

## QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 31 December 2021  
The figures have not been audited.

### CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2021

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31-Dec-21 RM' 000	PRECEDING YEAR COMPARATIVE QUARTER 31-Dec-20 RM' 000	CURRENT YEAR TO DATE 31-Dec-21 RM' 000	PRECEDING YEAR COMPARATIVE PERIOD 31-Dec-20 (Restated) RM' 000
<b>Continuing Operations :</b>				
Revenue	10,059	16,375	88,419	57,154
Operating Expenses	(7,314)	(10,252)	(65,429)	(36,614)
Other Operating Income	552	314	4,200	3,176
<b>Profit From Operations</b>	<b>3,297</b>	<b>6,437</b>	<b>27,190</b>	<b>23,716</b>
Finance Costs	(19)	(16)	(71)	(91)
Investing Results	-	-	-	-
Share of Profit of Equity Accounted Associate, Net of Tax	-	(64)	-	(299)
<b>Profit/(Loss) Before Tax</b>	<b>3,278</b>	<b>6,357</b>	<b>27,119</b>	<b>23,326</b>
Taxation	(924)	(1,921)	(5,643)	(6,113)
<b>Profit/(Loss) from Continuing Operations</b>	<b>2,354</b>	<b>4,436</b>	<b>21,476</b>	<b>17,213</b>
<b>Other Comprehensive Income:</b>				
Gain/(loss) on Available For Sale Investments	-	-	-	-
Income Tax Relating To Other Components Of Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income For The Period</b>	<b>2,354</b>	<b>4,436</b>	<b>21,476</b>	<b>17,213</b>
<b>Profit Attributable to :</b>				
Equity holders of the parent	2,354	4,436	21,476	17,213
Non-controlling interest	-	-	-	-
	<b>2,354</b>	<b>4,436</b>	<b>21,476</b>	<b>17,213</b>
<b>Total Comprehensive Income Attributable to :</b>				
Equity holders of the parent	2,354	4,436	21,476	17,213
Non-controlling interest	-	-	-	-
	<b>2,354</b>	<b>4,436</b>	<b>21,476</b>	<b>17,213</b>
EPS (sen) : Basic	1.16	2.19	10.60	8.49
: Diluted	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020)

**APEX EQUITY HOLDINGS BERHAD [ 199001016563 (208232-A ) ]**  
**CONDENSED CONSOLIDATED FINANCIAL POSITION AS AT 31 DECEMBER 2021**

	AS AT 31-Dec-21 RM' 000	AS AT 31-Dec-20 (Audited) RM' 000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property , Plant and Equipment	11,969	12,150
Rights of Use Assets	618	711
Investment Properties	27,093	27,101
Investment in an Associate Company	-	4,904
Other asset	4,045	4,029
	43,725	48,895
<b>Current Assets</b>		
Marketable Securities Held for Trading	2,242	-
Receivables	136,066	132,420
Fixed Deposits With Financial Institutions	214	208
Cash and Short Term Funds	196,305	154,887
	334,827	287,515
Non-current Asset Held for Sale - Associate Company	4,904	-
Non-current Asset Held for Sale - Development Land	-	30,500
	339,731	318,015
<b>TOTAL ASSETS</b>	<b>383,456</b>	<b>366,910</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Parent</b>		
Share Capital	221,940	221,940
Reserves	120,279	104,884
Treasury Shares	(7,459)	(7,459)
	334,760	319,365
<b>Minority Interests</b>	-	-
<b>TOTAL EQUITY</b>	<b>334,760</b>	<b>319,365</b>
<b>Non-Current Liabilities</b>		
Lease Liabilities	197	401
	197	401
<b>Current Liabilities</b>		
Payables	42,516	40,110
Lease Liabilities	362	250
Bank Borrowings	5,008	5,004
Taxation	613	1,780
	48,499	47,144
<b>TOTAL LIABILITIES</b>	<b>48,696</b>	<b>47,545</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>383,456</b>	<b>366,910</b>
<b>Net assets per share (RM)</b>	<b>1.65</b>	<b>1.58</b>

**(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020)**

**APEX EQUITY HOLDINGS BERHAD [ 199001016563 (208232-A ) ]**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Share Capital RM' 000	Fair Value Reserve RM' 000	Unappropriated Profit RM' 000	Treasury Shares RM' 000	Attributable to Equity Holders of the Parent RM' 000	Non- Controlling Interest RM' 000	Total Equity RM' 000
<b>12 months ended 31 December 2021</b>							
Balance at beginning of year 2021	221,940	2,131	102,750	(7,459)	319,362	-	319,362
Total comprehensive income for the period	-	-	21,476	-	21,476	-	21,476
Shares buy-back	-	-	-	-	-	-	-
Dividend paid	-	-	(6,078)	-	(6,078)	-	(6,078)
Balance at end of period 2021	<u>221,940</u>	<u>2,131</u>	<u>118,148</u>	<u>(7,459)</u>	<u>334,760</u>	<u>-</u>	<u>334,760</u>
<b>12 months ended 31 December 2020</b>							
Balance at beginning of year 2020 As previously stated	221,940	* 2,131	85,540	(7,459)	302,152	-	302,152
Total comprehensive income for the period	-	-	17,213	-	17,213	-	17,213
Shares buy-back	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
Balance at end of period 2020	<u>221,940</u>	<u>2,131</u>	<u>102,753</u>	<u>(7,459)</u>	<u>319,365</u>	<u>-</u>	<u>319,365</u>

**(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020)**

**APEX EQUITY HOLDINGS BERHAD [ 19901016563 (208232-A )]  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	<b>12 months ended 31-Dec-21 RM' 000</b>	<b>12 months ended 31-Dec-20 RM' 000</b>
<b>Net Profit/(Loss) before tax</b>	27,119	23,326
<b>Adjustments for :-</b>		
Non-cash items	(833)	947
Non-operating items (which are investing/financing)	(13,539)	(12,482)
<b>Operating profit before changes in working capital</b>	<u>12,747</u>	<u>11,791</u>
<b>Changes in working capital</b>		
Net change in current assets	25,989	(8,617)
Net change in current liabilities	2,315	13,219
Dividend Income	197	196
Interest income	13,413	12,377
Interest expense	(71)	(91)
Income tax paid	(6,810)	(4,864)
Tax refund	-	683
<b>Net cash flows from operating activities</b>	<u>47,780</u>	<u>24,694</u>
<b>Investing Activities</b>		
Purchase of property, plant & equipment	(282)	(25)
Withdrawal/(placement) of fixed deposits	(6)	(7)
<b>Net cash in investing activities</b>	<u>(288)</u>	<u>(32)</u>
<b>Financing Activities</b>		
Dividends paid	(6,079)	-
<b>Net cash used in financing activities</b>	<u>(6,079)</u>	<u>-</u>
<b>Net change in Cash &amp; Cash Equivalents</b>	41,413	24,662
<b>Cash &amp; Cash Equivalents at beginning of period</b>	149,884	125,222
<b>Cash &amp; Cash Equivalents at end of period</b>	<u>191,297</u>	<u>149,884</u>
<b>Cash &amp; Cash Equivalents at end of period comprise :</b>		
Cash, Bank Balances and Deposits	196,305	154,888
Bank Overdrafts	(5,008)	(5,004)
	<u>191,297</u>	<u>149,884</u>
	-	-

**(The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020)**

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

**Notes (In compliance with MFRS 134)**

**1. Basis of Preparation and Group Accounting Policies**

The quarterly report has been prepared in accordance with the Malaysian Financial Reporting Standards 134 “Interim Financial Reporting” and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly financial statements have been prepared based on accounting policies and method of computation consistent with those adopted in the most recent Annual Financial Statements for the year ended 31 December 2020.

**2. Condensed Financial Statements**

This set of Quarterly Condensed Financial Statements (“QCFS”) should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2020.

**3. Audit Report**

The Audit Report of the Company’s preceding Annual Financial Statements for the year ended 31 December 2020 was not subject to any qualification.

**4. Seasonal or Cyclical Factors**

The Group’s business operations are not subject to any seasonal or cyclical factors. However, it’s business is influenced largely by the stock market velocity and any retail market cycles and sentiments that may affect its trading volumes and revenue.

**5. Unusual Items**

The Group’s assets, liabilities, equity, net income or cash flows were not affected by any unusual items.

**6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years, which have a material effect in the current quarter.

**7. Debt and Equity Securities**

There have been no issuance, cancellations, repurchase, resale and repayments of debt and equity securities during the 12 months ended 31 December 2021.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

**8. Dividends Paid**

The Company had paid:

- (i) 1<sup>st</sup> interim single tier dividend of 1 sen per share amounting to RM2,026,402 on 30 June 2021 in respect of the financial year ended 31 December 2021;
- (ii) 2<sup>nd</sup> interim single tier dividend of 1 sen per share amounting to RM2,026,402 on 30 September 2021 in respect of the financial year ended 31 December 2021; and
- (iii) 3<sup>rd</sup> interim single tier dividend of 1 sen per share amounting to RM2,026,402 on 28 December 2021 in respect of the financial year ended 31 December 2021

**9. Segment Analysis**

The basis of segmentation is based on operating segment. The Group's operating segments are as follows:

- (i) Stock and securities broking
- (ii) Property holding and property development
- (iii) Money lending
- (iv) Investment holdings and others

The segment information for the current period is as follows:

Year ended 31 Dec 2021	Investment holdings and others	Stock and Securities broking	Property Holding & Property Development	Money Lending *	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	36	50,846	37,537	-	88,419
Inter-segment revenue	365	0	1,364	-	1,729
Reportable segment profit/(loss)	(194)	21,041	6,272	-	27,119
Total segment assets	238,071	267,080	119,219	-	624,370
Less: elimination					(240,913)
Group total					383,457

\* Temporarily cease operations

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

Year ended 31 Dec 2020	Investment holdings and others	Stock and securities broking	Property Holding & Property Development	Money lending *	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	22	56,513	619	-	57,154
Inter-segment revenue	3,117	0	1,384	-	4,501
Reportable segment profit/(loss)	(1,155)	22,135	2,645	-	23,625
Share of loss of an associate	-	(299)	-	-	(299)
					<u>23,326</u>
Total segment assets	245,146	242,948	117,593	-	605,687
Less: elimination					<u>(238,780)</u>
Group total					<u>366,907</u>

**10. Valuation of Property, Plant and Equipment**

Valuations of property, plant and equipment have been brought forward without amendment from the previous Annual Financial Statements for the year ended 31 December 2020.

**11. Material Events Subsequent to Reporting Quarter**

There were no material events subsequent to the end of the current quarter that have not been reflected in the QCFS.

**12. Changes in Composition of the Group**

There were no significant changes in the composition of the Company during the quarter, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinued operations.

**13. Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the Previous Annual Financial Statements for the year ended 31 December 2020.

**14. Related Party Transaction**

There were no significant transactions with related party during the 12 months ended 31 December 2021.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

**Additional information required by the Bursa Malaysia Securities Bhd Listing Requirements**

**15. Review of Group Results**

The Group's results for the current 12 months ended 31 December 2021 registered higher revenue of RM88.42 million as compared to RM57.15 million in the corresponding period due to revenue of RM37 million derived from disposal of development land. Profit before tax increased 16.25% to RM27.12 million as compared to RM23.33 million in the corresponding period. The performance analysis of various active segments is set out below:

Stock and futures broking	: Profit before tax decreased 5% to RM21.04 million as compared to RM22.14 million in the corresponding period due to lower brokerage income.
Property holding and property development	: Profit before tax increased 137% to RM6.27 million from RM2.65 million in the corresponding period due to higher gain on disposal of land of RM4.42 million as compared to RM0.79 million recorded in the corresponding period.
Investment holding and others	: Recorded a lower loss before tax of RM0.02 million as compared to RM1.16 million in the corresponding period due to lower expenses and interest income of RM0.32 million from the deposit placed for the proposed merger.

**16. Explanatory Comments on Any Material Change in the Profit Before taxation for the Quarter Reported on as Compared with the Immediate Preceding Quarter**

The Group recorded lower revenue of RM10.06 million in the current quarter as compared to RM48.36 million in the preceding quarter due to revenue from disposal of development land of RM37 million in the preceding quarter. Profit before tax decreased to RM3.28 million as compared to RM9.23 million in the preceding quarter due to gain of RM4.42 million from disposal of development land in the preceding quarter.

**17. Prospect**

Malaysia's macro outlook is expected to be more positive in 2022, given the high level of Covid-19 vaccination rates and reopening of the economy that prompts a revival in economic activities.

However, the introduction of Cukai Makmur or prosperity tax and higher stamp duty on shares transaction may adversely affect investors' sentiment.

In view of the foregoing, the Group envisages a more subdued outlook for the stockbroking industry in 2022.

**18. Profit Forecast or Profit Guarantee**

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.



**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

19. **Taxation**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Dec-2021 RM'000	Preceding Year Comparative Quarter 31-Dec-2020 RM'000	Current Year To date 31-Dec-2021 RM'000	Preceding Year Comparative Period 31-Dec-2020 RM'000
Current year tax expense	924	1,921	5,663	6,148
Previous years under/(over) provision	-	-	(20)	(35)
	<b>924</b>	<b>1,921</b>	<b>5,643</b>	<b>6,113</b>

The effective tax rate for the 12 months ended 31 December 2021 is lower than the statutory income tax rate due to utilisation of unabsorbed business losses carried forward from previous financial years.

20. **Status of Corporate Proposals**

The Company does not have any corporate proposals announced but not completed as at the end of the current quarter and the date of issue of this quarterly report except the following: -

- (i) Proposed disposal of 43% shareholding in Apex Investment Services Berhad ("AISB"), an associate company of JF Apex Securities Berhad, for a cash consideration of RM5.18m.

This is pending regulatory approval.

21. **Group Borrowings**

The Group's borrowings as at 31 December 2021: -

	RM'000
Bank Overdraft - Secured	5,008
<b>Total short term borrowings</b>	<b>5,008</b>

22. **Off Balance Sheet Financial Instruments**

There were no contracts involving off balance sheet risk as at the end of the current quarter and the date of issue of the quarterly report.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]  
NOTES TO THE FINANCIAL STATEMENTS  
FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

**23. Material Litigation**

There was no new material litigation as at the date of issue of the quarterly report, which in the opinion of the directors would have a material adverse effect on the financial results of the Group, other than as follows:

**(A) Federal Court Civil Application No. 08(f)-399-09/2021(W)**

On 17 September 2021, the Company filed an application for leave to appeal to the Federal Court ("**Leave Application**") against the entire decision of the Court of Appeal which allowed Appeal 1551 (as disclosed in Noted (B) below).

The Leave Application is fixed for hearing on 28 February 2022.

**(B) Court of Appeal Civil Appeal No. W-02(IM)(NCC)-1551-08/2019 ("**Appeal 1551**")**

On 25 February 2019, Concrete Parade Sdn. Bhd. ("Concrete Parade"), a corporate shareholder of the Company filed an oppression suit vide Kuala Lumpur High Court Originating Summons No. WA-24NCC-56-02/2019 ("OS 56") against amongst others, the Company and JF Apex seeking amongst others a declaration that the Head of Agreement and the Business Merger Agreement ("BMA") related to the Proposed Merger\*, as illegal and/or unlawful and/or null and void.

On 7 August 2019, the High Court dismissed OS 56. Concrete Parade subsequently appealed to the Court of Appeal against the dismissal of OS 56 vide Appeal 1551.

On 20 November 2019, Concrete Parade obtained an order from the Court of Appeal to stay the proceedings in OS 345 as disclosed in Note (C) below, pending the disposal of Appeal 1551. The hearing of Appeal 1551 finally concluded on 18 February 2021.

On 16 April 2021, the Company announced that Mercury Securities Sdn Bhd ("Mercury") had vide its letter dated 15 April 2021 informed the Company that it was not seeking a further extension of the Conditions Fulfilment Period for the BMA which had been mutually extended for 10 times for a period of more than 2 years. As a result, the BMA had lapsed, and the Proposed Merger has been discontinued.

In light that the BMA had lapsed, the Company had through its solicitors informed Court of Appeal of this development.

On 18 August 2021, the Court of Appeal allowed Appeal 1551 with costs.

*\* Proposed Merger -  
Proposed merger of businesses of the Company and Mercury for a consideration of RM140m*

**(C) Court of Appeal Civil Appeal No. W-02(IM)/(NCC)-1089-05/2021 ("**Appeal 1089**")**

On 30 April 2021, Pinerains's application for assessment of damages pertaining to Kuala Lumpur High Court Originating Summons No. WA-24NCC-345-06/2019 ("OS345") was allowed with nominal damages of RM5,000. No cost was awarded to Pinerains. Pinerains had on 25 May 2021 filed an appeal via Court of Appeal No. W-02(IM)/(NCC)-1089-05/2021 ("**Appeal 1089**") against the decision of the High Court.

Appeal 1089 was fixed for hearing on 5 January 2022.

The Court of Appeal had on 5 January 2022 allowed the Appeal 1089 and awarded a sum of RM300,000.00 as damages to Pinerains. There was no order as to costs.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

**24. Profit before tax is arrived at after (charging)/crediting:**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Comparative Quarter	Current Year To Date	Preceding Year Comparative Period
	31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020
	RM'000	RM'000	RM'000	RM'000
- Interest expenses	(19)	(16)	(71)	(91)
- Depreciation	(210)	(174)	(782)	(745)
- Dividend income	*	-	197	196
- Change in fair value of marketable securities	(60)	-	37	-
- Gain/(loss) on marketable securities	(86)	1	810	16
- Gain on disposal of land	-	-	4,422	792
- Interest income	3,641	3,276	13,413	12,377
- (Provision)/Write-back of impairment loss for receivables	(447)	13	1,359	97
- Foreign exchange gain/(loss)	8	8	15	21

\* less than RM1,000

**25. Earnings per Share**

The basic earnings per share have been calculated based on the following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Comparative Quarter	Current Year To Date	Preceding Year Comparative Period
	31-Dec-2021	31-Dec-2020	31-Dec-2021	31-Dec-2020
Net profit/(loss) attributable to equity holders of the parent (RM'000)	2,354	4,436	21,476	17,213
No of ordinary shares in issued ('000)	213,563	213,563	213,563	213,563
Less: treasury shares ('000)	(10,923)	(10,923)	(10,923)	(10,923)
Adjusted number of ordinary shares ('000)	202,640	202,640	202,640	202,640
Basic earnings per share (Sen)	1.16	2.19	10.60	8.49

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

26. **Dividends**

The Board has declared a fourth interim single-tier dividend of 1.0 sen per ordinary share amounting to RM2,026,402 and a special interim single-tier dividend of 9.0 sen per ordinary share amounting to RM18,237,619 in respect of the financial year ended 31 December 2021.