculated by dividing the Group's net profit for the period by the weighted average number of shares in issue.

	<b>Current quarter ended 31.03.2022</b>	<b>Cumulative period for 3 months ended 31.03.2022</b>
Net Profit attributable to Owners of the Company ('000)	340	340
Weighted average number of shares ('000)	801,351	801,351
Basic Earnings per share (sen)	0.04	0.04

**(b) Diluted earnings per share**

The diluted earnings per share is equal to basic earnings per shares as the Group does not have any potential dilutive ordinary shares as at the financial period to date.

**B14 Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26/05/2022.