



GFM SERVICES BERHAD
[Registration No. 201301003302 (1033141-H)]
(Incorporated in Malaysia)

Year 2022
Quarterly Announcement
For the First Quarter Ended 31 March 2022

The Board of Directors of GFM Services Berhad ("GFM" or the "Company") ("Board") is pleased to announce the following unaudited consolidated results for the quarter and financial period ended ("FPE") 31 March 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	Individual quarter		Cumulative period	
		Current year	Preceding year	Current year	Preceding year
		quarter 31/03/2022 ⁽¹⁾	quarter 31/03/2021	to-date 31/03/2022 ⁽¹⁾	to-date 31/03/2021
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	28,804	32,051	28,804	32,051
Cost of sales		(17,779)	(21,240)	(17,779)	(21,240)
Gross profit		11,025	10,811	11,025	10,811
Other income		256	305	256	305
Administrative expenses		(1,574)	(1,666)	(1,574)	(1,666)
Other operating expenses		(2)	688	(2)	688
Profits from operations		9,705	10,138	9,705	10,138
Finance costs		(4,905)	(5,388)	(4,905)	(5,388)
Profit before tax	B12	4,800	4,750	4,800	4,750
Tax expense	B5	(2,152)	(2,214)	(2,152)	(2,214)
Profit/Total comprehensive income for the period		<u>2,648</u>	<u>2,536</u>	<u>2,648</u>	<u>2,536</u>
Profit for the period attributable to:					
Equity holders of the parent		<u>2,648</u>	<u>2,536</u>	<u>2,648</u>	<u>2,536</u>
		<u>2,648</u>	<u>2,536</u>	<u>2,648</u>	<u>2,536</u>
Total comprehensive income for the period attributable to:					
Equity holders of the parent		<u>2,648</u>	<u>2,536</u>	<u>2,648</u>	<u>2,536</u>
		<u>2,648</u>	<u>2,536</u>	<u>2,648</u>	<u>2,536</u>
Earnings per share (sen)					
- Basic ⁽²⁾		<u>0.48</u>	<u>0.49</u>	<u>0.48</u>	<u>0.49</u>
- Diluted ⁽³⁾		<u>0.48</u>	<u>0.49</u>	<u>0.48</u>	<u>0.49</u>
Dividends per share (sen)		<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.
- (2) Basic earnings per share for the individual quarter and financial year are calculated based on the Company's weighted average share capital during the financial quarter/year.
- (3) Diluted earnings per share of the Company for the individual quarter and financial year are calculated based on the profit for the financial quarter/year attributable to owners of the Company and its subsidiaries ("GFM Group" or "Group") and the weighted average number of ordinary shares outstanding during the financial quarter/year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

N/A Not applicable

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

	Unaudited as at 31/03/2022 ⁽¹⁾ RM'000	Audited as at 31/12/2021 RM'000
Note		
ASSETS		
Non-current assets		
Property, plant and equipment	12,743	13,052
Investment property	6,174	6,174
Intangible assets	22,898	23,202
Investment in associate	69	69
Operating financial assets	299,981	302,766
Other investments	17,185	16,685
Deferred tax assets	(44)	20
Total non-current assets	<u>359,006</u>	<u>361,968</u>
Current assets		
Tax assets	5,498	5,342
Trade receivables	15,102	16,044
Operating financial assets	32,206	32,308
Other receivables, deposits & prepayments	26,328	17,169
Cash and cash equivalents	80,099	79,286
Total current assets	<u>159,233</u>	<u>150,149</u>
Total assets	<u>518,239</u>	<u>512,117</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	82,539	82,537
Share premium		
Retained earnings	92,371	89,723
Share option reserve and share grant reserve	401	401
Fair value reserve	(2,415)	(2,415)
Reorganisation deficit	(45,265)	(45,265)
Total equity	<u>127,631</u>	<u>124,981</u>
Non-current liabilities		
Borrowings	B8 274,017	278,617
Deferred tax liabilities	45,355	45,005
Total non-current liabilities	<u>319,372</u>	<u>323,622</u>
Current liabilities		
Borrowings	B8 28,211	31,144
Tax payable	132	126
Trade payables	7,622	7,226
Other payables and accruals	35,271	25,018
Total current liabilities	<u>71,236</u>	<u>63,514</u>
Total liabilities	<u>390,608</u>	<u>387,136</u>
Total equity and liabilities	<u>518,239</u>	<u>512,117</u>
Net assets per share attributable to equity holders of the Company (RM)	0.23	0.24

(1) The Unaudited Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the FYE 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL PERIOD ENDED 31 MARCH 2022

	----- Attributable to owners of the Company -----						
	Share capital RM'000	Fair value reserve of financial assets at FVOCI ⁽²⁾ RM'000	Share option reserve RM'000	Share grant reserve RM'000	Reorganisation deficit RM'000	Retained earnings RM'000	Total equity RM'000
Balance as of 1 January 2022	82,537	(2,415)	370	31	(45,265)	89,723	124,981
Comprehensive income							
Profit for the financial period	-	-	-	-	-	2,648	2,648
Transactions with owners							
Issue of ordinary shares							
-Pursuant to conversion of warrants	2	-	-	-	-	-	2
Balance as of 31 March 2022	<u>82,539</u>	<u>(2,415)</u>	<u>370</u>	<u>31</u>	<u>(45,265)</u>	<u>92,371</u>	<u>127,631</u>
Balance as of 1 January 2021	76,023	-	434	92	(45,265)	83,196	114,480
Comprehensive income							
Profit for the financial period	-	-	-	-	-	2,536	2,536
Balance as of 31 March 2021	<u>76,023</u>	<u>-</u>	<u>434</u>	<u>92</u>	<u>(45,265)</u>	<u>85,732</u>	<u>117,016</u>

Notes:

(1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

* Denotes < RM1,000

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	Year-to-date ended	
	31/03/2022	31/03/2021
	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit before tax	4,800	4,750
Adjustment for:		
Amortisation of intangible assets	304	304
(Reversal)/Impairment loss on trade receivables	112	(580)
Depreciation of property, plant and equipment	378	386
Gain on disposal of property, plant and equipment	-	(70)
Interest expense	4,906	5,388
Interest income	(245)	(227)
Interest income on operating financial asset	<u>(8,673)</u>	<u>(8,925)</u>
	1,582	1,026
Movements in working capital:		
Increase in:		
Trade and other receivables	(8,329)	(3,014)
Increase in:		
Trade and other payables	10,650	3,113
Decrease in:		
Operating financial assets	<u>11,561</u>	<u>11,544</u>
Cash Generated From Operations	15,464	12,669
Income tax paid	(1,888)	(2,178)
Interest paid	(4,906)	(5,388)
Interest received	<u>245</u>	<u>227</u>
Net Cash From Operating Activities	<u>8,915</u>	<u>5,330</u>
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		
Redeemable Convertible Preference Shares (RCPS)	(500)	-
Change of escrow account, finance service reserve account, liquidity reserve account, revenue account and disbursement account	(1,775)	1,095
Change in pledge deposits	(738)	(317)
Purchase of property, plant and equipment	(70)	(53)
Proceeds from disposal of property, plant and equipment	<u>-</u>	<u>19</u>
Net Cash (Used in)/From Investing Activities	<u>(3,083)</u>	<u>744</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Proceeds from issuance of shares	2	-
Repayment of finance lease payables	(511)	(115)
Repayment of term loans	(7,636)	(5,960)
Drawdown of Revolving Credit	<u>2,000</u>	<u>2,000</u>
Net Cash Used In Financing Activities	<u>(6,145)</u>	<u>(4,075)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(315)	1,999
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>33,138</u>	<u>26,680</u>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>32,823</u>	<u>28,679</u>
Cash and cash equivalents comprise:		
Cash and bank balances	32,182	26,971
Fixed deposits with a licensed bank	<u>47,917</u>	<u>46,507</u>
	80,099	73,478
Less: Bank overdraft	(600)	(1,592)
Deposits pledged as securities	(9,132)	(6,926)
Escrow account, finance service reserve account, liquidity reserve account, revenue account and disbursement account	<u>(37,544)</u>	<u>(36,281)</u>
	<u>32,823</u>	<u>28,679</u>

Notes:

(1) The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the FYE 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

* Denotes < RM1,000

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2022

A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (MFRS) 134: INTERIM FINANCIAL REPORTING AND THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")("LISTING REQUIREMENTS")

A1 Basis of preparation

This condensed consolidated interim financial report is unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34 Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements.

This is the interim financial report on the condensed consolidated results for the quarter ended 31 March 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

The accounting policies and methods of computation adopted by the Group in this unaudited condensed consolidated interim financial report are consistent with those adopted in the annual financial statements of the Group. This unaudited condensed consolidated interim financial report should be read in conjunction with the audited financial statements for the FYE 31 December 2021 and the accompanying explanatory notes attached to the interim financial report.

The accompanying explanatory notes attached to this unaudited condensed consolidated interim financial report provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of GFM Group since FYE 31 December 2021.

A2 Changes in Accounting Policies

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Company has also considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are effective and adopted during the financial year

Amendment to MFRS 4	Insurance Contracts - Extension of the Temporary Exemption from applying MFRS 9
Amendments to MFRS 4, MFRS 9 and MFRS 7 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
Amendments to MFRS 16	Covid-19 - Related Rent Concessions

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Company.

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Company has not adopted the following new accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Company:-

Effective for financial periods beginning on or after 1 April 2021

Amendments to MFRS 16	Covid-19 - Related Rent Concessions beyond 30 June 2021
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Effective for financial periods beginning on or after 1 January 2022

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
Annual Improvements to MFRSs 2018 - 2020	

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 -Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a single transaction

Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to the financial statements of the Company upon their initial applications.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 31 December 2021 were not subject to any qualification.

A4 Seasonal or Cyclical Factors

The Group's business operations are not materially affected by seasonal or cyclical factors during the current financial quarter and financial period under review.

A5 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 unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter and current financial period under review.

A6 Changes in Estimates

There were no changes in estimates that have had a material effect during the current financial quarter and current financial period under review.

A7 Changes in Debt and Equity Securities

Save for allotments and issuance of 25,000,000 new ordinary shares in the Company at the issue price of RM0.1881, there were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the financial quarter and current financial period under review.

A8 Dividends Paid

There was no dividend paid during the current financial quarter and current financial period under review

A9 Segmental Information
Current year to date 31 March 2022

	Facilities Management Services RM'000	Concession arrangements RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue					
External revenue	18,896	10,972	183	(1,247)	28,804
Inter-segment revenue	1,173	-	3,155	(4,328)	-
	<u>20,069</u>	<u>10,972</u>	<u>3,338</u>	<u>(5,575)</u>	<u>28,804</u>
Profits from operations					
External profit /(loss)	74	9,423	-	208	9,705
Inter-segment profit	1,547	-	3,477	(5,024)	-
	<u>1,622</u>	<u>9,423</u>	<u>3,477</u>	<u>(4,817)</u>	<u>9,705</u>

A10 Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current financial quarter and current financial period under review.

A11 Material Events Subsequent to the end of the current quarter

There were no material events subsequent to the current quarter ended.

A12 Changes in the Composition of the Group

There were no material events subsequent to the current quarter ended.

A13 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the date of this interim financial report.

A14 Capital Commitments

There were no capital commitments during the current financial quarter and current financial period under review.

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B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS
B1 Review of Performance

For the three months period ended 31 March 2022 ("1Q 2022"), Group revenue amounted to RM28.8 million, as compared to RM32.1 million in the previous year's corresponding quarter ("1Q 2021"). The softer performance was following the completion of several of the Group's facilities management projects, as well as lower variation orders received during the quarter.

The Group's Facilities Management Services segment remained as the major revenue contributor with RM18.89 million in 1Q 2022, making up 66% of the Group's revenue, while the Concession Arrangements business contributed the remaining 34% worth RM9.73 million after consolidation adjustment.

GFM's gross profit margin expanded to 38.3% in 1Q 2022, against 33.7% a year ago, on the back of lower project costs.

Meanwhile, the Group's profit before tax ("PBT") remained comparable at RM4.8 million in 1Q 2022 from RM4.44 million in 1Q 2021. GFM's profit attributable to equity holders of the parent ("net profit") grew 4% year-on-year ("YoY") to RM2.6 million in 1Q 2022.

B2 Comparison with preceding quarter's results

	Current year quarter 31/03/2022 RM'000	Preceding quarter 31/12/2021 RM'000	Variance RM'000	%
Revenue	28,804	33,672	(4,868)	-14%
Profit before tax	4,800	4,401	399	9%

For the current quarter ended 31 March 2022 ("1Q 2022"), Group revenue stood at RM28.8 million, against RM33.7 million in the immediate preceding quarter ended 31 December 2021 ("4Q 2021"). mainly due to reduced variation orders recorded and lesser scope of work for a client.

However, the Group's profit before tax ("PBT") increased to RM4.8 million in 1Q 2022 from RM4.6 million in 4Q 2021 with lower finance costs expended during the quarter. In tandem, GFM's net profit grew to RM2.6 million in 1Q 2022 from RM2.4 million in the preceding quarter.

B3 Prospects

The high vaccination rate in Malaysia paves the way for further recovery in economic and social activities with the re-opening of the economy. Nonetheless, we are mindful that the Covid-19 pandemic continues to pose a risk to the economic recovery. Against this backdrop, GFM is focusing on strengthening its competitive position in the facilities management ("FM") industry by enhancing its competencies and project pipeline, while implementing cost optimisation initiatives.

For our FM business, we continue to serve our existing clients by providing a safe and sustainable working space. At the same time, the Group endeavours to expand our orderbook, which stands at RM1.07 billion as at 31 March 2022, by pursuing new tenders from the private and public sectors.

As for our Concession Arrangements segment, we continue to serve our mandate and perform FM service at the UiTM Mukah campus until 2035., which will provide us long-term earnings visibility with stable recurring income until the end of the concession tenure in 2035.

To enhance our growth, the Group is exploring value-accretive prospects that complement our business. As the Group aims to further grow its portfolio of concession assets and recurring income streams, GFM has, on 17 January 2022, entered into a Heads of Agreement ("Agreement") with Main Market-listed property developer, Majuparak Holdings Berhad's ("Majuparak") wholly-owned subsidiary, Jua Juara Sdn. Bhd. ("Jua Juara") with the intention to form a proposed joint venture ("JV") to develop, operate and maintain the RSA at Hulu Bernam, Perak, situated along the PLUS Malaysia Berhad ("PLUS") North-South Expressway ("NSE").

Leveraging on our expertise in the industry, we believe the addition of concessions assets into our portfolio will yield positive value for our shareholders due to expansion of recurring income stream while growing our orderbook in our FM business as we become the facility manager of the premises upon completion of construction.

Moreover, we strive to enhance the Group's offerings and service delivery with the development and adoption of more innovative technology-based solutions in order to remain competitive in this facilities management industry and address the evolving needs of clients. This includes the ongoing roll-out of our GFM Enterprise Management Systems ("GEMS") at our project sites to deploy Internet of Things ("IoT") solutions. Additionally, GFM is working on improving its business processes with the on-going vendor rationalisation programme.

Beyond organic growth, we aim to team up with strategic parties that have the relevant capabilities and resources which are synergistic to us. This will enable GFM to scale up our operations and strengthen our core business by expanding the project pipeline and asset categories we manage.

Looking ahead, the Group remains steadfast in implementing our ongoing initiatives as we focus on enhancing our capabilities while executing and solidifying our portfolio.

B4 Variance between Actual Profit and Forecast Profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

B5 Taxation

	Individual quarter		Cumulative period	
	Current year quarter 31/03/2022 RM'000	Preceding year quarter 31/03/2021 RM'000	Current year to-date 31/03/2022 RM'000	Preceding year to-date 31/03/2021 RM'000
Income tax				
Current period	1,548	1,796	1,548	1,796
Prior period	-	-	-	-
	<u>1,548</u>	<u>1,796</u>	<u>1,548</u>	<u>1,796</u>
Deferred tax				
Current period	604	418	604	418
Prior period	-	-	-	-
	<u>2,152</u>	<u>2,214</u>	<u>2,152</u>	<u>2,214</u>
	Individual Current year quarter 31/03/2022 RM'000			
Profit before tax	4,800			
Adjusted profit before tax ¹	7,655			
Taxation	2,152			
Adjusted effective tax rate ("ETR")	28%			

¹ In the computation of Group ETR, it is excluded the exempted company taxation effects of Dynasty Harmony Sdn Bhd ("DHSB"), a wholly-owned special purpose vehicle of GFM Group, to undertake the initial issuance of Sukuk Wakalah amounting to RM165 million in nominal value, being established solely for the issuance of Islamic Securities that adopt the principles of Syariah and approved by Securities Commission.

The Group's ETR for the financial year-to-date is higher than the statutory tax rate of 24% mainly due to certain expenses disallowed for tax purposes.

B6 Unquoted investments and properties

There were no purchases or sales of unquoted investment or properties for the current financial quarter and current financial period under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current financial quarter and the financial period to date.

B8 Borrowings and Debt Securities

The Group's total debts as at 31 March 2022 which are denominated in Ringgit Malaysia are as follows:

	Unaudited as at 31/03/2022 RM'000	Audited as at 31/12/2021 RM'000
Short-term indebtedness:		
Secured and guaranteed Borrowings	28,211	31,144
Long-term indebtedness:		
Secured and guaranteed Borrowings	<u>274,017</u>	<u>278,617</u>
Total indebtedness	<u><u>302,228</u></u>	<u><u>309,761</u></u>

B9 Material Litigation

There were no material litigations pending as at 26 May 2022

B10 Dividend

No dividend has been declared or proposed for the current financial quarter under review.

B11 Earnings Per Share ("EPS")

	Individual quarter		Cumulative period	
	Current year quarter 31/03/2022 RM'000	Preceding year quarter 31/03/2021 RM'000	Current year to-date 31/03/2022 RM'000	Preceding year to-date 31/03/2021 RM'000
BASIC EPS				
Profit for the period (RM'000)	2,648	2,536	2,648	2,536
Weighted average number of ordinary shares in issue ('000)	550,383	520,881	550,383	520,881
Basic EPS (Sen)	0.48	0.49	0.48	0.49
DILUTED EPS				
Profit for the period (RM'000)	2,648	2,536	2,648	2,536
Weighted average number of ordinary shares in issue ('000)	550,383	520,881	550,383	520,881
Effect of dilution from:				
- Share options	-	-	-	-
- Share grants	293	800	293	800
Conversion of share grants	-	-	-	-
Weighted average number of ordinary shares for basic earning per share (unit)	<u><u>550,676</u></u>	<u><u>521,681</u></u>	<u><u>550,676</u></u>	<u><u>521,681</u></u>
Diluted EPS (Sen)	0.48	0.49	0.48	0.49

* Share options and bonus warrants have no dilutive effect as the average market price of the ordinary shares was lower than the exercise price of the share options and bonus warrants. Therefore, they are excluded from the calculation.

B12 Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit before tax has been arrived at after crediting/(charging):

	Individual quarter		Cumulative quarter	
	Current year quarter 31/03/2022 RM'000	Preceding year quarter 31/03/2021 RM'000	Current year to-date 31/03/2022 RM'000	Preceding year to-date 31/03/2021 RM'000
Interest income	245	227	245	227
Other income:				
Miscellaneous	11	78	11	78
Interest expense	(4,906)	(5,388)	(4,906)	(5,388)
Depreciation of property, plant and equipment	(377)	(386)	(377)	(386)
Amortisation of intangible assets	(304)	(304)	(304)	(304)
Reversal/(Impairment) loss on:				
- Trade receivables	(112)	580	(112)	580
Employee benefits expense	(5,719)	(6,205)	(5,719)	(6,205)
Rental of premises	(39)	(47)	(39)	(47)
Rental of office equipment	(21)	(26)	(21)	(26)

B13 Status of corporate proposals

Save as disclosed below, there are no other corporate proposal announced but not completed as at the date of this interim report.

Proposed Transfer of Listing

On 5 July 2017, KAF Investment Bank Berhad, on behalf of the Board, announced that the Company had proposed transfer of the listing of and quotation for the entire issued share capital of GFM from the ACE Market of Bursa Malaysia Securities Berhad to the Main Market of Bursa Malaysia Securities Berhad ("Proposed Transfer of Listing").

**(I) Proposed Subscription of HSSB Shares; and
(II) Proposed Subscription of HSSB RCPS; and
(III) Proposed Call Option Subscription.**

KAF Investment Bank Berhad had, on 17 December 2019, on behalf of the Board, announced that the Company had entered into the Definitive Agreements with Highbase Strategic Sdn Bhd ("HSSB") and/or the vendors of HSSB pursuant to the Proposals as defined below:

(I) Proposed Subscription of HSSB Shares; and

(II) Proposed Subscription of HSSB RCPS; and

(III) Proposed Call Option Subscription.

(the Proposed Subscription of HSSB Shares, the Proposed Subscription of HSSB RCPS and the Proposed Call Option Subscription are to be collectively referred to as "Proposals")

On 30 December 2019, KAF Investment Bank Berhad, on behalf of the Board, announced that the Company had, on 27 December 2019, entered into the supplemental agreements to amend the clauses of the Definitive Agreements.

On 31 December 2019, KAF Investment Bank Berhad, on behalf of the Board, announced for additional information in relation to the Proposals on 17 December 2019 and 30 December 2019.

KAF Investment Bank Berhad, on 10 January 2020, on behalf of the Company, had announced that the parties to the Definitive Agreements dated 17 December 2019, the Supplemental Memorandum of Agreement dated 27 December 2019 and the Supplemental HSSB RCPS Subscription Agreement dated 27 December 2019 ("Agreements") had agreed on a supplemental letter to amend the clauses of the Agreements ("Supplemental Letter").

On behalf of the Company, KAF IB had announced that the parties to the Memorandum of Agreement dated 17 December 2019 had, on 4 April 2020, agreed on a supplemental letter to further extend the last day to fulfil the conditions subsequent of the Memorandum of Agreement commencing from 5 April 2020 and ending on the 45th day after the Movement Control Order under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 is lifted by the Government of Malaysia ("Supplemental Letter 3").

On behalf of the Company, KAF IB had announced on 4 November 2020, that as of 2 November 2020, the Company had subscribed RM15.00 million HSSB RCPS, which is the minimum subscription amount of HSSB RCPS pursuant to the terms and conditions of the HSSB RCPS Subscription Agreement dated 17 December 2019. The Company has no intention to subscribe additional HSSB RCPS. As such, the Proposed Subscription of HSSB RCPS is deemed completed on 2 November 2020.

On behalf of the Company, KAF IB had announced that the Company had, on 21 July 2021, entered into a supplementary agreement to the HSSB RCPS Subscription Agreements with HSSB pursuant to the Proposed Subscription of Additional HSSB RCPS ("Second Supplementary HSSB RCPS Subscription Agreement")

On 29 April 2022, the Company had announced that the Company had fully subscribed RM5.00 million additional HSSB RCPS pursuant to the terms and conditions of the Second Supplementary HSSB RCPS Subscription Agreement dated 21 July 2021. As such, the Proposed Subscription of Additional HSSB RCPS is completed on 29 April 2022.

Proposed Joint Venture between GFM and Jua Juara Sdn Bhd

On 17 January 2022, the Board has announce that GFM had entered into a Heads of Agreement with Jua Juara Sdn. Bhd. ("JJSB"), a wholly-owned subsidiary of Majuperak Holdings Berhad relating to the proposed joint venture between GFM and JJSB to develop a land located at Lot 16287, PN 311206, Mukim Hulu Bernam Timur, District of Muallim, Perak Darul Ridzuan into a Rest and Service Area to be connected to the PLUS North-South Highway.

Proposed Private Placements of Up to 20% of the Total Number of Issued Shares

On behalf of the Board, on 12 May 2022, UOB Kay Hian Securities (M) Sdn Bhd had announced that the Company proposes to undertake a private placement of up to 20% of the total number of issued shares of GFM. The listing application in relation to the Proposed Private Placement has been submitted to Bursa Malaysia Securities Berhad on 20 May 2022.

B14 Status of utilisation of proceeds

i) Status of utilisation of proceeds from Private Placement

No.	Purpose	Proposed Utilisation		Actual Amount Raised RM'000	Actual Utilisation RM'000	Intended timeframe for utilisation from listing date (3 June 2021)	Balance of unutilised proceeds RM'000
		Base Scenario RM'000	Maximum Scenario RM'000				
1	New Investment	4,700	4,700	4,700	-	Within 24 months	4,700
2	Working Capital for New Project						
	i) AMZASS	1,000	1,000	1,000	291	Within 24 months	709
	ii) HSSB	5,000	5,000	5,000	4,600		400
3	Working Capital for Existing Project	3,000	3,000	206	-	Within 12 months	206
4	General working capital expenses	1,462	32,699	-	-	Within 12 months	-
5	Estimated expenses in relation to the Proposed Private Placement	412	1,091	266	266	Upon completion of the Proposed Private Placement	-
		15,574	47,490	11,172	5,157		6,015

¹ Proposed Utilisation as disclosed in the announcement made on 9 April 2021

B15 Derivatives

The Group did not enter into any derivatives during the current quarter under review.

B16 Disclosure of gain/losses from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss for the current quarter under review.

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