



RGB International Bhd. [200301001411 (603831-K)]

(Incorporated in Malaysia)

Interim Unaudited Financial Statements
30 June 2022



CONTENTS

	PAGE
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	1
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3 - 4
CONSOLIDATED STATEMENT OF CASH FLOWS	5 – 6
EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134	7 – 10
EXPLANATORY NOTES PURSUANT TO APPENDIX 9B (RULE 9.22(2)) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)	11 – 17



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	Note	3 MONTHS ENDED			6 MONTHS ENDED		
		30 JUN	30 JUN	%	30 JUN	30 JUN	%
		2022	2021		2022	2021	
		RM'000	RM'000	+ / (-)	RM'000	RM'000	+ / (-)
Revenue	9	50,328	55,471	-9%	82,369	89,642	-8%
Cost of sales		(43,508)	(48,437)	-10%	(72,676)	(80,939)	-10%
- Depreciation		(11,907)	(11,993)	-1%	(23,809)	(23,965)	-1%
- Others		(31,601)	(36,444)	-13%	(48,867)	(56,974)	-14%
Gross profit		6,820	7,034	-3%	9,693	8,703	11%
Other income		619	548	13%	1,132	1,060	7%
Administrative expenses		(5,485)	(5,007)	10%	(10,688)	(10,091)	6%
- Depreciation		(908)	(889)	2%	(1,791)	(1,782)	1%
- Others		(4,577)	(4,118)	11%	(8,897)	(8,309)	7%
Selling and marketing expenses		(520)	(431)	21%	(998)	(804)	24%
Other expenses, net		(3,498)	(679)	415%	(4,077)	(1,492)	173%
Operating (loss)/profit		(2,064)	1,465	-241%	(4,938)	(2,624)	88%
Finance costs		(182)	(267)	-32%	(368)	(609)	-40%
(Loss)/Profit before tax		(2,246)	1,198	-287%	(5,306)	(3,233)	64%
Taxation	20	(420)	(606)	31%	(653)	(959)	32%
(Loss)/Profit for the financial period		(2,666)	592	-550%	(5,959)	(4,192)	42%
Other comprehensive income, net of tax:							
Item that may be reclassified subsequently to profit or loss							
- Foreign currency translations, representing other comprehensive income for the financial period		10,028	133	7440%	11,471	6,526	76%
Total comprehensive income for the financial period		7,362	725	915%	5,512	2,334	136%
(Loss)/Profit attributable to:							
Owners of the Company		(2,656)	601	-542%	(5,967)	(4,181)	43%
Non-controlling interests		(10)	(9)	11%	8	(11)	173%
		(2,666)	592	-550%	(5,959)	(4,192)	42%
Total comprehensive income/(loss) attributable to:							
Owners of the Company		6,362	734	767%	4,340	1,695	156%
Non-controlling interests		1,000	(9)	11211%	1,172	639	83%
		7,362	725	915%	5,512	2,334	136%
(Loss)/Earnings per ordinary share attributable to owners of the Company (sen):							
Basic	26	(0.17)	0.04	-530%	(0.39)	(0.27)	44%
Diluted	26	(0.17)	0.04	-530%	(0.39)	(0.27)	44%

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	Note	AS AT 30 JUN 2022 RM'000	AS AT 31 DEC 2021 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	10	95,756	113,836
Investment property		36,424	33,061
Investments in associates		176	167
Right-of-use assets		3,173	5,019
Intangible assets		1,971	1,914
Trade receivables		61,371	62,015
Other receivables		551	2,848
Due from associates		3,087	2,900
		<u>202,509</u>	<u>221,760</u>
Current assets			
Inventories		6,340	3,652
Trade receivables		71,957	106,727
Other receivables		21,815	12,992
Lease receivables		2,322	4,477
Tax recoverable		219	-
Deposits with licensed banks		5,427	5,431
Cash and bank balances		44,896	27,300
		<u>152,976</u>	<u>160,579</u>
TOTAL ASSETS		<u>355,485</u>	<u>382,339</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		158,485	158,485
Treasury shares		(842)	(842)
Foreign currency translation reserve		29,961	19,654
Retained earnings		39,109	45,076
		<u>226,713</u>	<u>222,373</u>
Non-controlling interests		22,269	21,098
Total equity		<u>248,982</u>	<u>243,471</u>
Non-current liabilities			
Lease liabilities		1,146	1,196
Trade payables		8,477	8,034
Deferred tax liabilities		122	122
		<u>9,745</u>	<u>9,352</u>
Current liabilities			
Borrowings	22	12,624	13,596
Lease liabilities		869	823
Trade payables		44,956	83,281
Other payables		22,124	23,680
Contract liabilities		16,091	7,488
Due to associates		94	89
Current tax liabilities		-	559
		<u>96,758</u>	<u>129,516</u>
Total liabilities		<u>106,503</u>	<u>138,868</u>
TOTAL EQUITY AND LIABILITIES		<u>355,485</u>	<u>382,339</u>
Net assets per share (sen)		<u>15</u>	<u>14</u>



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

|----- Attributable to owners of the Company -----|

	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 January 2022	158,485	(842)	19,654	45,076	222,373	21,098	243,471
Loss for the financial period	-	-	-	(5,967)	(5,967)	8	(5,959)
Foreign currency translations	-	-	10,307	-	10,307	1,163	11,470
Total comprehensive income/(loss) for the financial period	-	-	10,307	(5,967)	4,340	1,171	5,511
At 30 June 2022	158,485	(842)	29,961	39,109	226,713	22,269	248,982



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

|----- Attributable to owners of the Company -----|

	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 January 2021	158,485	(842)	12,811	55,371	225,825	20,465	246,290
Loss for the financial period	-	-	-	(4,181)	(4,181)	(11)	(4,192)
Foreign currency translations	-	-	5,876	-	5,876	650	6,526
Total comprehensive income/(loss) for the financial period	-	-	5,876	(4,181)	1,695	639	2,334
At 30 June 2021	158,485	(842)	18,687	51,190	227,520	21,104	248,624



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	6 MONTHS ENDED	
	30 JUN 2022 RM'000	30 JUN 2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(5,306)	(3,233)
Adjustments for:		
Interest income	(217)	(230)
Interest expense	1,563	510
Depreciation of investment property	483	439
Depreciation of property, plant and equipment	24,592	24,763
Depreciation of right-of-use assets	525	545
Impairment losses on:		
- trade receivables	218	231
Impairment losses written back on:		
- trade receivables	(179)	-
- other receivables	(689)	-
Inventories written down	345	181
Unrealised forex loss	3,410	1,421
Written off on property, plant and equipment	-	1
Operating profit before changes in working capital	24,745	24,628
Changes in working capital:		
Receivables, amount due from associates and inventories	25,143	(8,119)
Payables, contract liabilities and amount due to associates	(31,732)	243
Cash generated from operations	18,156	16,752
Interest paid	(220)	(444)
Taxes paid	(1,458)	(548)
Tax refunded	26	-
Net cash from operating activities	16,504	15,760
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,456)	(268)
Changes in deposits pledged to licensed banks	4	(250)
Interest received	217	230
Net cash used in investing activities	(1,235)	(288)



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONTINUED)**

	6 MONTHS ENDED	
	30 JUN 2022 RM'000	30 JUN 2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayments of)/proceeds from onshore foreign currency loan	(2,801)	4,982
Net repayments of term loans	(867)	(2,547)
Net proceeds from/(repayments of) revolving credits	2,695	(6,422)
Payments of lease liabilities	(625)	(529)
Net cash used in financing activities	(1,598)	(4,516)
NET INCREASE IN CASH AND CASH EQUIVALENTS	13,671	10,956
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	3,925	70
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	27,300	25,748
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	44,896	36,774
Cash and cash equivalents at the end of the financial period comprise of the followings:		
Cash and bank balances	44,896	36,774
Deposits with licensed banks	5,427	13,681
	50,323	50,455
Less: Deposits pledged to licensed banks	(5,427)	(13,681)
	44,896	36,774



PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Securities.

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

2. Changes in Accounting Policies

2.1 New MFRSs adopted during the financial period

The Group adopted the followings Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“MASB”) during the financial period:

Annual Improvements to MFRS Standards 2018–2020
Amendments to MFRS 3 Reference to the Conceptual Framework
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

2.2 New MFRSs that have been issued but not yet effective

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group:

Title	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17 Insurance Contracts – <i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements – <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements – <i>Disclosure of Accounting Policies</i>	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
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group does not expect the adoption of the above Standards to have a significant impact on the financial statements.



3. Significant Event

During the quarter under review, there were no events that have not been reflected in the financial statements.

4. Comments about Seasonal or Cyclical Factors

The overall business of the Group was not affected by any significant seasonal factors.

5. Unusual Items due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows during the current quarter that are unusual because of their nature, size and incidence.

6. Changes in Estimates

There were no changes in the nature and amount of estimates reported that will have a material effect in the current quarter.

7. Changes in Debts and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

8. Dividend Paid

No dividend has been recommended by the Directors for the financial year ended 31 December 2021.



9. Segmental Information

Segment information is presented in respect of the Group's business segments:

	3 MONTHS ENDED		6 MONTHS ENDED	
	30 JUN 2022 RM'000	30 JUN 2021 RM'000	30 JUN 2022 RM'000	30 JUN 2021 RM'000
Segment Revenue				
Sales and Marketing	28,239	38,169	42,992	55,207
Technical Support and Management	21,450	16,967	38,267	33,928
Engineering Services	546	118	637	226
Others (1)	165	289	617	425
	<u>50,400</u>	<u>55,543</u>	<u>82,513</u>	<u>89,786</u>
Eliminations	(72)	(72)	(144)	(144)
Revenue	<u>50,328</u>	<u>55,471</u>	<u>82,369</u>	<u>89,642</u>
EBITDA*				
Sales and Marketing	3,334	12,296	5,832	14,773
Technical Support and Management	11,257	3,462	19,720	11,310
Engineering Services	439	100	461	208
Others	(82)	146	(89)	213
Unallocated	(4,269)	(1,716)	(5,412)	(3,480)
Total	<u>10,679</u>	<u>14,288</u>	<u>20,512</u>	<u>23,024</u>
Profit/(Loss) before tax				
Sales and Marketing	3,131	12,169	5,461	14,554
Technical Support and Management	(1,127)	(9,016)	(5,060)	(13,746)
Engineering Services	439	100	461	207
Others	(359)	(214)	(634)	(512)
	<u>2,084</u>	<u>3,039</u>	<u>228</u>	<u>503</u>
Unallocated expenses	(4,330)	(1,841)	(5,534)	(3,736)
- Finance cost	(35)	(65)	(103)	(113)
- Interest income	28	30	88	58
- Legal and professional fee	(68)	(94)	(103)	(146)
- Realised foreign exchange loss	(521)	(74)	(675)	(72)
- Sundry income	131	46	164	48
- Unrealised foreign exchange loss (trade)	(1,982)	(124)	(2,262)	(571)
- Unrealised foreign exchange loss (non-trade)	(1,021)	(482)	(1,167)	(850)
- Other expenses	(862)	(1,078)	(1,476)	(2,090)
	<u>(2,246)</u>	<u>1,198</u>	<u>(5,306)</u>	<u>(3,233)</u>
(Loss)/Profit before tax	<u>(2,246)</u>	<u>1,198</u>	<u>(5,306)</u>	<u>(3,233)</u>

Note

(1) "Others" consist of leasing of Chateau building, manufacturing activities, research & development activities and inter-segment transaction.

* Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant & equipment, intangible assets and investments.



10. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment during the current quarter.

11. Subsequent Events

There were no material events subsequent to the end of the current quarter.

12. Changes in the Composition of the Group during the quarter

There were no material changes in the composition of the Group during the current quarter.

13. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and assets since the previous quarter.

14. Capital Commitments

The amount of capital commitments as at 30 June 2022 is as follows:

	AS AT 30 JUN 2022 RM'000
Capital expenditure	
Approved but not contracted for:	
Property, plant and equipment	<u>5,600</u>

15. Significant Related Party Transactions

There were no significant related party transactions during the current quarter except for:

	01.04.2022 to 30.6.2022 RM'000	01.01.2022 to 30.6.2022 RM'000
Sales of products/maintenance charges/technical service/rental charged to:		
- Channel Paradise Sdn. Bhd.	221	346
Technical support and management fee from:		
- Timor Holding, S.A.	1,476	3,737
Purchase of products from:		
- Channel Paradise Sdn. Bhd.	198	257
- Channel Paradise Pte. Ltd.	113	251

Related parties are corporations in which certain Directors of the Company and subsidiaries have substantial interest.

The related party transactions described above were undertaken on mutually agreed and negotiated terms.



B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B (RULE 9.22(2)) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)

16. Performance Review

	3 MONTHS ENDED			6 MONTHS ENDED		
	30 JUN 2022	30 JUN 2021	%	30 JUN 2022	30 JUN 2021	%
	RM'000	RM'000	+ /(-)	RM'000	RM'000	+ /(-)
Revenue						
Sales and Marketing	28,239	38,169	-26%	42,992	55,207	-22%
Technical Support and Management	21,450	16,967	+26%	38,267	33,928	+13%
Engineering Services	546	118	+363%	637	226	+182%
Others (1)	93	217	-57%	473	281	+68%
Total	50,328	55,471	-9%	82,369	89,642	-8%
Profit/(Loss) before tax						
Sales and Marketing	3,131	12,169	-74%	5,461	14,554	-62%
Technical Support and Management	(1,127)	(9,016)	-88%	(5,060)	(13,746)	-63%
Engineering Services	439	100	+339%	461	207	+123%
Others	(359)	(214)	+68%	(634)	(512)	+24%
	2,084	3,039	-31%	228	503	-55%
Unallocated expenses	(4,330)	(1,841)	+135%	(5,534)	(3,736)	+48%
- Finance cost	(35)	(65)	-46%	(103)	(113)	-9%
- Interest income	28	30	-7%	88	58	+52%
- Legal and professional fee	(68)	(94)	-28%	(103)	(146)	-29%
- Realised foreign exchange loss	(521)	(74)	+604%	(675)	(72)	+838%
- Sundry income	131	46	+185%	164	48	+242%
- Unrealised foreign exchange loss (trade)	(1,982)	(124)	+1498%	(2,262)	(571)	+296%
- Unrealised foreign exchange loss (non-trade)	(1,021)	(482)	+112%	(1,167)	(850)	+37%
- Other expenses	(862)	(1,078)	-20%	(1,476)	(2,090)	-29%
(Loss)/Profit before tax	(2,246)	1,198	-287%	(5,306)	(3,233)	+64%

Note

(1) “Others” consist of leasing of Chateau building, manufacturing activities, research & development activities and inter-segment transaction.

* Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant & equipment, intangible assets and investments.



16. Performance Review (Continued)

(i) Comparison with previous year's corresponding quarter

The revenue and profit before tax for Sales and Marketing ("SSM") division decreased by 26% and 74% respectively for the quarter ended 30 June 2022 as compared to previous year's corresponding quarter mainly due to decrease in number of products sold and variation in product mix.

The revenue for Technical Support and Management ("TSM") division increased by 26% for the quarter ended 30 June 2022 as compared to previous year's corresponding quarter mainly due to better revenue from the Philippines and resumption of some TSM outlets in Cambodia after reopening of borders. Consequently, the loss before tax for the quarter has reduced by 88%.

The significant increase in unallocated expenses is mainly due to unrealised foreign exchange losses of around RM 3 million during the quarter. The US Dollars ("USD") has strengthened by approximately 5.8% and 5.5%, respectively, against Thailand Baht ("THB") and Philippine Peso ("PHP") during the quarter. This has resulted in unrealised foreign exchange losses in the Group's subsidiaries with USD as presentation currency where some of their trade receivables and other monetary items are denominated in THB and PHP.

(ii) Comparison with previous year's corresponding period

The revenue and profit before tax for SSM division decreased by 22% and 62% respectively for the six months period ended 30 June 2022 as compared to previous year's corresponding period mainly due to decrease in number of products sold and variation in product mix.

The revenue for TSM division increased by 13% for the six months period ended 30 June 2022 as compared to previous year's corresponding period mainly due to better revenue from the Philippines and resumption of some TSM outlets in Cambodia after reopening of borders. Consequently, the loss before tax for the period has reduced by 63%.



17. Comparison with Previous Quarter's Results

	3 MONTHS ENDED		%
	30 JUN	31 MAR	
	2022	2022	
	RM'000	RM'000	+ / (-)
Revenue			
Sales and Marketing	28,239	14,753	+91%
Technical Support and Management	21,450	16,817	+28%
Engineering Services	546	91	+500%
Others (1)	93	380	-76%
Revenue	50,328	32,041	+57%
Profit/(Loss) before tax			
Sales and Marketing	3,131	2,330	+34%
Technical Support and Management	(1,127)	(3,933)	-71%
Engineering Services	439	22	+1895%
Others	(359)	(275)	+31%
	2,084	(1,856)	+212%
Unallocated expenses	(4,330)	(1,204)	+260%
- Finance cost	(35)	(68)	-49%
- Interest income	28	60	-53%
- Legal and professional fee	(68)	(35)	+94%
- Realised foreign exchange loss	(521)	(154)	+238%
- Sundry income	131	33	+297%
- Unrealised foreign exchange loss (trade)	(1,982)	(280)	+608%
- Unrealised foreign exchange loss (non-trade)	(1,021)	(146)	+599%
- Other expenses	(862)	(614)	+40%
Loss before tax	(2,246)	(3,060)	-27%

Note

(1) "Others" consist of revenue from leasing of Chateau building, manufacturing activities, research & development activities and inter-segment transaction.

* Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant & equipment, intangible assets and investments.

The SSM division recorded higher revenue and profit before tax in current quarter due to the increase in number of products sold and variation in product mix as compared to previous quarter.

The increase in revenue and the decrease in loss before tax for TSM division is mainly due to the better performance in most of the outlets during the quarter.

The increase in revenue and profit before tax for Engineering division is mainly due to resumption of preventive maintenance service with our customers during the quarter.

The increase in unallocated expenses in current quarter is mainly due to the increase in unrealised foreign exchange losses (trade and non-trade).



18. Commentary on Prospects

The tourism and hospitality industries are expected to continue recovering, aided by gradual easing of cross-border travel restrictions especially in ASEAN countries. Barring unforeseen circumstances, the Group foresees a relatively stronger recovery in the gaming market than the previous year and therefore a better performance for year 2022.

The Group has also put in place stringent health and precautionary measures at all its properties to comply with the relevant standard operating procedures and to ensure the safety and well-being of its employees and visitors at all times.

19. Profit Forecast

The company did not announce any profit forecast for the financial year.

20. Taxation

	3 MONTHS ENDED		6 MONTHS ENDED	
	30 JUNE	30 JUNE	30 JUNE	30 JUNE
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Income Tax				
- Current period	420	605	653	958
- Underprovision in prior year	-	1	-	1
	<u>420</u>	<u>606</u>	<u>653</u>	<u>959</u>

Domestic income tax is calculated at the Malaysian statutory rate of 24% (2021: 24%) of the estimated assessable profit for the financial year. The effective tax rate of the Group for the financial year is lower than the statutory income tax rate mainly due to income subjected to different tax jurisdictions and income not subjected to tax, partially offset by expenses not deductible for tax purposes.

21. Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.



22. Borrowings

	AS AT 30 JUN 2022 RM'000	AS AT 31 DEC 2021 RM'000
Short Term Borrowings:		
<u>Secured</u>		
Trade facilities	-	2,801
Revolving credits	11,656	8,960
Term loans	968	1,835
Total borrowings	<u>12,624</u>	<u>13,596</u>

Borrowings denominated in foreign currency as at 30 June 2022:

	Foreign currency '000	RM equivalent '000
<u>Revolving credits</u>		
United States Dollar	2,648	11,656
<u>Term loans</u>		
United States Dollar	220	<u>968</u>
		<u>12,624</u>

23. Material Litigation

The Group does not have any material litigation, which in the opinion of the Directors, would have a material impact on the financial results of the Group.

24. Dividend

No dividend has been recommended by the Directors for the financial period ended 30 June 2022.

**25. Notes to the Statement of Profit or Loss and Other Comprehensive Income**

The profit/(loss) before taxation is after accounting for the following:

	3 MONTHS ENDED		6 MONTHS ENDED	
	30 JUN 2022 RM'000	30 JUN 2021 RM'000	30 JUN 2022 RM'000	30 JUN 2021 RM'000
Interest income	(77)	(121)	(217)	(230)
Rental income	(327)	(33)	(608)	(332)
Sundry income	(215)	(394)	(327)	(499)
Interest expenses	769	209	1,563	510
Depreciation of investment property	246	221	483	439
Depreciation of property, plant and equipment	12,307	12,391	24,592	24,763
Depreciation of right-of-use assets	261	270	525	545
Impairment losses on:				
- trade receivables	90	169	218	231
Impairment losses written back on:				
- trade receivables	(153)	-	(179)	-
- other receivables	(368)	-	(689)	-
Inventories written down	71	159	345	181
Realised foreign exchange loss	514	74	668	72
Unrealised foreign exchange loss	2,984	606	3,410	1,421
Written off on property, plant and equipment	-	-	-	1

26. (Loss)/Profit Per Ordinary Share**(a) Basic**

Basic (loss)/profit per ordinary share is calculated by dividing the (loss)/profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting treasury shares.

	3 MONTHS ENDED		6 MONTHS ENDED	
	30 JUN 2022	30 JUN 2021	30 JUN 2022	30 JUN 2021
(Loss)/Profit attributable to owners of the Company (RM'000)	<u>(2,656)</u>	<u>601</u>	<u>(5,967)</u>	<u>(4,181)</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,543,461</u>	<u>1,543,461</u>	<u>1,543,461</u>	<u>1,543,461</u>
Basic (loss)/earnings per ordinary share (sen)	<u>(0.17)</u>	<u>0.04</u>	<u>(0.39)</u>	<u>(0.27)</u>



26. (Loss)/Profit Per Ordinary Share (Continued)

(b) Diluted

Diluted (loss)/profit per ordinary share have not been presented as the Group did not have any outstanding share options as at 30 June 2022.

Diluted (loss)/profit per ordinary share for the quarter ended 30 June 2022 equal basic loss per ordinary share because there are no potentially dilutive instruments in existence as at 30 June 2022.

27. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not qualified.

28. Authorisation for Issue

On 29 August 2022, the Board of Directors authorised the issue of these interim financial statements.

By Order of the Board
RGB International Bhd. [200301001411 (603831-K)]

Dato' Seri Chuah Kim Seah
Managing Director
29 August 2022